LAXMI ORGANIC INDUSTRIES LTD
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July 9, 2025

BSE Limited
Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building, P. J. Towers,
Dalal Street, Fort,
Mumbai – 400 001
Scrip Code: 543277

National Stock Exchange Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051
Trading Symbol: LXCHEM

Dear Sir / Madam,

Sub: Annual Report for the financial year 2024-25, including notice of 36th Annual General Meeting and BRSR

Please see the enclosed Annual Report of the Company for the financial year ended March 31, 2025, including the notice convening the 36th Annual General Meeting and Business Responsibility and Sustainability Report.

The annual report, including the notice, can also be accessed from the Company's website at https://www.laxmi.com/investors/annual-report

We request that you take the above on record.

Thanking you,

For **Laxmi Organic Industries Limited**

HIRPARA ANIKET B
Digitally signed by HIRPARA ANIKET B
Date: 2025.07.09 20:05:33 +05'30'

Aniket Hirpara
Company Secretary and Compliance Officer

Encl.: A/a

LAXMI ORGANIC INDUSTRIES LTD

Geared to Win.
Geared for Growth.

Annual Report 2024-25

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GEARED TO WIN. GEARED FOR GROWTH.

Every gear has a role.

Some deliver precision, ensuring every movement is exact.
Some provide the power necessary to drive progress forward.
Some spark transformation, igniting change that redefines possibilities.

But it's when they interlock: aligned, deliberate, and calibrated, that movement turns into momentum.

In a chemical industry marked by rising complexity and fierce competition, success requires more than just scale; it calls for precision, agility, and a clear sense of purpose. At Laxmi, we have built our business like a finely tuned machine, where every part, from innovation and execution to leadership and growth, moves seamlessly together.

Our growth has been intentional and measured. Rather than pursuing expansion for its own sake, we concentrated on optimising our operations to drive greater efficiency and output. By investing wisely in both talent and technology, we strengthened our competitive edge. Even in uncertain times, our focus stayed unflinching, and our direction remained clear.

For us, winning is a mindset that fuels ongoing momentum and resilience. That is why we are geared for growth, a growth that balances ambition with responsibility, powered by science and guided by purpose. As the Dahej facility comes to life and the Lote site continues to evolve, new sectors are unfolding before us. Together, these developments lay a foundation grounded in strategic vision and sustainable progress.

At Laxmi, moving forward is not enough.

We are shaping the future, steering it with confidence and clarity.

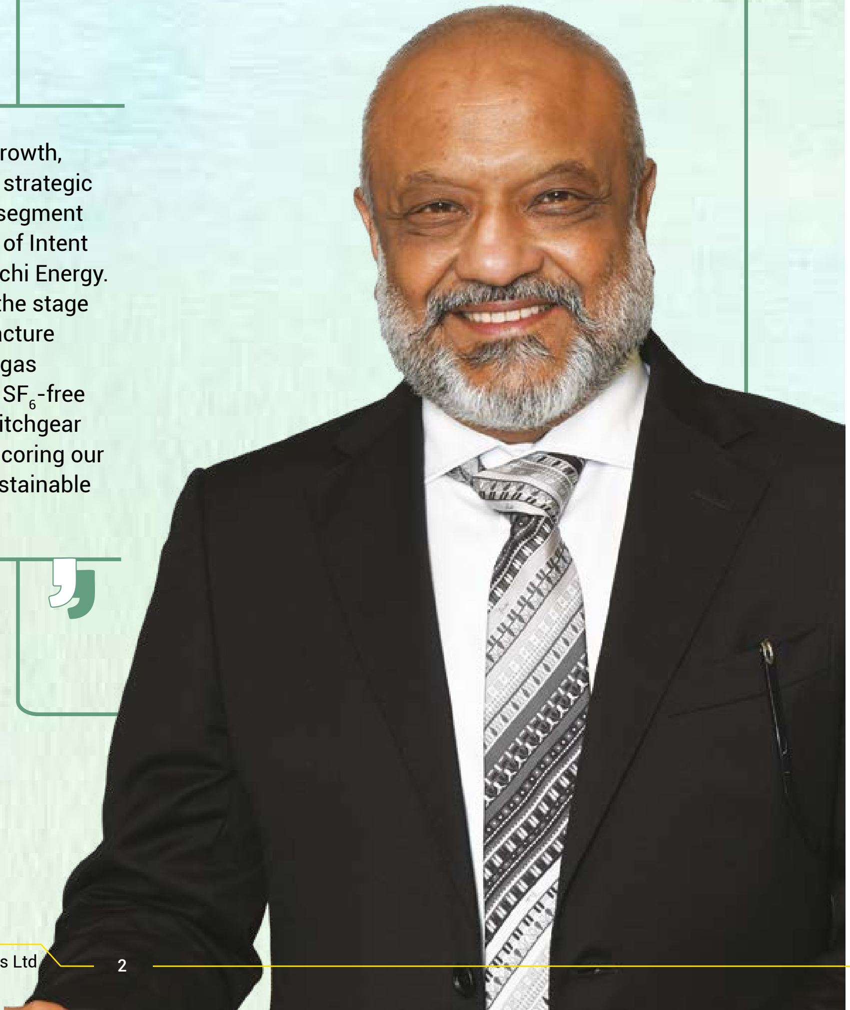
> Our growth has been intentional and measured. Rather than pursuing expansion for its own sake, we concentrated on optimising our operations to drive greater efficiency and output.
>
> **Dr Rajan Venkatesh**
> MD & CEO

Chairman's Message

FROM THE CHAIRMAN'S DESK

Advancing our growth, we have taken a strategic step into a new segment through a Letter of Intent signed with Hitachi Energy. This move sets the stage for us to manufacture an eco-efficient gas supporting their SF_6-free high-voltage switchgear portfolio, underscoring our dedication to sustainable progress.

Mr. Ravi Goenka
Executive Chairman



Dear Shareholders,

I am truly optimistic as I share the progress and purpose that continue to define Laxmi's journey. The year 2024-25 has been marked by transformation, steady advancement, and the ability to adapt to challenges. At the core of everything we do is a commitment to chemistry, powered by innovation and driven by a deep responsibility towards sustainability.

Geared to Win, Geared for Growth

In today's fast-changing and unpredictable world, planning for the future is no longer enough. What counts is how we act in the present, with patience to pace ourselves and the speed to respond quickly when needed. Our confidence in being 'Geared to Win' comes from knowing what real preparedness means. It is not just about having a plan; it is about turning our strengths into daily action.

We succeed by creating value even when the industry faces challenges, by embracing complexity while staying focussed, and by holding ourselves to standards beyond what the market expects. Our leadership in cost, technology, global reach, and scalability is not something we aim for in the future; it is how we win today. Every step forward in R&D, every customer relationship we build, and every safe and sustainable operation we run strengthens our momentum, guided by our values and commitment to execution.

Vision 2028: Expanding Horizons with Focus

Our future depends on the same steady approach: delivering strong results now to achieve a bold vision ahead. Over the next three years, we will invest ₹ 1,100 Crores across Essentials and Specialties, expanding our expertise, entering new chemical spaces, and moving higher up the value chain. This vision recognises that the future cannot be predicted but can be created through courage, clear priorities, and disciplined execution.

Macro Environment

The global economic environment in 2025 remained complex, with slowing growth and rising trade

During the year, we commissioned our state-of-the-art Global Innovation Centre in Navi Mumbai, a pivotal milestone in our journey. This Centre, equipped with advanced technologies and deep customer integration capabilities, is designed to accelerate the pace of innovation through rapid prototyping, collaborative development, and scalable experimentation.

frictions. Worldwide GDP growth is projected at 2.8%, a downward revision shaped largely by increased U.S. tariffs and ongoing trade disruptions. Amid this turbulence, India has remained on a firm upward trajectory. With expected GDP growth at 6.2%, driven by strong domestic demand, structural reforms, and a booming digital economy, India has become the world's fourth-largest economy, surpassing Japan in nominal GDP terms. This ascent reflects the nation's significant strides in economic development and its increasing influence on the global stage.

Within the chemical industry, global pressures continue. China's persistent overcapacity has led to price compression across many product categories. Meanwhile, slowdowns in Europe, Japan, and Korea, caused by industrial and energy constraints, have worsened supply-demand imbalances. Freight rates remain volatile, and elevated input costs have squeezed profitability throughout the value chain. Against this backdrop, India stands out as a relative bright spot, supported by robust manufacturing activity and a strong export base. Additionally, increasing government focus on import substitution and industrial self-reliance through the 'Make in India' and 'China+1' strategies further strengthens this position.

The transformation of global supply chains brings both opportunity and responsibility for Indian chemical companies. Backed by a vast and expanding domestic market, close access to raw materials, and an increasingly advanced innovation landscape, the Indian chemical industry stands ready to capture a larger share of the global arena.

At Laxmi , we are meeting these changes with a clear strategy, broadening our presence across diverse end-use sectors, balancing risks within our product portfolio, and pursuing brownfield expansions to seize the momentum of this evolving environment.

Performance during the Year

Despite challenging external conditions, we demonstrated resilient growth in 2024-25, with volumes rising 11% and EBITDA increasing by 9.4% to ₹ 2,796 Mn, supported by stable PAT margin of 3.8%. We will continue to focus on four key pillars: increasing output; capacity expansions across segments; a customer-first approach that strengthens our market presence; and disciplined cost and fund management to drive sustainable growth. The Essentials business, although experiencing cyclical margin pressure, achieved a 12% volume growth, supported by import-substitute products such as n-propyl acetate and n-butyl acetate that expanded our portfolio. Our Specialties segment saw 14% revenue growth and 5% volume growth, fuelled by a better product mix and deeper engagement in verticals like fluoro intermediates, which show strong medium-term potential.

> In a significant step towards product sustainability, we successfully completed our first dispatch of ISCC-certified product, reinforcing our commitment to a low-carbon, circular economy.

Investing in the Future

Advancing our growth, we have taken a strategic step into a new segment through a Letter of Intent signed with Hitachi Energy. This move sets the stage for us to manufacture an eco-efficient gas supporting their SF_6-free high-voltage switchgear portfolio, underscoring our dedication to sustainable progress.

Additionally, a key milestone during the year was the commissioning of our fluoro-intermediate plant at Lote, which has begun contributing to revenues. This annual addition to our manufacturing footprint reflects our strategic focus on higher-value, structurally growing chemistries and reinforces our path towards long-term value creation. We also received Environmental Clearance and factory licences, with civil work underway for Phase I of the Amber-2 plant at Dahej. The project is on track, with revenue expected from 2025-26 and full scale-up by 2027-28, doubling our Ketene and Diketene capacity.

Research & Development as a Core Enabler

At Laxmi , we view R&D as a core catalyst for transformation right from a scale-driven manufacturer to a customer-centric, solutions-led innovator.

During the year, we commissioned our state-of-the-art Global Innovation Centre in Navi Mumbai, a pivotal milestone in our journey. This Centre, equipped with advanced technologies and deep customer integration capabilities, is designed to accelerate the pace of innovation through rapid prototyping, collaborative development, and scalable experimentation.

Additionally, our current pipeline is rich and balanced, with 60% fluoro-heavy molecules and 40% from other core chemistries, supported by robust infrastructure in Dahej and piloting capabilities in Lote. With platforms spanning electrochemical fluorination, diketene, esterification, and acetylation, and a team that is empowered and future-ready, innovation remains a core engine powering our sustained growth.

Sustainability as a Shared Responsibility

At Laxmi, we believe that long-term value can only be created when growth is responsible, inclusive, and aligned with the principles of safety, compliance, and environmental stewardship. Our Integrated Safety and EHS Programme continues to be a pillar of strength, earning us national recognition from the National Safety Council for the third consecutive year and multiple EHS Merit Awards across both manufacturing sites.

This year marked a decisive advance in our ESG journey, reflected in our 'Together for Sustainability' score rising to 87%. This improvement represents a meaningful alignment with leading global ESG standards and best practices. Alongside this, we strengthened our systems for tracking Scope 1 and 2 emissions, expanded our renewable energy usage, and upgraded our water recycling and waste management capabilities, incorporating advanced incineration technology.

In a significant step towards product sustainability, we successfully completed our first dispatch of ISCC-certified product, reinforcing our commitment to a low-carbon, circular economy.

Our 'Responsible Chemistry' philosophy drives us beyond mere compliance, positioning us as sustainability leaders who build deeper trust with customers and create lasting strength. Guided by structured governance and a long-term mindset, we remain committed to making sustainability a shared responsibility across every level of the organisation.

The Road Ahead

As we look ahead, our focus remains on scaling responsibly, innovating with purpose, and growing in a sustainable manner. Expanding global alliances while upholding operational excellence remains central to our strategy. Supported by a well-balanced business model, strong liquidity, and a culture rooted in ownership and integrity, we are optimistic about Laxmi's promising future. The groundwork we have laid enables us to pursue opportunities with ambition balanced by humility. I sincerely thank our teams, customers, partners, and shareholders for their consistent confidence in us. United in this journey, we are geared to win and geared for growth.

Warm regards,

Ravi Goenka
Executive Chairman

Highlights of 2024-25

CAPTURING OUR YEAR'S SUCCESS

Operational Highlights

30+ Years of Legacy

1,000+ Employees

Serving **8+** Industries

Ranked in the top **35%** Globally in ECOVADIS 2024-25

4 Manufacturing Sites

Financial Highlights (Consolidated)

₹ 29,854 Mn Total Revenue from Operations

₹ 1,135 Mn Profit after Tax (PAT)

₹ 2,796 Mn EBITDA

8.24% Return on Capital Employed

Key Business Metrics

Presence in **55+** Countries

Portfolio of **50+** Products

Serving **750+** Customers

India's Largest Manufacturer of Diketene Derivatives

Sustainability Highlights

3,35,280 KL Water Recycled

16,490 MT Waste Recycled

63,787 GJ Solar Energy Generated

Scored **87%** Together for Sustainability Initiative

About Laxmi Organic

UNDERSTANDING OUR CORE IDENTITY

Largest manufacturer of Ethyl Acetate in India and 3rd globally (ex. China). Largest manufacturer of Diketene Derivatives in India and amongst the Top 5 suppliers of Diketene globally.

Since our founding in 1989, at Laxmi Organic Industries Limited (referred to as 'Laxmi', 'our Company', or 'We'), we have established ourselves as a distinguished leader in Acetyl Intermediates and Ketene/Diketene derivatives. Over the past three decades, we have evolved into a global chemical manufacturer committed to delivering sustainable, innovation-led solutions across both essential and specialty chemical segments. By continuously adopting and developing advanced technologies, we serve a diverse and expanding global clientele.

With four strategically located manufacturing sites in India, supported by a growing global footprint, we are well-positioned to meet the demands of high-growth sectors, including pharmaceuticals, agrochemicals, inks and coatings, packaging, and personal care.

We continue to advance our Essentials segment through a focussed 'go deeper, go broader' strategy. This approach enables us to reduce dependence on ethyl acetate and broaden our product portfolio, while expanding into high-potential, import-substitute products.

Building on upcoming Dahej capacity the focus is on expanding our diketene derivatives customer base. The commercialisation of fluoro-intermediates at our Lote Site highlights a key milestone in this journey. Moreover, a recent LOI with Hitachi Energy marks our entry into the power transmission segment, opening up new avenues for sustainable value creation.

YEAR'S STRATEGIC HIGHLIGHTS

Dahej Site Regulatory Clearances

As part of our strategic expansion, we have secured environmental clearance and a factory licence for our upcoming synthetic chemicals facility in Dahej, Gujarat. This site will enhance our capacity in both essential and specialty chemicals, enabling greater product diversification and reinforcing our commitment to innovation, regulatory compliance, and customer-centric growth.

Merger of YFCPL

To streamline operations and improve efficiency, we have merged our wholly owned subsidiary, Yellowstone Fine Chemicals Private Limited (YFCPL), into the parent company. This merger is aimed at simplifying our corporate structure, optimising capital allocation, strengthening supply chain efficiency, reducing regulatory complexity, and supporting our future growth aspirations.

VISION

To be the growth partner of choice for the global crop science, life science and pigment industries.

MISSION

To consistently add value to our customer's lives by providing best-in-class solutions, while also being responsible towards the environment.

VALUES

Integrity

Honesty and respect are in our DNA

To do what is right in the interest of all our stakeholders with an unflinching focus on integrity.

Customer Centricity

Our world revolves around the customer

To improve the lives of our customers through reliability, agility, empathy and quality.

Innovation

We will innovate to get ahead

To create a culture of innovation where failure is the first step to success.

Sustainability

We aim for a greener tomorrow

To make a positive impact in all interactions with the environment and communities.

WHAT ARE WE LEVERAGING?

Technological Expertise

Leveraging advanced technology platforms within the Specialties business, supported by strong R&D capabilities.

Financial Strength

Sustaining a strong, debt to equity ratio to remain investment-ready for large, high-growth global markets.

Scalable Infrastructure

Maximising brownfield sites with scalable infrastructure to enhance cost competitiveness and operational efficiency.

Governance and Leadership

Operating with transparent governance, a dedicated Board and an experienced leadership team focussed on strategic execution and sustainable value creation.

Integrated EHS Programme

Driving responsible operations through a certified and comprehensive EHS framework.

PRODUCTS TAILORED TO DIVERSE APPLICATIONS

Pharmaceutical

Used in the synthesis of active pharmaceutical ingredients, formulation and manufacturing of a wide range of drug products, our chemicals play a critical role across the pharmaceutical value chain.

Packaging

Our products are used in the production of flexible packaging materials during the printing and lamination processes. It helps preserve the integrity and safety of ingredients, extend shelf life, and enable effective brand promotion and consumer communication to the FMCG and pharmaceutical industries.

Agrochemicals

Integrated into fertilisers to improve soil health, into pesticides to protect crops, into herbicides to manage weed growth, and into plant growth regulators to enhance agricultural output, our chemicals support more productive and resilient farming practices.

Dyes

Enables precise and consistent colours across textiles, printing materials, cosmetics, and food-grade applications, offering both visual appeal and product differentiation.

Inks & Paints

Provides pigmentation, adhesion, and durability for printing, writing, and surface coatings on various substrates.

CASE (Coating, Adhesives, Sealants, And Elastomer)

CASE chemicals are used in construction for coatings, adhesives, and sealants. They are also applied in the automotive and industrial sectors for coatings, adhesives, sealants, and elastomeric materials.

Flame Retardants & Thermal Fluides

Used in fire suppression systems, electronics cooling, immersion cooling in data centres, and specialty solvents requiring high chemical inertness and stability, among others. Safe for use in occupied spaces and critical infrastructure.

Electronics

Used in the manufacturing of semiconductors, printed circuit boards, and critical electronic components as flame retardant in transparent polycarbonate, advanced technologies.

Fragrances & Flavours

Incorporated into personal care products, cosmetics, and food items to enhance sensory appeal and consumer experience.

Personal Care

Used in formulations for skincare, haircare, hygiene, and cosmetics, enhancing texture, shelf life, performance, and overall sensory appeal.

Electrical Equipment

Used as an environmentally friendly insulation medium for high-voltage power equipment.

International Presence

BROADENING OUR GLOBAL FOOTPRINT

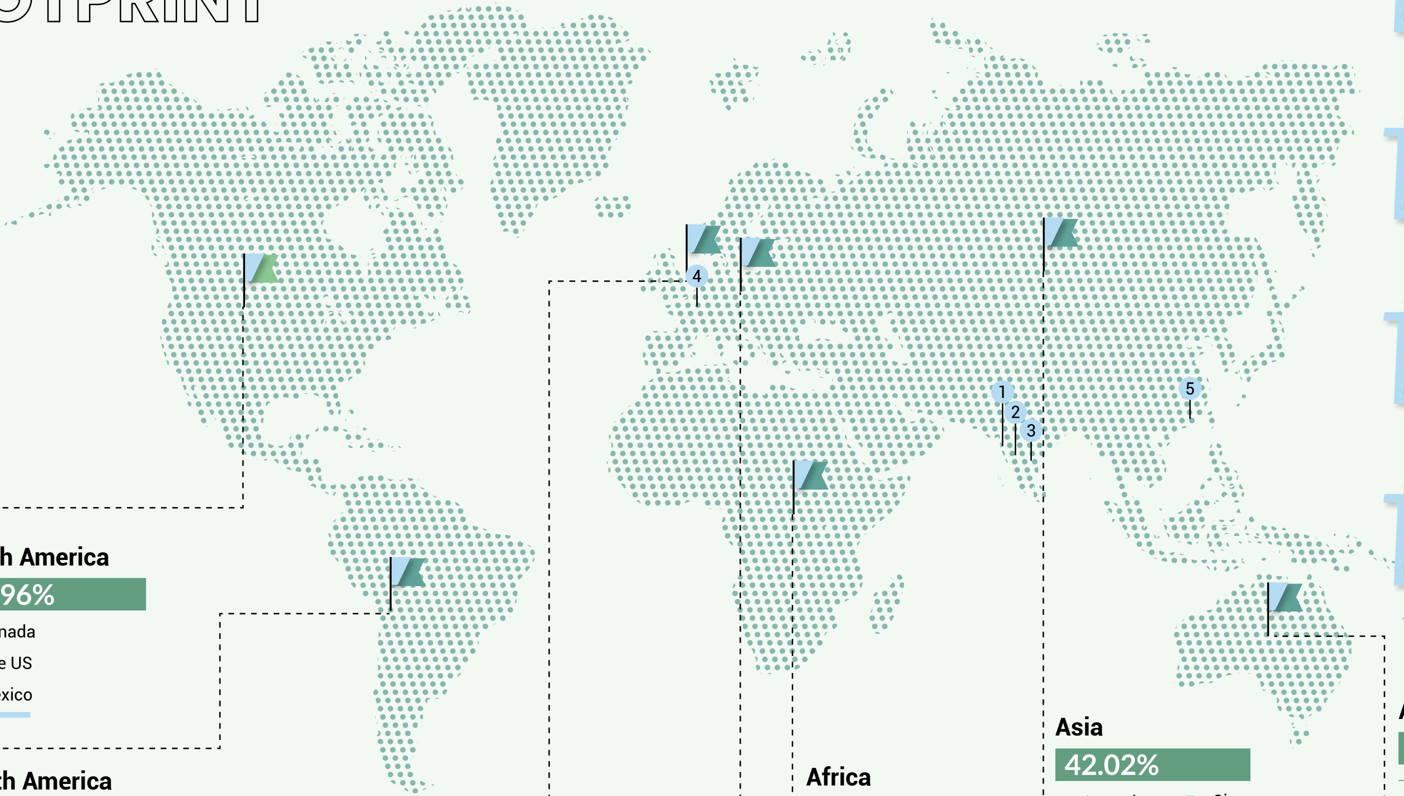
By operating across key global markets, we are able to serve a wide spectrum of customers and industries. Our international footprint has successfully enhanced our ability to deliver reliably and consistently, strengthening our role as a preferred supplier of specialty chemicals and intermediates on a global scale.

36%*
Percentage of Sales from Exports

6.06%
3-Year Export CAGR

55+
Countries Presence

750+
Number of Clients Served



North America
30.96%
- Canada
- The US
- Mexico

South America
0.23%
- Argentina
- Chile
- Uruguay

The UK
1.59%
- The UK

Europe
19.08%
- Belgium
- Cyprus
- France
- Germany
- Greece
- The Netherlands
- Poland
- Portugal
- Sweden
- Romania
- Spain
- Sweden
- Switzerland

Africa
5.53%
- Ghana
- Kenya
- Mauritius
- Morocco
- Niger
- Nigeria
- Africa
- Seychelles
- Tanzania
- Tunisia
- Uganda
- Djibouti

Asia
42.02%
- Armenia
- Bangladesh
- Bahrain
- China
- Egypt
- Hong Kong
- Indonesia
- Israel
- Japan
- Lebanon
- Malaysia
- Oman
- Qatar
- Singapore
- South Korea
- Sri Lanka
- Taiwan
- Thailand
- The Russian Federation
- Türkiye
- Vietnam
- The UAE
- Yemen

Australia
0.59%
- Australia

Global Offices Network
1. Mumbai (India)
2. Pune (India)
3. Hyderabad (India)
4. Amsterdam (The Netherlands)
5. Shanghai (China)

Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers, or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection with its accuracy or completeness.

Note: The accompanying map provides a 100% breakup of these 36% export sales, highlighting the distribution across various countries and regions.

Operating Context

ASSESSING THE BUSINESS TERRAIN

Industry conditions remain complex, driven by unpredictable global developments, volatile input costs, and tightening compliance frameworks. Simultaneously, the industry is shifting towards innovation-led growth, sustainable practices, and stronger demand for high-value specialty chemicals. In anticipation of these changes, Laxmi's strengthening its operational foundations and advancing forward with a strategy focussed on efficiency, accountability, and measured expansion.

Softening Demand and Geopolitical Shifts

The global chemical industry continues to face significant headwinds, shaped by persistent overcapacity in China and sustained challenges across Europe, Japan, and Korea. Despite the absence of a broad-based positive momentum at the global level, India has emerged as a point of relative strength, complemented by signs of stability in North America. The overall environment remains dynamic, driven by evolving geopolitical conditions and shifting macroeconomic factors.

Laxmi's Winning Approach

Laxmi remains measured yet confident in its approach, with around 11% exposure to the U.S. market, mitigating potential impacts from recent developments. Leveraging India's relative strength, our Company continues to monitor global trends while focussing on domestic momentum and balanced market engagement.

Growing Industry Contention

With global players placing greater emphasis on value-added offerings and sustainable solutions, the industry is witnessing heightened expectations in innovation, regulatory alignment, and service quality. Simultaneously, domestic companies in emerging markets are scaling up rapidly, backed by policy support and improving capabilities. This convergence of global pressure and local acceleration is transforming competitive dynamics. In turn, companies must recalibrate their market approaches, invest with precision in talent and technology, and reinforce supply networks to remain competitive.

Laxmi's Winning Approach

Laxmi continues to differentiate itself through market leadership, deep specialisation, and focused innovation. We are the top supplier in India and among the global leaders in niche segments such as Diketene derivatives and Electro Chemical Fluorination. Our lean operations, cost leadership, and world-class technology platform enable us to deliver reliable, high-quality solutions at scale. With a focussed R&D engine and a proven ability to quickly scale commercial production, Laxmi remains agile and ahead of the curve, well-positioned to meet evolving customer needs and stand apart in a crowded marketplace. With offices in Europe and China, and tank operations in Europe, we continue having a strong presence in the market for our customers.

Volatility in Input Costs

Raw material price volatility continues to pose challenges across the chemical industry, impacting cost structures and profitability. Factors such as global supply-demand imbalances, geopolitical uncertainties, and fluctuating energy markets contribute to unpredictable input costs. Companies are increasingly adopting strategic sourcing, long-term contracts, and operational efficiencies to mitigate these risks.

Laxmi's Winning Approach

Laxmi takes a strategic approach focussed on long-term supplier relationships, dynamic sourcing strategies, and real-time market intelligence. We aim to reduce dependence on spot markets by negotiating flexible contracts and leveraging data-driven insights to anticipate price trends. Our emphasis remains on building resilience, maintaining cost competitiveness, and ensuring uninterrupted production despite external market fluctuations.

Technology Disruptions

Rapid advancements in technology are reshaping the chemical industry, driving innovation in production processes, product development, and sustainability initiatives. Additionally, breakthroughs in materials science, including nanotechnology and green chemistry, are creating new market opportunities and pushing companies to adapt quickly. Staying ahead in this dynamic landscape requires continuous investment in R&D and agility to integrate cutting-edge technologies into existing workflows.

Laxmi's Winning Approach

We stay ahead with an institutionalised culture of continuous improvement through our 'Lakshya Initiatives', which focus on enhancing process efficiency, reducing costs, and improving product yields. These initiatives are rigorously monitored and driven by cross-functional teams across R&D, Production, and Engineering. Additionally, we are proactively exploring global partnerships to stay aligned with the latest advancements and integrate best-in-class manufacturing practices into our operations.

Supply Chain Risk

The chemical industry's global and interdependent supply chains remain vulnerable to disruptions from geopolitical tensions, trade policy shifts, and logistical constraints. Events like the pandemic, port congestions, and regional conflicts have underscored the fragility of sourcing strategies. More recently, U.S. tariffs have added pressure on global trade flows, potentially raising costs and creating new uncertainties. In response, companies are prioritising supply chain resilience by diversifying supplier bases, investing in digital supply chain management tools, and localising critical inputs where feasible. Strengthening visibility and responsiveness across the value chain has become vital for ensuring business continuity and cost efficiency.

Laxmi's Winning Approach

We focus on diversifying our supplier base, especially for critical raw materials, to reduce dependency on any single source or geography. Strategic sourcing, long-term vendor relationships, and digital supply chain tools enhance our ability to respond swiftly to disruptions. These measures ensure business continuity, minimise operational bottlenecks, and help us deliver reliably to our customers even amid global uncertainties.
With tank operations in Europe, and distributor partnership in key markets we continue having the capability and agility to serve our customers needs.

Environmental Regulations

Stricter environmental norms across global markets are redefining the way chemical companies operate. Regulatory pressures around emissions, waste management, and sustainable sourcing are pushing the industry towards greener processes and eco-friendly product formulations. Compliance now requires proactive investments in cleaner technologies, circular economy initiatives, and transparent ESG reporting. Furthermore, companies that align quickly with evolving regulations not only mitigate risks but also position themselves as responsible and future-ready partners to customers and regulators alike.

Laxmi's Winning Approach

We operate under a comprehensive EHSQ (Environment, Health, Safety, and Quality) framework that integrates sustainability into every stage of our operations. Adopting the 'Responsible Care' principles, we focus on minimising emissions, reducing waste, conserving resources, and promoting workplace safety. Through a robust system of hazard identification, risk assessment, and process safety management, we aim to mitigate environmental and operational risks while continuously improving our performance in line with evolving regulations. Regular customer safety audits also enables us to stay abreast with best practices and continuously keep improving.

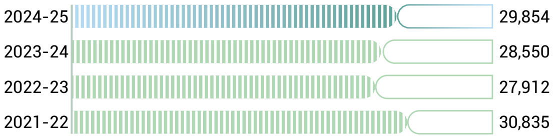
Financial Highlights

DELIVERING PERFORMANCE WITH PRECISION

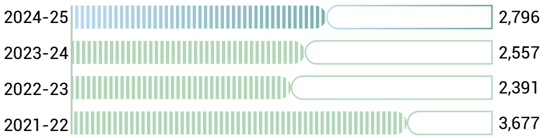
(Consolidated Basis)

During the year, our Company delivered resilient performance, marked by volume growth and an improvement in gross margins, despite ongoing market challenges.

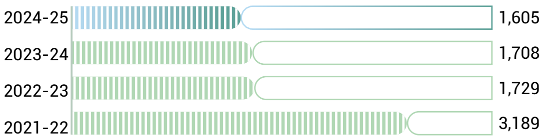
Revenue from Operations (in ₹ Mn)



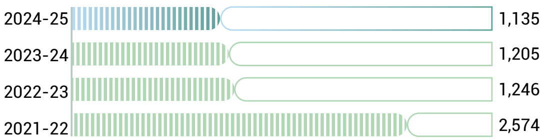
EBITDA (in ₹ Mn)



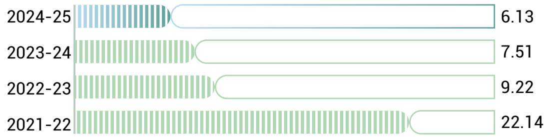
PBT (in ₹ Mn)



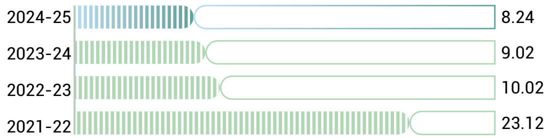
PAT (in ₹ Mn)



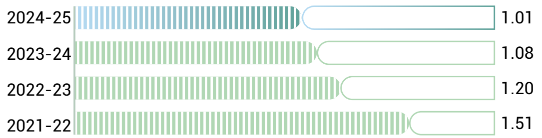
ROE (%)



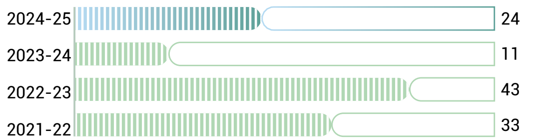
ROCE (%)



Asset Turnover (in X)



Working Capital Days (in days)



This outcome was supported by disciplined cost control and continuous operational improvements, which helped maintain stable expenses and drive greater efficiency.

Mr. Mahadeo Karnik
CFO

Product Portfolio

ESSENTIALS BUSINESS UNIT

The Essentials BU plays a key role in Laxmi's business portfolio, contributing substantially to overall revenue. Our leadership in Acetyl Intermediates within the Indian market is rooted in several competitive strengths, including advanced manufacturing infrastructure and technology, global scale, vertically integrated operations for utilities and raw materials, consistent improvements in operational efficiency, and focussed strategic investments.

Key Products

- Ethyl Acetate
- Acetaldehyde
- Acetic Anhydride
- N-Propyl Acetate
- N-Butyl Acetate
- Other Proprietary Solvents

Strategy for Growth

To strengthen our market presence, we are advancing on two fronts: driving sustained growth in our existing product lines and thoughtfully expanding into complementary product segments.

- Retaining and strengthening our market leadership in India.
- Increasing export volumes by expanding into new international markets.
- Focussing on continuous operational, procurement, and supply chain efficiencies to optimise costs and boost productivity.
- Expanding the product portfolio with high potential import substitutes.
- De-risking the business by diversifying across products and markets.
- Continuing to invest in the development of bio-based and sustainable products.

Right to Win

Our lean and reliable approach enhances our competitive advantage by combining agility with scale in operations and a clear strategic vision.

- Building cost and supply efficiencies by leveraging scale across operations.
- Delivering a differentiated customer experience through a segmentation model based on attractiveness and margins.
- Driving digitalization initiatives with the introduction of CRM and automation in production, quality, maintenance, and logistics.
- Strengthening the marketing function to identify and develop new markets, products, applications, and customers.
- Offering sustainable product solutions through green chemistry, bioproducts, and mass balancing practices.

Mr. Jitendra Agarwal
President, Essentials BU

Financial Highlights: Revenue (₹ in Mn) **(Consolidated Basis)**

2024-25	20,364
2023-24	20,195
2022-23	20,227
2021-22	23,347

Product Portfolio

SPECIALTIES BUSINESS UNIT

Since our establishment in 2011, we have consistently expanded both our product portfolio and manufacturing capabilities, advancing into higher-value segments with a clear goal to innovate and develop new platforms. Today, Laxmi holds the largest portfolio of diketene derivatives that provide solutions to the ever evolving needs of our global customers across industries. Our competitive edge is further strengthened by leveraging Miteni's electrochemical fluorination technology, a pioneering advancement within the Indian market. The Specialties BU is dedicated to manufacturing high-quality chemical derivatives, including ketene, diketene, and fluorine-based intermediates, each requiring exceptional technical expertise and complex manufacturing processes.

Key Products

- Ketene and Diketene Derivatives
- Fluorospeciality Intermediates
- Various specialties chemicals derived from other technologies platforms for varied applications

Strategy for Growth

By expanding our presence in core segments and developing a strong pipeline of new products, the Specialties business is geared for global growth and lasting value creation.

- Increasing market share through deeper penetration and customer alignment.
- Broadening focus on global customers to strengthen export growth.
- Driving cost leadership by consistently enhancing operational efficiencies.
- Fluoro assets started contributing to the revenue.
- Aiming for a minimum of 20% of sales from newly developed products.

Right to Win

With reliable, tailored offerings and integrated value chain capabilities, we stand as a preferred partner across industries, balancing scale, reliability, and customisation.

- Building and rigorously executing the innovation pipeline by developing talent, infrastructure, and pursuing big bets in advanced chemistry platforms.
- Driving operational excellence and capacity augmentation through investments at Dahej, seamless execution of Geared to Win projects, and Project Lakshya expansion.
- Executing the marketing and sales strategy by building a marketing organization and implementing a focused entry strategy.
- Delivering a differentiated customer experience by prioritizing customer and product segmentation and addressing regulatory and geopolitical challenges.

Mr. Virag Shah
President, Specialties BU

Financial Highlights: Revenue (₹ in Mn) **(Consolidated Basis)**

2024-25	9,491
2023-24	8,355
2022-23	7,685
2021-22	7,486

Manufacturing Prowess

CRAFTING PRECISION AND SCALE

Laxmi's manufacturing presence stretches across India, with each facility strategically located close to major ports. This placement allows us to minimise costs and streamline the movement of raw materials inbound and products outbound to international customers. Equipped with state-of-the-art technology and advanced infrastructure, our plants consistently meet high production standards, ensuring reliable and prompt delivery of our extensive product range.

Centres of Operational Excellence

Manufacturing Site 1 (Mahad, Maharashtra)

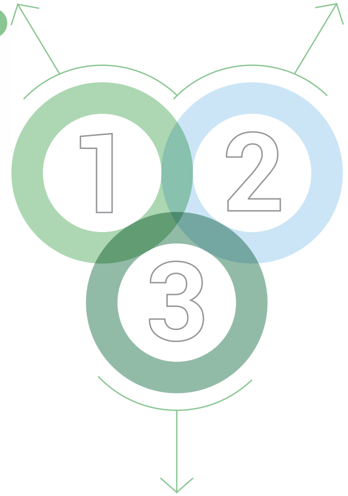
Manufacturing Site 2 (Mahad, Maharashtra)

Manufacturing Site 3 (Lote, Maharashtra)

Manufacturing Site 4 (Dahej, Gujarat)

Proven Strength in Technology Adoption and Advancement

Our journey reflects a strong legacy of acquiring, assimilating, and advancing complex technologies, positioning us at the forefront of diverse chemistries and end-use industries.



Strategic Technology Integration

Seamlessly integrated advanced platforms for Diketene and Fluoro have enhanced our chemistry base and expanded our product portfolio.

Scalable Innovation Engine

Leveraging acquisitions to build large-scale, flexible capacities enables us to commercialise new chemistries at speed and scale.

Manufacturing Capacity and Innovation Synergy

Strengthening manufacturing with world-class infrastructure and in-house R&D fosters continuous innovation and operational excellence across product lines.

Sustainability-Specific Standards

Responsible Care

USDA
Certified Biobased Product Label

ISCC
(International Sustainability and Carbon Certification)

EcoVadis Bronze Medal for Sustainability Excellence
Ranked in the top 35% globally by EcoVadis for its FY24–25 sustainability performance across Environment, Labour &Human Rights, Ethics, and Sustainable Procurement—reinforcing our commitment to responsible and ethical business practices.

Together for Sustainability
Score Reaches 87%

Green Light Granted for Upcoming Dahej Manufacturing Site

During the year, we proudly advanced our Dahej project, Indra Dhanush, securing both Environmental Clearance and factory licence approvals. This marks a significant stepping stone in commissioning the facility in line with our guided timeline. This project will offer our customers a wide range of product portfolios across Essentials and Specialties chemicals.

Customer Centric Approach

DRIVING CUSTOMER-CENTRIC EXCELLENCE

Our client-focussed strategy and commitment to responsible product management have played a key role in growing and strengthening our customer base. By adopting customer-orientated practices, we have developed unique business strategies that help us maintain our competitive advantage over time.

Customer-First Strategy

A strategic shift towards a customer-centric business model has helped us gain market share and increase overall wallet share in the past two years, even amid a subdued chemical industry environment.

Proven Success	Transited	Pivoted for the Next Phase of Growth
Product	→	Customer
Plant	→	Platform
Platform	→	Plant
Customer	→	Product

Customer Delight

We focus on creating a positively differentiated customer experience by delivering high quality service and nurturing long-term relationships. Through continuous engagement, we understand our customers' evolving needs and tailor solutions that best suit their requirements. Our commitment goes beyond satisfaction — we strive to delight customers by adding value at every interaction, building trust, and fostering loyalty.

Consumer-Focussed Project Innovation

Developed

Developed ethylene glycol chemistry from laboratory gram scale to commercial scale for a global innovator.

Scaled

Scaled up the first Electro Chemical Fluorination product for semiconductor industry.

Innovated

Innovated a route of synthesis for a key starting raw material to enhance the purity of the end product for a global personal care company.

Research & Development

TRANSLATING RESEARCH INTO RESULTS

Research and development remain central to our strategic roadmap, driving innovation, enhancing competitiveness, and supporting sustained growth. Our focus on technology leadership and cost efficiency enables us to scale best-in-class solutions that expand and diversify our product portfolio. This approach firmly establishes us as a key contributor in developing technologies and specialised products aligned with evolving market requirements.

2,100 Sq. Mtrs.
Total Land Area of the Facility

DSIR-Certified R&D Centres, Kilo Lab and Pilot Plants

30,000 Sq. Ft.
New Innovation Campus

Investing
~2%
Specialties Revenue into R&D

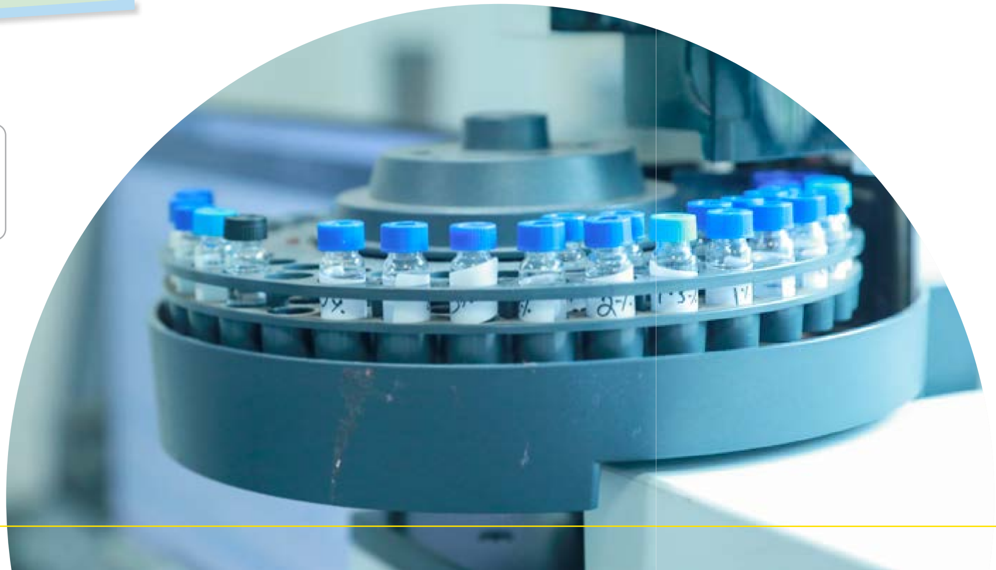
70+
Scientists Driving Innovation

Targeting
~20%
Specialties Revenue Generated from New Products developed in last 5 years

2
State-of-the-Art Facilities

Chemistries That Create Impact

- Esterification
- Ketene/Diketene
- Acetylation
- Fluorination



1 Inauguration of the New Innovation Centre, Navi Mumbai

This year, we inaugurated our Global Innovation Centre in Navi Mumbai, a major step in strengthening our position in innovation and technology. This facility now serves as the central hub for advanced technologies that will help the Company venture into sunrise industries related to data centres and semiconductor. The centre represents our commitment to unifying global expertise and advancing next-generation solutions from within India.

2 Using Data to Drive More from What We Have

We have applied data analytics in a targeted way to enhance efficiency across our facilities. This has allowed us to unlock more output from our existing assets without needing major new investment. The outcome is a leaner, more responsive operation that delivers better performance at a lower cost, reflecting clear progress in our drive to extract more value without compromising quality or reliability.

3 Product Portfolio Progressing

Our strong pipeline of new products is progressing through pilot testing and capex approval stages. This pipeline reflects our persistent commitment to innovation-led growth. As these products advance and approvals are secured, we continue to deliver on our strategy to broaden our product range and deepen our market presence.

4 R&D with Accountability Built In

Our R&D is shaped by the role our products play in essential industries like life sciences and crop sciences. The responsibility is reflected in how we design and test every product. Our research is focussed on developing safer, higher-quality solutions that meet stringent regulatory and customer standards. By integrating advanced scientific methods and risk mitigation measures early in the development process, our R&D team ensures that safety and performance are thoroughly validated before launch. This proactive approach helps prevent quality-related issues that could affect health outcomes or disrupt commercial performance. It also drives continuous innovation, allowing us to reach new customer segments that prioritise safer and more reliable products.

Environment

MATCHING AMBITION WITH RESPONSIBILITY

At Laxmi our goal is clear: to build a global company known for innovation, powered by people, and driven by execution. As we scale up and expand our reach, we do so with an understanding that growth must come with responsibility: to our environment, to the communities around us, and to the long-term interests of our stakeholders. We have built a sustainability approach around strong governance. ESG principles are not treated as adjuncts, but are integrated into how we think, plan, and operate.

ESG Vision

Endeavour to be a responsible corporate that plays a proactive role in positively impacting society through its operations and activities.

ENVIRONMENT FOCUS: ACTION BACKED BY STANDARDS

For us, environmental stewardship is an operational priority. Our initiatives are focussed on improving energy efficiency, increasing the share of renewable energy, reducing water usage, managing waste responsibly, and maximising the use and recycling of materials. These actions are not symbolic, they are tracked, measured, and scaled to deliver measurable impact.

To enhance environmental outcomes, we follow internal benchmarks, including the Global Reporting Initiative (GRI), the United Nations Global Compact (UNGC), and the Sustainable Development Goals (SDGs). These frameworks guide our actions to manage emissions, protect ecosystems, and reduce pressure on water resources.

Energy Management: Converting Efficiency into Advantage

We recognise that the judicious and impactful use of energy fosters operational efficiency and enhances value creation for our stakeholders. Our Company has crafted and implemented initiatives aimed at increasing the proportion of renewable energy in our energy portfolio through on-site generation and an open access framework.

12,881 tCO_2e
Emissions Avoided in 2024-25
(through renewable energy adoption)

Our Renewable Energy Investments Encompass

- 2 windmills (1.25 MW each) in Maharashtra and Karnataka.
- 4 MW hydroelectric power project at Yedgaon in Maharashtra.
- 3 MW solar power plant.
- ~12.1% of total consumption comes from renewable power facilities.

GHG Emissions: A Structured Approach to Measurement & Reduction

Our GHG emissions assessment follows the operational control method, in accordance with the GHG Protocol. This includes comprehensive calculations for both Scope 1 and Scope 2 emissions.

Key GHG Reduction Measures

- Transitioning from coal and FO to cleaner fuels like C9, PNG.
- Installing ESP on boilers to reduce particulate emissions.
- Replacing gland seals with mechanical seals to limit fugitive emissions.
- Implementing closed-loop operations for higher efficiency.
- Monitoring key parameters with digital display systems.
- Deploying bulk storage tanks of solvents with vent condensers.
- Improving on Steam Norms in production, helping in reduction of coal consumption.

Waste Management: Precision in Process & Compliance

We follow stringent waste management protocols for the handling, segregation, and storage of both hazardous and non-hazardous waste. Purpose-built storage areas are used at all facilities to ensure materials are managed from the source in full compliance with applicable standards.

Key Highlights

- Implemented an indigenous sludge hydrolysis system, effectively reducing the volume of hazardous substances handled during operations.
- Certified by the State Pollution Control Board (SPCB), all facilities operate in compliance with state-mandated environmental standards.
- Disposed of all waste through SPCB-approved Treatment, Storage, and Disposal Facilities (TSDF), ensuring adherence to regulatory protocols.

Air Quality: Monitoring Every Step

Maintaining air quality is part of day-to-day operations, not just compliance. We have adopted real-time monitoring technologies and strengthened emission controls across facilities.

What's in Place

- Online monitoring system for SOx, NOx, and SPM, integrated with MPCB and CPCB servers for real-time data sharing.
- Digital display board showcasing consented emission parameters.
- Electrostatic Precipitators (ESPs) on boilers to capture and reduce particulate emissions.

Water & Wastewater: Every Drop Counts

Water conservation and reuse are embedded into both existing and future sites. Our treatment infrastructure is designed for maximum recycling, with a clear focus on process integration.

Key Initiatives

- Low-temperature evaporators to facilitate maximum wastewater reuse and ensure seamless manufacturing activities.
- LTE systems with feed, condensate, filtrate, and concentrate tanks.
- Advanced Filtration and Drying Technologies (ATFD-2) for high-COD wastewater.
- Volute sludge dewatering implemented to improve handling and reduce waste volume.

Integrated Management System: A Unified Commitment to EHSQ

We maintain compliance with all relevant legal and regulatory requirements and have adopted the 'Responsible Care' codes and guiding principles into our business model. Our Environmental, Health, Safety, and Quality (EHSQ) policy is aligned with the following certifications:

Management System Certifications

ISO 9001:2015
Quality

ISO 14001:2015
Environmental Management

ISO 45001
Occupational Health & Safety

ISO 50001:2018
Energy Management System

Product-Specific Standards

HALAL

K

Sustainability-Specific Standards

Responsible Care® OUR COMMITMENT TO SUSTAINABILITY

ISCC

USDA ORGANIC

BRONZE | Top 35% ecovadis Sustainability Rating

TOGETHER FOR SUSTAINABILITY

This integrated framework supports consistent performance, rigorous accountability, and the embedding of sustainability into every operational and strategic decision.

Social

EXPANDING THE CIRCLE OF IMPACT

Our stakeholders are fundamental to our ongoing success, and our workforce is at the centre of this achievement. By attracting top talent from renowned business and engineering colleges through a transparent, merit-based approach, including both campus recruitment and lateral hiring, we have built a team that reflects our values and ambitions.

Committed Workforce

1,086
Employee Strength as on March 31, 2025

ZERO
Lost Time Injury Frequency Rate (LTIFR)

10%
Overall Women's Representation

Every Employee is Covered by **Health Insurance**

Diversity & Inclusion

We are determined to lead the industry in diversity, with a clear three-year agenda to increase women's representation, enhance their career trajectories and improve overall satisfaction. Our efforts include:

- Launching the 'Women of LOIL Council' as a dedicated support group.
- Building a future-ready talent pool through the NAPS Programme.
- Promoting workplace safety and respect through workshops focussed on POSH.

Leadership Development Programme (LEAP)

LEAP is an eight-month leadership development which is equipped to drive transformation, foster innovation, and build high-performing team, designed around the 70:20:10 development model. We collaborated with leadership development experts to design and implement the programme. LEAP uses cohort learning, with immersions conducted by external leaders and organisations to create an 'Outside In' perspective.

Make Your Mark

Laxmi's Rewards & Recognition programme has been significantly redefined to reflect a sharper, more strategic approach. At its core are the values that guide everything we do: **Innovation, Sustainability, Customer Centricity, and Integrity.** These principles now directly inform the design and intent of the 'Make Your Mark' initiative, ensuring that recognition is aligned not just with performance but with the behaviours we believe shape long-term value.

National Apprenticeship Promotional Scheme

At the organisational level, we have created and implemented a high-quality talent pool through the National Apprentice Promotional Scheme Programme for entry-level positions. The objective of this programme is to improve bench strength, reduce the resourcing turnaround time, quality of trained talent, improve gender diversity, and provide employment opportunities to entry-level talent. At present, we have engaged more than 140 NAPS trainees across the organisation. In 2024–25 alone, over 49 NAPS trainees have been onboarded, contributing to a total of 117 trainees since the programme's inception. These 49 onboarded trainees represent approximately 65% of hiring against the available positions of 5.2C and 5.2D in manufacturing, and about 18% at the organisational level across all grades for 2024–25.

The NAPS programme has served as a strong feeder into the 'Build' model for manufacturing and other functions, supporting the development of a gender-diverse talent pool. Over 46% of all diversity hiring in 2024-25 came from the NAPS trainee pool.

EMPOWERING COMMUNITIES FOR LASTING IMPACT

We understand that the chemical industry carries a strong responsibility not only to the environment but also to the communities that exist alongside our operations. At Laxmi, we believe business success should reflect shared progress. Our commitment to inclusive and sustainable growth is highlighted in how we engage, support, and uplift communities around our manufacturing sites.

₹ 46.59 Mn
Total CSR Spend

64,000+
Lives Impacted

Core Areas of Focus

1. Health
2. Water
3. Education
4. Skill Development

Education

We focus on strengthening rural education through infrastructure upgrades and access to quality, semi-English instruction. Collaboration with local government bodies and village leaders ensures that our education efforts are both practical and lasting.

Key Initiatives

- We constructed 7 classrooms, 2 washrooms, and bathrooms in Parsule, directly benefitting over 130 students.
- This allowed the school to accommodate more than 400 primary students, up to 7th standard, from 11 nearby villages in the Mahad–Poladpur region.

Water Access & Sustainability

Water scarcity remains a critical challenge in rural Maharashtra. Our projects are designed to deliver reliable water access through renewable energy solutions and durable infrastructure, developed with community involvement.

Key Initiatives

- Constructed Jackwell in partnership with the local Panchayat body to help overcome the challenge of drinking water availability and water supply to villagers in Kosumwadi-Lote. The initiative benefitted around 700 villagers.

Skill Development (NAPS)

Through the National Apprenticeship Promotion Scheme, we are helping build a future-ready workforce by equipping young people with practical industry skills, while making room for more diverse representation in shop-floor roles.

Key Initiatives

- Trained 140+ trainees under the NAPS programme.
- Delivered on-ground, technical training at the Mahad facility.
- Encouraged gender diversity in shop-floor roles.
- Supported employability of entry-level industrial workers.

Responsive & Inclusive Community Support

Beyond planned programmes, we remain attentive to urgent and emerging community needs, whether through disaster relief, infrastructure upgrades, or support for education and public services.

Key Initiatives

- Constructed a flood-resilient community hall in Asanpoi for 3,000+ people.

Looking Ahead: Projects Underway

Our forward pipeline reflects a deepened commitment to long-term community development. We continue to invest in sustainability, rural education, green energy, and local infrastructure across the Lote, Mahad and Dahej regions.

Key Initiatives

- Waste management initiatives for Mahad and Lote regions benefitting around 100+ villages.
- Donation of smart TVs to schools in five Lote-Khed villages.
- Installation of solar lighting systems in 11 villages across Lote and Mahad.
- Water conservation and restoration projects in Mahad and Lote.

Governance

LEADING WITH ETHICAL CLARITY

Laxmi is guided by a corporate governance philosophy that holds efficiency, responsibility, transparency, and integrity as non-negotiable standards across all areas of operation. These principles shape the way we conduct business, ensuring that every decision is made with a long-term view and a commitment to accountability. By maintaining disciplined practices and clear oversight, we aim to protect and create value for both shareholders and stakeholders. Moreover, this is closely supported by our Board of Directors, who focus on aligning strategic direction and operational execution with the expectations and needs of all stakeholders.

Mr. Ravi Goenka
Executive Chairman

Mr. Ravi Goenka holds a bachelor's degree in chemical engineering from Bengaluru University and has been a key figure at our Company since our inception. With close to 33 years of experience in the chemicals and paper industries, he brings deep sectoral insight and continuity of leadership. His portfolio also includes 24 years in the power industry and 18 years in the education sector, reflecting a broad and strategic understanding of adjacent industries. Beyond his corporate role, Mr. Goenka serves as a Director on the Board of International Knowledge Park Private Limited, the entity behind Ecole Mondiale World School and Russell Square International College. His earlier positions include trustee roles at both Mumbai Port Trust and Jawaharlal Nehru Port Trust, as well as President of the Executive Committee of the Indian Chemical Council.

Dr. Rajan Venkatesh
Managing Director & Chief Executive Officer

Dr. Rajan joined Laxmi in April 2023, bringing with him a career defined by technical depth and strategic global leadership. His academic foundation spans three leading institutions: a master's in chemistry from ICT-Mumbai, an M.Phil. in Polymer Science and Technology from the University of Manchester, and a Ph.D. in Polymer Chemistry from Eindhoven University of Technology in the Netherlands. The 19 years at BASF shaped his global perspective, having operated across Germany, Singapore, India, and Hong Kong. At BASF, Dr. Rajan managed large-scale initiatives and guided cross-functional business units. In his earlier role as Senior Vice President, Care Chemicals, Asia-Pacific, he led comprehensive business management operations, covering P&L oversight, customer and market strategy, sites and joint ventures, HR, and commercial execution across markets of Greater China, ASEAN, South Asia, Japan, Korea, and ANZ.

- Audit Committee
- Risk Management & ESG Governance Committee
- Ⓒ Chairman
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders' Relationship Committee
- Finance Committee

Mr. Harshvardhan Goenka
Executive Director

Mr. Harshvardhan Goenka has been an integral part of Laxmi since 2011, bringing strategic insight and a deep understanding of the chemicals sector. Over the years, he has played a leading role in steering the Company's evolution—from a traditional bulk chemicals business to a dynamic and innovation-driven specialty chemicals enterprise. Appointed to the Board in November 2020, Harsh has been at the forefront of defining the Company's long-term strategic priorities, with a focus on capital deployment, mergers & acquisitions (M&A), business diversification, and sustainable growth. He is a strong advocate of India's potential to build integrated chemical value chains and believes this is key to fostering a self-reliant manufacturing ecosystem. Outside of Laxmi, Harsh is deeply involved in the wider business and leadership ecosystem. He is affiliated with the Indian Chemical Council (ICC) and is an active member of the Young Presidents' Organization (YPO). He holds a Bachelor's degree in Economics and Business Management from Babson College, Boston, USA, and is currently pursuing Executive Education at Harvard Business School.

Mr. Rajeev Goenka
Non-Executive Director

With an MBA from Lehigh University, Pennsylvania, Mr. Rajeev Goenka brings over 29 years of experience in the chemicals industry, complemented by significant leadership roles in the renewable energy and education industries, spanning 23 and 19 years, respectively. His multi-sector expertise supports his contributions at the Board level, particularly in guiding long-term strategy and identifying new opportunities for growth. In addition to his responsibilities at Laxmi , he serves on the Board of Directors of Maharashtra Aldehydes Chemicals Limited and is a founding member of International Knowledge Park Private Limited, underscoring his commitment to both industrial and educational advancement.

Mr. Manish Chokhani
Independent Director

Manish Chokhani holds an MBA from London Business School, University of London, and is an associate member of the Institute of Chartered Accountants of India as well as a fellow of the All India Management Association. Associated with Laxmi since March 30, 2012, he brings over 18 years of industry expertise. Previously, he served as Director at Enam Securities Private Limited (2006–2019) and as Managing Director and CEO of Axis Capital Limited (2012–2013). He also held leadership roles at TPG Growth India as Chairman (2015–2016) and Senior Advisor (2013–2019). Mr. Chokhani currently serves as an Independent Director on the Boards of Landmark Cars Limited, and Welspun Corp Limited. He is a member of the governing board at FLAME University and actively engaged with the Young Presidents' Organisation. Additionally, he has contributed to policy development as a member of SEBI's Alternative Investment Policy Advisory Committee.

Mr. Vijay Ratnaparkhe
Independent Director

Mr. Vijay Ratnaparkhe serves as an Independent Director and holds an M.Sc. degree in chemical engineering from IIT Bombay. Mr. Vijay Ratnaparkhe holds an M.Tech in Chemical Engineering from IIT Bombay and brings over 37 years of global leadership experience across operations, IT transformation, and technology services. He currently serves as the President of Bosch ASEAN and Oceania, overseeing a business turnover of approximately €4 Bn. During his tenure as President – IT at Robert Bosch GmbH, he led significant organisational transformation initiatives that drove substantial IT cost efficiencies and operational excellence. His prior experience includes leadership roles at Infosys Technologies, Tata Consultancy Services, and Larsen & Toubro Ltd. He has served on the Executive Council of NASSCOM and as Chairman of its Engineering Chapter. Additionally, he has been an Advisory Board Member for the International Institute of Information Technology, Bengaluru and also a Board member for programmes supported by Bosch at the Robert Bosch Centre for Cyber Physical Systems at IISc Bengaluru and the Robert Bosch Centre for Data Sciences and Artificial Intelligence at IIT Madras.

Ms. Sangeeta Singh
Independent Director

Ms. Sangeeta Singh earned her BA degree in Arts from Wilson College, University of Mumbai. She further enhanced her expertise by completing the 'Strategic Human Resources Management' programme at the Harvard Business School. Since joining our Company on September 4, 2017, she has played an integral role in shaping our human capital strategies. Prior to this, she served as Executive Director at KPMG, where she led Human Resources for India.

Dr. Rajeev Vaidya
Independent Director

Dr. Vaidya holds a B.Tech. in Chemical Engineering from the Indian Institute of Technology, Mumbai, and a Ph.D. from the University of Southern Mississippi. With a career spanning over 33 years in the chemicals industry and nearly seven years in investment advisory services, he brings deep technical and strategic expertise. Previously, he held several leadership positions at DuPont Specialty Products USA, LLC, rising from Research Engineer to Global President of the DuPont Building Innovations business.

Dr. Rajiv Banavali
Independent Director

Dr. Banavali holds bachelor's and master's degrees in chemistry from the Institute of Science, Mumbai, and a Ph.D. in chemistry from the University of Missouri. With over 38 years of experience in the chemicals sector—23 of which have been dedicated to leadership roles in cutting-edge research organisations—he brings deep expertise in material sciences and innovation. He last served as Senior Vice President, Science & Innovation at WestRock Corporation in the United States. His prior experience includes key roles at Rohm & Haas, Honeywell, and Huntsman, enriching the Board with strategic research and development insights.

Mr Arun Todarwal
Independent Director

Mr. Arun Todarwal is a fellow member of the Institute of Chartered Accountants of India and has been practising as a Chartered Accountant for more than 45 years and is the Managing Partner of Arun Todarwal & Associates LLP, Chartered Accountants. During his years of practice, he has handled various professional assignments, including Management Consultancy, Statutory Audits, Internal Audits, Management and Systems Audits, Due Diligences, Succession Planning for businesses and families, Family offices, Taxation and International Taxation, among others, in India, Dubai and several other countries. He is well-versed in Tax matters and has travelled abroad on several occasions to deliver talks on Indian Taxation as well as Investments in India. He has carried out professional assignments in more than 25 countries. Mr. Todarwal has also been the Global Chairman of IAPA International, a leading global association of independent accounting, audit, tax, legal, advisory, financial, immigration and technology services firms. The association has more than 200 Chartered Accountants/CPAs in more than 70 countries around the world. He has been an independent director in several companies involved in various industries like mining, metals, technology, power, textile, steel, mutual funds, chemicals, real estate, building products, pharma, GCC, investment, and retail, among others. Over his tenure, he has helped companies in strengthening their corporate governance structure, compliance, risk assessment and plans to mitigate them as well as implementation of recommendations given by the auditors on strengthening the controls and processes of companies. He has been the Chairman of various committees, including Audit, Nomination & Remuneration, Risk Management, ESG, and CSR, among others.

Skills And Expertise of the Board

The members of our Board of Directors bring together a remarkable blend of backgrounds, qualifications, skills, and experiences. This depth and breadth of expertise enable them to guide Laxmi's strategic direction and provide effective oversight of our operations, ensuring our Company remains agile and innovative in an ever-changing business environment.

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Mr. Ravi Goenka	✓	✓	✓	✓	✓	✓	✓	✓	✓								
Mr. Harshvardhan Goenka		✓			✓				✓	✓	✓	✓					
Mr. Rajeev Goenka		✓											✓				
Mr. Manish Chokhani		✓			✓	✓	✓	✓							✓		
Dr. Rajeev Vaidya		✓		✓			✓	✓							✓		
Ms. Sangeeta Singh		✓				✓										✓	
Mr. Arun Todarwal		✓			✓	✓	✓	✓					✓		✓		
Dr. Rajiv Banavali		✓		✓		✓	✓	✓		✓		✓					
Dr. Rajan Venkatesh	✓	✓	✓	✓			✓				✓		✓	✓			
Mr. Vijay Ratnaparkhe	✓					✓		✓					✓				✓

Key Areas of Expertise

- Leadership/Operational Experience
- Industrial & Stakeholder Relations
- General Management
- Strategic Planning
- Corporate Governance
- Manufacturing
- Procurement
- Business Development
- Investment Banking & Capital Market
- Global Chemical Industry Expert
- New Product/Chemistry Initiatives
- HR & People Management
- Finance and Accounting
- Sales and Marketing
- IT Industry Expert
- Regulatory/Legal & Risk Management
- R&D and Innovation

BOARD EXPERIENCE

All Members with 10+ Years

8 Members with 25+ Years

6 Members with 30+ Years

3 Members with 35+ Years

5 Independent Directors

1 Woman Directors

Key functions of the Board include:

- Overseeing corporate governance practices.
- Reviewing business strategy and operational plans proposed by management.
- Monitoring and evaluating management performance.
- Assessing the effectiveness of risk management strategies.
- Fulfilling statutory and contractual obligations.
- Ensuring compliance with laws and regulations.
- Supervising the Board evaluation process.

Governance Policies: Upholding Standards

Laxmi's approach to governance is clear and consistent: fairness and transparency guide everything we do. Our governance system responds to legal developments and is rooted in our Company's core philosophy, providing a stable platform for ongoing success. These values shape our decisions and drive us to pursue growth responsibly. We maintain strict compliance with all relevant regulations, codes, and policies, setting high expectations for our conduct. Our policies are proactive, ensuring we meet labour, environmental, and diversity commitments and reinforcing our dedication to sustainable practices.

LEADERSHIP COUNCIL

Dr. Rajan Venkatesh
|Managing Director & Chief Executive Officer

Dr. Rajan joined Laxmi in April 2023, bringing with him a career defined by technical depth and strategic global leadership. His academic foundation spans three leading institutions: a master's in chemistry from ICT-Mumbai, an M.Phil. in Polymer Science and Technology from the University of Manchester, and a Ph.D. in Polymer Chemistry from Eindhoven University of Technology in the Netherlands. The 19 years at BASF shaped his global perspective, having operated across Germany, Singapore, India, and Hong Kong. At BASF, Dr Rajan managed large-scale initiatives and guided cross-functional business units. In his earlier role as Senior Vice President, Care Chemicals, Asia-Pacific, he led comprehensive business management operations, covering P&L oversight, customer and market strategy, sites and joint ventures, HR, and commercial execution across markets of Greater China, ASEAN, South Asia, Japan, Korea, and ANZ.

Mr. Harshvardhan Goenka
Executive Director

Mr. Harshvardhan Goenka has been an integral part of Laxmi Organic Industries since 2011, bringing strategic insight and a deep understanding of the chemicals sector. Over the years, he has played a leading role in steering the company's evolution—from a traditional bulk chemicals business to a dynamic and innovation-driven specialty chemicals enterprise. Appointed to the Board in November 2020, Harsh has been at the forefront of defining the Company's long-term strategic priorities, with a focus on capital deployment, mergers and acquisitions (M&A), business diversification, and sustainable growth. He is a strong advocate of India's potential to build integrated chemical value chains and believes this is key to fostering a self-reliant manufacturing ecosystem. Outside of Laxmi, Harsh is deeply involved in the wider business and leadership ecosystem. He is affiliated with the Indian Chemical Council (ICC) and is an active member of the Young Presidents' Organization (YPO). He holds a Bachelor's degree in Economics and Business Management from Babson College, Boston, USA, and is currently pursuing Executive Education at Harvard Business School.

Mahadeo Karnik
Chief Financial Officer

Mr. Mahadeo Karnik, Chief Financial Officer, is a rank-holder Chartered Accountant with more than 28 years of experience spanning finance, capital markets, corporate taxation, and M&A. His leadership track record includes senior roles at prominent organisations, including Abbott Healthcare, PerkinElmer, Roche Diagnostics, International Bestfoods, and United Phosphorus, where he consistently delivered strategic financial outcomes.

Mr. Prateek Singh
Chief Human Resources Officer

Prateek Singh is a seasoned HR professional with over 18 years of experience in strategic HR leadership. He oversees end-to-end HR functions. Previously, he held key roles as CHRO at Integrace Pvt Ltd (A true North Company) and multiple roles at Marico Industries, including Business HR Head for Sales & Marketing , Head of HR for Middle East & Africa and Head of Talent Acquisition and Management. He also worked at GlaxoSmithKline Consumer Healthcare and TCS E-Serve International. Prateek holds an MBA in HR from IMT Ghaziabad and a Bachelor's degree in Mechanical Engineering from Madan Mohan Malaviya University of Technology, India. Based in Mumbai, he specialises in HR business partnering, performance management, talent, and organisational development.

Jitendra Agarwal
President, Essentials BU

An Associate Member of the Institute of Chartered Accountants of India, Mr. Jitendra Agarwal brings over 30 years of diverse leadership experience spanning finance, accounting, global procurement, supply chain, sales, marketing, operations, industrial relations, and enterprise-wide management. Since joining the Company in June 2018, he has played a pivotal role in driving business growth, performance improvements and operational excellence across key business functions.

Mr. Virag Shah
President, Specialties BU

As President of Specialties Business Unit, Virag Shah brings more than two decades of domain expertise to Laxmi. He holds master's degrees in both Applied Chemistry and Business Administration from Maharaja Sayajirao University of Baroda, equipping him with both technical and managerial acumen. Since joining the organisation in July 2019, he has applied his 21 years of experience in marketing, sales, and business development to strengthen our Company's position in specialty chemicals and pharmaceutical intermediates.

Dr. Milind Vaidya holds a Ph.D. in Organic Chemistry from UDCT, an MS in Organic Chemistry from IIT Mumbai, and certifications in Brand Management from IIM Bengaluru and Six Sigma (Black & Green Belt). With 27 years of diverse experience, he has held leadership roles in esteemed organisations such as Atotech GmbH, Reliance Industries, BP-Castrol, and GE India Technology Centre. Dr. Vaidya has a proven track record in building marketing frameworks, driving product innovation, and developing competitive strategies. His expertise spans establishing marketing and R&D departments, managing product lifecycles, and fostering collaboration across R&D, production, and sourcing functions to deliver impactful business outcomes.

Dr. Milind Vaidya
Executive Vice President (R&D and Specialties Marketing)

Mr. Uday Vaishampayan is a certified Environment, Health and Safety (EHS) professional with over 36 years of experience in managing complex EHS risks. His work spans high-hazard industries, including those in the specialty chemicals sector, where safety and compliance demand precision and depth of understanding.

Mr. Uday Vaishampayan
Executive Vice President (EHS)

Mr. Prashant Patil serves as the President of Manufacturing for Specialty Intermediates. He holds a bachelor's degree in chemical engineering from Mumbai University and a postgraduate diploma in Materials Management from the Welingkar Institute. With more than 35 years of industry experience across manufacturing, project execution, and process engineering in specialty chemicals, he has been contributing to Laxmi since November 2016.

Mr. Prashant Patil
President (Manufacturing)

Mr. Salil Mukundan boasts a rich and diverse career spanning 35 years, during which he has contributed his expertise to several esteemed organisations, including Deepak Nitrite Limited, IPCA Laboratories Limited, Arch Pharmalabs Limited, and Apte Amalgamations Limited. He holds a Bachelor of Technology degree in Chemical Engineering from the Indian Institute of Technology, Mumbai, earned in 1989. Most recently, he served as Senior Vice President – Technology (Global Technology Head) at Dorfketal Chemicals India Pvt. Ltd.

Mr. Salil Mukundan
Chief Technology Officer

With an MBA from IIM Ahmedabad and a B.Sc. (Honours) in Agriculture & Animal Husbandry from G.B. Pant University of Agriculture & Technology, Mr. Susheel brings over 25 years of extensive experience. He has held key positions in leading organisations such as BASF, Marico, and Corteva AgriScience, gaining valuable insights through his work across India, Germany, and Hong Kong.

Susheel Mittal
Chief Supply Chain Officer

LEADERSHIP COMMITMENT & RECOGNITION

MD & CEO at PwC's VIKSIT Framework Event

Participated in the PwC's VIKSIT framework event, engaging with industry leaders on strategies to propel India towards achieving US$ 1 Tn in merchandise exports.

Executive Chairman and MD & CEO at ASSOCHAM Gujarat Petrochemicals & Chemicals Conclave 2024

Represented Laxmi and shared strategic perspectives on India's role in the evolving sustainable global chemical landscape, while reaffirming the Company's commitment to Gujarat through a planned investment of ₹ 710 Crores in the upcoming Dahej facility.

SCM Award 2023 for implementation of best practices in Supply Chain of Hazardous Goods by Road

Honoured with FICCI Award for Excellence in Exports at India Chem 2024

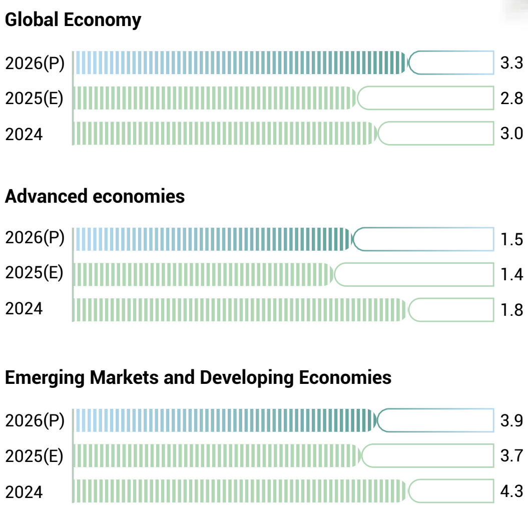
MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMIC OVERVIEW

In 2024, the global economy expanded at a moderate pace of 3.3%, indicating a period of relative stability, though growth remained subdued. However, 2025 has ushered in heightened volatility as major economies reorder their policy priorities amid rising geopolitical tensions and structural economic challenges. The sharpest inflection point came in April, when the US imposed near-universal tariffs, prompting widespread retaliation. These abrupt policy changes triggered a spike in trade uncertainty, historic equity market corrections, and upward pressure on global bond yields.

As a result, global growth is expected to slow to 2.8% in 2025, before recovering slightly to 3.0% in 2026. Inflation is proving more persistent than earlier anticipated. Headline inflation is projected at 4.3% in 2025 and 3.6% in 2026, driven by higher input costs from trade disruptions, particularly in advanced economies. Core inflation remains elevated, especially in services, complicating central banks' path forward. Emerging markets and developing economies (EMDEs) are forecast to grow at 3.7% in 2025, down from 4.3% in 2024. High debt levels, currency depreciation, and tighter financing conditions are amplifying vulnerabilities, particularly in countries like Argentina, South Africa, and Mexico. Investor sentiment has weakened, capital outflows have intensified, and policy flexibility is constrained by rising debt-servicing costs and inflationary pressures.

GDP Growth Projections (in %)



Outlook

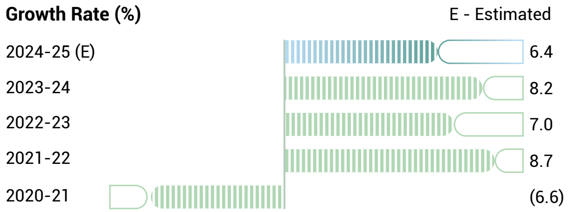
Looking ahead, the path to recovery and resilience will depend on how effectively countries respond to both cyclical pressures and structural headwinds. Strengthening policy credibility, managing debt prudently, and embracing reforms that enable workforce participation and productivity will be key. More importantly, international cooperation must be revitalised to de-escalate trade tensions, manage migration more equitably, and finance sustainable development in low-income regions. The global economy remains at a critical juncture. But with collective resolve, this period of disruption could give way to a more balanced and inclusive global growth trajectory.

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

INDIAN ECONOMIC OVERVIEW

India's economy remained resilient through 2024–25, with GDP standing at 6.4%, despite a challenging global environment marked by trade disruptions, inflationary risks, and financial market volatility. This performance was driven by strong domestic fundamentals including private consumption, improving rural demand, and a stable macroeconomic framework. The Reserve Bank of India (RBI), in its April 2025 bulletin, attributed this resilience to prudent fiscal management, a sound policy framework, and the strength of internal growth engines. While the external environment remains fluid, India's broad-based domestic demand has provided a buffer against global headwinds.

GDP Growth Rate (%)



The agricultural sector growth was expected at 3.8% in 2024–25. This was supported by favourable monsoon conditions, record kharif and rabi harvests, and higher summer sowing activity. The services sector remained the leading contributor to India's economic growth, expanding by 7.2% in 2024–25. The manufacturing sector, integral to the country's growth and industrial output, has shown signs of revival due to a surge in infrastructure activity, rising demand, and increased public investment. Policy interventions such as the Production - Linked Incentive (PLI) scheme and the development of industrial corridors are also supporting this growth momentum. However, external demand softness and input cost volatility continue to pose challenges, underscoring the need for innovation, productivity enhancement, and policy-supported competitiveness.

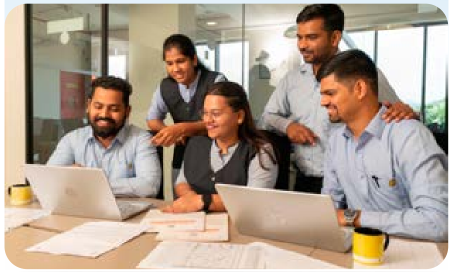
On the price front, headline inflation eased in early 2025, primarily driven by a steep decline in food prices. The inflation trajectory has been aided by record rabi output, falling crude oil prices, and declining inflation expectations.

[*Monetary Policy Report, April 2025*]

Outlook

As India enters 2025–26, the economic outlook remains cautiously optimistic. Domestic growth is expected to be driven by sustained consumption, a strong Capex pipeline, and accommodative monetary policy. The economy showcased its resilience by navigating through international challenges such as geopolitical tensions, the Red Sea crisis, and the repercussions of rising energy prices and higher interest rates that slowed global commerce. The recent imposition of a 26% US tariff on Indian goods, including chemicals, adds near-term pressure but may also open up strategic opportunities if leveraged through pricing and market agility. With its diversified economic base, youthful demographics, and expanding digital ecosystem, India is well positioned to navigate short-term risks and remain one of the world's fastest-growing major economies.

(Source: *https://www.fortuneindia.com/economy/rbi-warns-of-global-growth-risks-but-sees-india-resilient-amid-trade-tensions/122376*
https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2120509#:~:text=The%20Reserve%20Bank%20of%20India%20has%20projected%20real%20GDP%20growth,cent%20in%20the%20preceding%20year.
KPMG India Union Budget 2025-26, Economic Survey of India 2024-25)



GLOBAL CHEMICAL INDUSTRY

The global chemical industry was valued at approximately US$ 6,182 Bn in 2024 and is projected to reach US$ 6,324 Bn by 2025, reflecting a year-on-year (YoY) growth of 2.3%. This growth is driven by several factors, including the rising demand for materials supporting the energy transition, stable demand from key sectors such as automotive and construction, and the ongoing recovery from economic disruptions.

Global Chemicals Market Size

Growth Rate (%) E - Estimated

2024-25 (E)	6.4
2023-24	8.2

2.3% Y-o-Y Growth

E - Estimated

(Source: *https://www.marketsandmarkets.com/Market-Reports/global-chemical-industry-outlook-89294716.html*)

The Asia - Pacific region is expected to experience significant growth during the forecast period, fuelled by increasing demand from emerging economies and heightened investments in sustainability and innovation. A key driver in this region is the growing demand for chemicals used in green energy manufacturing processes. Additionally, there is a surge in the demand for construction chemicals, along with increasing consumption of chemicals across various sectors such as agriculture, automotive, pharmaceuticals, and construction. This trend is contributing to the overall growth in the chemical industry within the Asia Pacific market.

(Sources: https://www.marketsandmarkets.com/Market-Reports/global-chemical-industry-outlook-89294716.html
https://www2.deloitte.com/us/en/insights/industry/oil-and-gas/chemical-industry-outlook.html)

Trends

1

SHIFT TO SPECIALTY CHEMICALS

There is a growing emphasis on specialty chemicals that offer high-performance, customised solutions across industries such as electronics, healthcare, automotive, agriculture, and personal care. This reflects a broader transition from commodity products to value-added offerings.

2

FOCUS ON SUSTAINABILITY AND GREEN CHEMISTRY

Sustainability is now central to industry strategy. Companies are embracing green chemistry principles to reduce hazardous substances, improve process efficiency, and meet stringent environmental regulations. Techniques such as microreactors and continuous flow processes are being adopted to minimise resource consumption and waste.

3

ADOPTION OF RENEWABLE FEEDSTOCKS

To reduce dependence on fossil fuels and lower emissions, the industry is shifting towards renewable feedstocks such as biomass and agricultural waste. This supports the move to a circular economy and aligns with global decarbonisation goals.

4

RISE OF CLEAN ENERGY

The transition to renewable energy sources like solar and wind is helping chemical manufacturers lower their carbon footprint and overall energy consumption. This shift also supports compliance with environmental standards and reduces long-term operational costs.

5

TECHNOLOGICAL TRANSFORMATION

Advanced technologies including Artificial Intelligence (AI), Machine Learning (ML), and the Internet of Things (IoT) are improving production efficiency, accelerating innovation, and enhancing supply chain transparency. AI is particularly instrumental in streamlining R&D and optimising manufacturing processes.

6

OPERATIONAL COMPLEXITY FROM REGULATORY PRESSURES

Compliance with evolving environmental regulations continues to add complexity and costs. Companies are investing in cleaner technologies and upgrading facilities to meet global and regional standards while maintaining competitiveness.

(Sources: *https://www.pwc.com/gx/en/issues/esg/the-energy-transition/net-zero-chemicals-industry-transformation.html*
https://www.marketsandmarkets.com/Market-Reports/global-chemical-industry-outlook-89294716.html
https://www2.deloitte.com/us/en/insights/industry/oil-and-gas/chemical-industry-outlook.html)

Outlook

The global chemical industry is likely to continue facing challenges arising from geopolitical tensions, climate risks, and regulatory and policy changes. While the chemical logistics sector has yet to fully recover to pre-pandemic levels, demand is expected to grow significantly over the next decade. To capitalise on this growth, the industry will need to enhance the flexibility and agility of its supply chains by leveraging digital technologies and forming strategic partnerships. These measures are expected to benefit all sectors of the chemical industry, strengthening its ability to withstand future disruptions or shifts in supply and demand dynamics across regions.

(Source: *https://www2.deloitte.com/us/en/insights/industry/oil-and-gas/chemical-industry-outlook.html*)

Pharmaceutical Chemicals Market

The global pharmaceutical chemicals market is projected to reach US$ 148.39 Bn in 2025, rising at a compound annual growth rate (CAGR) of 7.0% from US$ 138.71 Bn in 2024. This market encompasses a wide range of natural and synthetic substances used in the formulation, development, and synthesis of active pharmaceutical compounds for both human and veterinary applications. Key product categories include solvents, reagents and catalysts, key starting materials (KSMs), intermediates, and advanced building blocks for APIs. These chemicals are critical across various therapeutic areas, including cardiovascular, neurological, oncological, respiratory, gastrointestinal, and musculoskeletal diseases, supporting both proprietary and generic drug development. The market's growth is fuelled by a confluence of factors such as technological advancements in drug discovery, rising prevalence of chronic diseases, an ageing global population, and favourable regulatory reforms that streamline drug approvals. Additionally, increasing demand for personalised medicine, biosimilars, and biopharmaceuticals, coupled with growth in emerging markets and the integration of digital health solutions, is expected to shape the market's trajectory. Innovations in gene and cell therapies, vaccine development, and drug repurposing further underscore the strategic importance of pharmaceutical chemicals in the evolving global healthcare landscape.

(Sources: *https://www.thebusinessresearchcompany.com/report/pharmaceutical-chemicals-global-market-report#:~:text=Pharmaceutical%20Chemicals%20Market%20Size%202025,(CAGR)%20of%207.0%25*)

Dyes and Pigments Market

The global dyes and pigments market, valued at US$ 39.0 Bn in 2024, is expected to reach US$ 52.0 Bn by 2033, at a CAGR of 3.26% during 2025–2033, driven by broad-based application across industries such as textiles, paints and coatings, plastics, printing inks, and cosmetics. The market's expansion is fuelled by rising demand for high-performance pigments with superior lightfastness, chemical resistance, and thermal stability, as well as growing consumer preference for eco-friendly and sustainable alternatives amid mounting environmental concerns. Asia Pacific remains the largest regional market due to rapid urbanisation, booming construction and automotive sectors, and increasing fashion and textile exports. Technological advancements in pigment synthesis and innovations such as bio-based dyes are opening new avenues, with companies launching non-toxic, heavy-metal-free variants compliant with global sustainability standards like ZDHC and OEKO-TEX. Government infrastructure and housing schemes, particularly in emerging economies like India and China, are further accelerating demand for construction coatings, while a flourishing textile sector continues to be a core growth engine. Despite challenges such as regulatory compliance and volatile raw material costs, the sector is poised for steady growth, underpinned by rising environmental regulations and the global shift towards circular and green chemistry in manufacturing.

(Source: *https://www.imarcgroup.com/dyes-pigments-market*)

Agrochemicals Market

The global agrochemicals market, valued at US$ 297.7 Bn in 2024, is projected to grow to US$ 394.8 Bn by 2033 at a CAGR of 3.2%, driven by the rising global demand for food, intensifying agricultural activity, and the adoption of modern farming techniques. Agrochemicals comprising fertilisers, pesticides, herbicides, fungicides, and insecticides are indispensable in enhancing crop yields and protecting against pests, diseases, and nutrient deficiencies, especially in the context of shrinking arable land and increasing food security concerns. Asia Pacific, holding over 43.2% of the market share in 2024, dominates due to its vast agricultural landscape, high food consumption, and government initiatives supporting sustainable and precision farming. Innovations such as delayed-release fertilisers, bio-based pesticides, and climate-resilient crop formulations are reshaping the market, addressing both productivity and environmental sustainability. The rising use of high-yielding crop varieties, which while improving productivity, are more susceptible to pest infestations further propels the demand for agrochemicals. Additionally, climate change-induced threats and a push for sustainable agriculture are catalysing the development of eco-friendly solutions like biopesticides and organic fertilisers. Markets such as the US are also witnessing significant R&D investments, leading to the introduction of next-generation products like biofungicides with low resistance risks and residue-free efficacy. With global population growth forecasted to exceed 10 Bn, agrochemicals will remain central to balancing yield enhancement, environmental responsibility, and global food security.

(Source: *https://www.imarcgroup.com/agrochemicals-market*)

Flexible Packaging Market

The global flexible packaging market, valued at US$ 141.03 Bn in 2024, is projected to grow to US$ 242.85 Bn by 2033 at a CAGR of 3.51%, propelled by the rising demand for sustainable, lightweight, and convenient packaging solutions across diverse end-use sectors including food, beverages, pharmaceuticals, personal care, and e-commerce. Asia - Pacific leads the market with a 45.8% share, driven by rapid urbanisation, industrial expansion, and growing consumption in countries like China and India. Flexible packaging offers significant advantages over rigid formats such as reduced material usage, lower production and transportation costs, and improved shelf life through advanced barrier properties, making it ideal for both online and offline retail ecosystems. The surge in e-commerce, where 76% of adults in the US shop online, has heightened the need for packaging that is durable, compact, and cost-effective, further bolstering market demand. Simultaneously, increasing consumer awareness and regulatory emphasis on environmental sustainability are fostering the shift towards recyclable, compostable, and post-consumer resin (PCR)-based packaging. Innovations in material science and strategic collaborations are reshaping the industry landscape by offering packaging that aligns with both ecological and convenience-driven expectations. As consumers increasingly seek resealable, portion-sized, and on-the-go solutions, flexible packaging is emerging as a key enabler of product differentiation, supply chain efficiency, and environmental responsibility.

(Source: *https://www.imarcgroup.com/flexible-packaging-market*)

Industrial Chemicals Market

The global industrial chemicals market, encompassing a broad array of substances like solvents, reactants, coatings, dyes, stabilizers, plasticizers, and flame retardants, plays a pivotal role in various industrial and consumer applications. While some of these chemicals are integral to manufacturing processes, many also serve as essential ingredients in everyday consumer products. However, certain industrial chemicals, particularly persistent organic pollutants (POPs), pose significant environmental and health risks, as they remain intact for extended periods, bioaccumulate in living organisms, disperse widely through natural elements, and are toxic to both humans and wildlife. A major segment within this landscape is the global Coatings, Adhesives, Sealants, and Elastomers (CASE) market. Asia-Pacific, led by industrial powerhouses like China and India, holds over 40% of the global share, while Europe and North America remain robust contributors, driven by demand across packaging, construction, and automotive sectors. The market is undergoing rapid transformation, shaped by sustainability imperatives and advancements in smart coatings and nanotechnology. These innovations are enabling the development of responsive, high-performance materials that align with regulatory trends and consumer preferences for low-VOC, bio-based solutions. Rising electric vehicle (EV) adoption and infrastructure expansion are further fuelling demand for high-strength, lightweight, and eco-friendly CASE materials, particularly in flexible packaging and sustainable construction.

(Source: *https://www.cognitivemarketresearch.com/list/chemical-%26-materials/coatings-adhesives-sealants-and-elastomers*)

Global Ethanol Industry

The global ethanol market size accounted for US$ 109.11 Bn in 2024 and is expected to reach around US$ 182.88 Bn by 2034, expanding at a CAGR of 5.3% from 2024 to 2034. This growth is primarily driven by the rising global emphasis on renewable energy adoption and the need to reduce dependence on fossil fuels. Ethanol, a sustainable and renewable biofuel typically produced from crops such as corn and sugarcane, plays a key role in lowering greenhouse gas emissions, aligning with global climate goals.

Governments worldwide are introducing supportive policies and blending mandates, such as minimum ethanol content requirements in gasoline, to stimulate demand. Additionally, technological innovations in ethanol production, such as second-generation ethanol derived from non-food biomass, are expanding the fuel's application scope across transportation, industrial solvents, personal care, and beverage industries. The market is also seeing increased activity from key players through strategic partnerships, product innovations, and capacity expansions, all aimed at improving efficiency and tapping into new market segments. As environmental regulations tighten and clean energy transitions accelerate globally, ethanol is positioned as a critical component of the sustainable energy mix.

(Source: *https://www.precedenceresearch.com/ethanol-market#:~:text=Report%20Description-,Ethanol%20Market%20Size%20and%20Forecast%202025%20to%202034,USD%2048.70%20Bn%20in%202023.*)

Global Acetic Acid Market

The global acetic acid market is poised for steady growth, projected to expand from US$ 16.16 Bn in 2024 to US$ 22.18 Bn by 2029, registering a CAGR of 6.7%. Acetic acid (CH_3COOH), a colourless organic acid known for its pungent smell and sour taste, is widely used across industries as a chemical reagent and intermediate. It is predominantly produced either synthetically or through fermentation processes, and it finds key applications in the production of vinyl acetate monomer (VAM), acetic anhydride, acetate esters, purified terephthalic acid (PTA), and ethanol, among others. The primary sales channels include direct company sales, direct imports, distributors/traders, and retailers, with direct imports playing a significant role in fulfilling global demand.

The market is being driven by strong growth across several end-use industries such as textiles, paints and coatings, plastics and polymers, pharmaceuticals, chemicals, food and beverages, and water treatment. Particularly, the expanding textile sector where acetic acid is essential in rayon production, fabric dyeing, and synthetic fibre manufacturing is a key growth catalyst. Simultaneously, surging global chemical production is increasing demand for acetic acid as a raw material and solvent.

Emerging trends include a shift toward bio-based acetic acid, advancements in green chemistry, and increasing applications in the automotive coatings and packaging sectors. Additionally, ongoing investments in R&D, partnerships, and M&A activities are shaping the competitive landscape. With growing demand for ethyl acetate, acetic anhydride, and its extensive use in industrial processes, the acetic acid market is expected to witness strong, sustainable growth through 2029.

(Source: *https://www.thebusinessresearchcompany.com/report/acetic-acid-global-market-report#:~:text=The%20acetic%20acid%20market%20size%20has%20grown%20strongly%20in%20recent,(CAGR)%20of%205.8%25.*)

INDIAN CHEMICAL INDUSTRY

India's chemical industry is undergoing a significant transformation. Valued at US$ 250 Bn in 2024, the sector is set to reach US$ 300 Bn by 2025 and is projected to expand to US$ 383 Bn by 2030, aiming to double its share in the global market to 6%. With a clear roadmap to scale up to US$ 1 trillion by 2040, supported by a CAGR of 9.3%, this growth is powered by the country's broader economic momentum, strong cross-industry linkages, a skilled talent pool, and a rising focus on innovation and R&D. However, the reciprocal tariffs imposed by the US President on chemical exports have created new challenges for India's chemical industry.

Indian Chemicals Market Size

2040(P)	US$ 1 Tn
2030(P)	US$ 383 Bn
2025(E)	US$ 300 Bn
2024	US$ 250 Bn

9.3% CAGR (2024-2040) E - Estimated P - Projected

(Source: *https://www.ey.com/en_in/insights/chemicals/catalyzing-growth-india-s-chemicals-and-petrochemicals-drive-growth*)

(Sources: *https://www.investindia.gov.in/team-india-blogs/chemical-industry-growth-drivers-and-investment-opportunities-india*
https://www.ey.com/en_in/insights/chemicals/catalyzing-growth-india-s-chemicals-and-petrochemicals-drive-growth
https://www.ey.com/content/dam/ey-unified-site/ey-com/en-in/technical/alerts-hub/documents/2025/ey-union-budget-2025-alert-chemical-sector.pdf
https://www.indianchemicalnews.com/policy/budget-2025-impact-on-the-indian-chemical-sector-by-aashish-kasad-senior-partner-ey-india-and-national-leader-chemicals-and-agri-sector-and-pari-shah-director-ey-india-25235)

Basic Chemicals Industry

India's basic chemicals industry forms a crucial pillar of the country's industrial and manufacturing landscape, supplying essential inputs to a wide range of downstream sectors including agriculture, textiles, pharmaceuticals, food and beverages, construction, and consumer goods. Broadly categorised into organic and inorganic types, basic chemicals such as acids, alkalis, salts, petrochemicals, and industrial gases are produced in large volumes and serve as building blocks for products like fibres, fertilisers, detergents, adhesives, coatings, and polymers. With abundant raw materials, strong domestic demand, and growing export potential, India is emerging as a significant player in the global basic chemicals market. The sector's growth is being propelled by rapid industrialisation, infrastructure development, and increasing consumption across key sectors such as healthcare and food processing. Government-led initiatives like 'Make in India' and policy support for domestic production of both basic and specialty chemicals are further strengthening the country's global competitiveness. As the global basic chemicals market continues to expand, India is poised to play an increasingly influential role, underpinned by its focus on sustainable manufacturing, green chemistry, and advanced materials. Moreover, ongoing technological advancements and capacity expansions such as the establishment of new sulphuric acid and plasticiser production facilities are driving innovation and reinforcing the industry's shift toward circular economy models and low-carbon growth.

(Source:*//www.thebusinessresearchcompany.com/report/basic-chemicals-global-market-report*)

Specialty Chemicals Industry

The Indian specialty chemicals industry, valued at US$ 27.05 Bn in 2024, is projected to grow to US$ 41.26 Bn by 2033, reflecting a healthy CAGR of 4.8% over the forecast period. This dynamic sector includes a diverse array of application-specific chemicals such as agrochemicals, polymers, surfactants, and additives, catering to end-use industries like agriculture, pharmaceuticals, personal care, automotive, and construction. The industry's growth is being driven by rapid industrialisation, the expansion of consumer and manufacturing sectors, and technological innovation aimed at improving product performance and environmental sustainability. Government initiatives like 'Make in India' and 'Atmanirbhar Bharat' are further encouraging domestic production and reducing import dependency. India's cost competitiveness, skilled talent pool, and strong adherence to global quality standards are helping Indian manufacturers gain traction in international markets, leading to a surge in exports. Additionally, the rising focus on green chemistry is prompting investment in eco-friendly product lines, aligning with global sustainability goals and unlocking new opportunities in high-value, low-impact chemical solutions. Positioned at the intersection of industrial growth and innovation, India's specialty chemicals sector is emerging as a cornerstone of the country's manufacturing-led economic development.

(Source: *https://www.custommarketinsights.com/report/india-specialty-chemicals-market/*)

Agrochemicals Market

India's agrochemicals market is poised for robust expansion, projected to grow by US$ 16.84 Bn at a CAGR of 11.8% between 2024 and 2029, driven by the rising need to enhance crop productivity and address challenges such as pests, weeds, and nutrient-deficient soils. Agrochemicals including fertilisers, pesticides, herbicides, fungicides, soil conditioners, and algaecides are essential to modern agriculture, helping farmers protect crops, improve yields, and maintain soil health. The increasing use of herbicides, particularly in fruit and vegetable cultivation, is a key growth driver, complemented by the rising adoption of eco-friendly formulations. Additionally, sustainable practices like Integrated Pest Management (IPM), cover cropping, composting, and green manure are reshaping the market by reducing reliance on synthetic chemicals and promoting organic alternatives. Despite the push for sustainability, agrochemicals remain indispensable for conventional farming, especially in staple crops such as rice and wheat. The grains and cereals segment is expected to dominate due to high consumption and government support. However, the growing shift toward organic farming and concerns over environmental impact present both a challenge and an opportunity for innovation in bio-based and low-impact agrochemical solutions. As technological advancements in precision agriculture and sustainable practices gain traction, India's agrochemical sector is evolving into a more efficient, responsible, and high-impact contributor to national food security and rural prosperity.

(Source: *https://www.technavio.com/report/agrochemicals-market-industry-analysis#:~:text=The%20India%20agrochemicals%20market%20is,due%20to%20several%20key%20trends.*)

Budget 2025–26:

Tailwinds for the CHEMICALS Sector

The Union Budget introduced key measures that are set to benefit India's chemical industry across multiple segments:

- **Manufacturing Push:** A new urea plant in Assam and the National Manufacturing Mission focussed on cleantech components like EV batteries and solar cells will drive demand for chemical intermediates.
- **Specialty & Construction Chemicals:** Initiatives like the National Toy Action Plan and a 3-year infrastructure pipeline under PPP mode are expected to spur demand for specialty and construction chemicals.
- **MSME Support:** Revised classification norms, tailored credit schemes (e.g., ₹ 5 Lakh credit card for micro enterprises), and an Export Promotion Mission will ease access to capital and boost exports.
- **R&D & Investment:** ₹ 20,000 Crores allocated for private-led innovation and a ₹ 10 Lakh Crore asset monetisation plan signal robust investment momentum.
- **Ease of Business and Skilling:** Faster merger processes, revamped investment treaties, and new skilling centres will improve operational agility and workforce readiness.

(Source: *https://www.ey.com/content/dam/ey-unified-site/ey-com/en-in/technical/alerts-hub/documents/2025/ey-union-budget-2025-alert-chemical-sector.pdf*)

Ongoing Government

SUPPORT TO THE CHEMICAL SECTOR

The Government of India continues to strengthen the chemical and petrochemical industry through focussed schemes and policy enablers that drive scale, innovation, and infrastructure development. These include:

- **Production-Linked Incentive (PLI) Scheme**
  With an outlay of ₹ 1.97 Lakh Crore across 14 key manufacturing sectors, the PLI scheme encourages domestic production and reduces import reliance. For the chemical industry, the scheme supports critical segments like bulk drugs, with ₹ 6,940 Crores allocated to enable domestic manufacturing of 41 essential APIs between 2020-21 and 2029-30.
- **Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIRs)**
  PCPIRs are integrated industrial zones developed to attract large-scale investments in petrochemical manufacturing. These regions offer shared infrastructure, utilities, and logistics support to reduce costs and drive cluster-based growth. Under the revised PCPIR policy, the government targets ₹10 Lakh Crore in cumulative investments by 2025.
- **Chemical Promotion Development Scheme (CPDS)**
  CPDS aims to foster knowledge sharing and policy development for the chemical and petrochemical sectors. It funds research studies, industry surveys, awareness campaigns, and capacity-building events such as workshops and seminars. The scheme is designed to support both independent and collaborative efforts involving government bodies, PSUs, and industry associations.
- **Plastic Park Scheme**
  To boost the downstream plastic processing sector, the Plastic Park Scheme facilitates the development of cluster-based industrial hubs with modern infrastructure and shared facilities. The government provides financial assistance covering up to 50% of project costs, subject to a cap of ₹ 40 Crores per park. These parks are intended to enhance competitiveness, enable economies of scale, and support MSMEs in the plastic value chain.

(Source: *https://www.investindia.gov.in/team-india-blogs/chemical-industry-growth-drivers-and-investment-opportunities-india*)

Growth Drivers

OF THE INDIAN CHEMICALS MARKET

- **Rising Domestic Demand**
  India's chemical industry is anchored by strong domestic consumption, which contributes to nearly 70% of total production. With key end-user sectors such as agriculture, pharmaceuticals, automotive, construction, and electronics expanding rapidly, demand for chemicals is set to rise. India is projected to contribute 20% of the incremental global chemical demand over the next two decades, with domestic consumption expected to reach US$ 850–1,000 Bn by 2040.
- **Policy Support and Government Initiatives**
  A series of government-led reforms and incentives such as the Production-Linked Incentive (PLI) scheme, Remission of Duties and Taxes on Exported Products (RoDTEP), and the development of Petroleum, Chemicals and Petrochemical Investment Regions (PCPIRs) are fostering growth, enhancing self-sufficiency, attracting investment, and streamlining regulatory compliance.
- **Growth of Specialty Chemicals and Export Opportunities**
  Specialty chemicals, which currently constitute 47% of the domestic chemicals market, are expected to grow at a CAGR of nearly 11% over the next five years. With global companies adopting a 'China+1' strategy to diversify supply chains, India's cost competitiveness and capability in specialty chemicals have positioned it as a preferred export hub for high-value, sustainable products.
- **Investment in R&D and Innovation**
  The government's push for innovation exemplified by the ₹ 20,000 Crores fund for private sector-led R&D is driving product development and technological advancement. Initiatives such as the National Centres of Excellence for Skilling and the Deep Tech Fund of Funds are also expected to upskill the workforce and strengthen India's innovation ecosystem in the chemical sector.
- **Cost Competitiveness and Skilled Workforce**
  India's abundance of skilled manpower, access to natural resources, and relatively low manufacturing costs continue to give the country a competitive edge. These advantages have attracted large-scale investments, with numerous multinational companies establishing technical and manufacturing centres in India to serve both domestic and global markets.

Constraints
FACING THE INDIAN CHEMICALS MARKET

- **Dependence on Imported Raw Materials**
  India imports over 60% of its petrochemical feedstock, making the industry susceptible to price volatility, geopolitical risks, and supply chain disruptions. This heavy dependence elevates operational costs and creates uncertainty for manufacturers.
- **Global Headwinds and Overcapacity**
  Sluggish demand in key export markets such as the US, Europe and parts of Asia-Pacific, coupled with global overcapacity and commodity price fluctuations, has led to lower margins and a widening trade deficit for Indian chemical exports.
- **Environmental and Regulatory Pressures**
  Stringent environmental norms and rising compliance costs are pushing companies to invest in cleaner technologies and sustainable practices. While necessary, these transitions add to capital expenditure and operational complexity, especially for small and mid-sized enterprises.
- **Innovation and Technology Gaps**
  Continuous innovation is critical in areas like specialty chemicals, yet smaller firms often lack the resources for sustained R&D. This limits their ability to keep pace with global competitors and meet evolving industry demands.
- **Infrastructure and Policy Limitations**
  Despite existing support, the sector still requires more targeted measures such as PLI Scheme extensions to the broader chemical sector, improved logistics and utility infrastructure in PCPIRs, streamlined duty structures, and stronger R&D incentives. The absence of these enablers may constrain future growth and global competitiveness.

Outlook

The global chemical industry is gradually recovering as destocking eases and demand improves, but oversupply, margin pressure, and geopolitical risks keep the outlook neutral. India, however, continues to gain momentum due to shifting supply chains and favourable global dynamics. In the post-pandemic environment, supply chain disruptions in China and ongoing trade tensions between China, the US, and Europe have created fresh opportunities for Indian chemical manufacturers. China's tightening environmental regulations are also driving demand shifts in favour of India across specific chemical segments.

The US-imposed reciprocal tariffs, initially set at 26% but later reduced to 10% are challenges for India's chemical industry, particularly impacting MSMEs that contribute nearly 65% of chemical exports. While Indian firms remain relatively more competitive than their counterparts in China, Vietnam, and Bangladesh due to lower tariff exposure, the margin pressure, risk of dumping, and potential renegotiation of contracts add significant complexity. To navigate this, the industry is urging swift trade negotiations with the US, a relook at joining trade blocs like RCEP, and domestic reforms including HS code harmonisation, targeted support under PLI schemes, and simplified compliance for MSMEs. Market diversification, enhanced data access, and investment in high-value chemicals are key to sustaining exports. If executed effectively, these measures could not only mitigate near-term headwinds but also strengthen India's long-term position in global chemicals trade.

(Sources: *https://www.ibef.org/industry/chemical-industry-india https://www.indianchemicalnews.com/compendium-2025, https://economictimes.indiatimes.com/small-biz/sme-sector/chemical-chaos-trumps-tariffs-push-small-indian-chemical-firms-to-the-brink/articleshow/120685401.cms?from=mdr*)

COMPANY OVERVIEW

Laxmi Organic Industries Limited (also referred to as 'Laxmi Organic,' 'Laxmi,' 'The Company' or 'We') is a globally integrated chemical manufacturer, committed to delivering sustainable, innovation-led solutions across essential and specialty chemical segments. With over three decades of industry presence, we have built a robust foundation on process excellence, R&D capabilities, and customer-centricity. Our diverse product portfolio spans more than 50 offerings, catering to over 750 active customers in 55+ countries. Backed by four strategically located manufacturing sites in India and a growing global footprint, we are well-positioned to serve high-growth sectors such as pharmaceuticals, agrochemicals, inks and coatings, packaging, and personal care.

We have set up a new R&D facility to enhance our innovation and development capabilities. The facility includes a Kilo Lab and a dedicated Pilot Plant for sample generation. Additionally, it is equipped with Electrochemical Fluorination (ECF) capabilities, enabling the development of advanced fluorinated compounds. This investment strengthens our ability to scale up new chemistries efficiently and supports the transition from lab-scale innovation to commercial production. Building on this growth, we have forayed into a new segment through a strategic Letter of Intent signed with Hitachi Energy to manufacture an eco-efficient gas for their SF_6-free high-voltage switchgear portfolio. This initiative focusses on supporting our customer's ambitions by leveraging our technology platforms.

We operate with a clear goal to become a global market leader by leveraging innovation, nurturing top talent, and embedding environmental and social responsibility at the core of our business model. The Company is DSIR-certified for its in-house R&D capabilities and is accredited under the Responsible Care programme by the Indian Chemical Council. Its proactive approach to sustainability is demonstrated by sourcing up to ~25% of its energy from hydro, wind, and solar sources.

As part of our strategic expansion, we have received the Environmental Clearance (EC) from the State Environment Impact Assessment Authority (SEIAA), Gujarat, as well as the Factory License from the Directorate of Industrial Safety and Health, Gujarat for the upcoming Synthetic Organic Chemicals manufacturing site at Dahej, Bharuch. This facility will enhance capacities for essential and specialty chemicals, supporting product diversification and reaffirming our focus on innovation, compliance, and customer-centric growth.

Essentials
THE FOUNDATION OF SCALE

The Essentials segment serves as the backbone of our operations, focussing on high-volume, cost-efficient products built through core chemistries such as esterification and acetylation. This business caters to a wide range of end-use industries including pharmaceuticals, adhesives, coatings, printing inks, and packaging. The segment addresses a large global market estimated at over US$ 12 Bn, and we are recognised as the largest producer of ethyl acetate in India and among the top three players globally (excluding China).

During 2024-25, the Essentials segment demonstrated resilience, as we saw volume growth during the year. However, sustained pressure on spreads continued to weigh on overall profitability. Moving forward, we are also undertaking product diversification within the Essentials portfolio to reduce dependence on ethyl acetate, which historically contributed up to 55% of total revenues. With the upcoming launch of butyl acetate and capacity additions underway at Lote and Dahej, we are aiming to rebalance this contribution to around 40% over the next few years. This transition is aligned with the broader objective of strengthening the portfolio and capturing a larger share of global demand for solvents and aldehydes.

Specialties
THE ENGINE OF INNOVATION

The Specialties segment is our high-margin growth driver, anchored in advanced chemistries such as ketene/diketene derivatives and fluorination. These products cater to complex, customer-specific applications across sectors like agrochemicals, pharmaceuticals, electronics, coatings, and fragrances. With an addressable market size exceeding US$ 3.5 Bn, this segment reflects our commitment to value-added, innovation-led growth.

In 2024-25, the Specialties business delivered a strong 14% YoY revenue growth, supported by a strategic focus on new product development and process innovation. Since acquisition of Clariant, over 40+ new diketene derivatives spanning esters, amides, and arylides were commercialised for targeted applications. We also successfully absorbed and scaled up complex chemistries such as mercaptan and ethylene oxide derivatives for global customers, further strengthening our reputation as a reliable innovation partner.

The foray into electrochemical fluorination has positioned us as the only Indian player in this niche, creating a strong competitive moat in the specialty space. One of the most significant developments was the commissioning of our fluoro-intermediate plant at Lote, developed with an investment of 550 Crores, has begun contributing to revenues. This will expand our overall specialties intermediate product offerings to our customers.

We recently inaugurated our global Innovation Centre in Navi Mumbai, featuring a world-class R&D facility, a 1,000+ sq. ft. training centre, and over 100 seating spaces engineered to meet the needs of our dynamic workforce while addressing customer needs across a range of industries and technology platforms. Supported by focussed R&D investments, end-to-end process ownership, and growing customer partnerships, the Specialties segment is poised to contribute an increasing share of our revenues and profitability.

Performance Review
KEY FINANCIAL RATIOS*

Financial Ratio	2024–25	2023–24	% Change	Reason for Deviation
Debtors' Turnover Ratio	5.14	4.91	4.67	NA
Inventory Turnover Ratio	6.31	7.68	(17.83)	NA
Interest Coverage Ratio**	9.47	11.66	(18.78)	NA
Current Ratio	1.32	1.63	(19.00)	NA
Debt-to-Equity Ratio	0.13	0.08	75.63	As the Company is in a CapEx cycle, the borrowings are higher in 2024-25
Operating Profit Margin	6.30%	6.48%	(2.82)	NA
Net Profit Margin	4.02%	4.56%	(11.79)	NA

* The ratios are based on Standalone Financial Statements
** Includes capitalised interest

Environmental, Social and Governance (ESG)

We continue to embed sustainability at the core of our operations, recognising the critical role businesses play in shaping equitable and resilient communities. Notable progress was made across key focus areas: we improved our score under the 'Together for Sustainability' (TFS) framework from 67% to 87%, reflecting stronger performance across environmental management, occupational health and safety, responsible sourcing, and stakeholder engagement. Recognition from the National Safety Council for the fourth consecutive year further validates our robust safety culture. Through consistent action and governance-driven leadership, we remain committed to delivering sustainable value to stakeholders and the environment.

Human Resources Management

At Laxmi, people are at the heart of progress. We place strong emphasis on cultivating a work environment that empowers individuals and promotes continuous learning. Structured training programmes, cross-functional exposure, and leadership development initiatives are key elements of the talent strategy. 2024–25 also saw a renewed focus on strengthening workplace diversity and inclusion. Targeted hiring practices and internal sensitisation efforts led to a meaningful increase in the proportion of women in the workforce—from 11.10% in the previous year to 14.34% as of March 31, 2025. Across all locations, employee relations remained stable and collaborative, with teams demonstrating exceptional commitment to performance and operational excellence. As of the year-end, the Company employed 1,067 permanent staff, with each individual playing an integral role in advancing Laxmi Organic's growth and innovation agenda.

Risk Management

The Company's Risk Management and ESG Governance Committee proactively identifies, assesses, and prioritises key risks, formulating targeted mitigation strategies to reduce their potential impact. Below is an overview of the principal risks identified in 2024–25 and the Company's strategic response to each.

Area of Risk	Brief	Mitigation Measures
Regulatory	Ongoing changes in regulatory frameworks and environmental norms may necessitate significant compliance investments.	Continuous monitoring of regulatory updates, proactive compliance; timely investment in necessary measures
Raw Materials	Dependence on imported inputs and price volatility, especially of crude oil derivatives and key materials like acetic acid, can impact margins and operational continuity.	Diversified supplier base; predictive analytics for pricing trends; ongoing Alternate Vendor Development (AVD) initiatives
Supply Chain	Disruptions from transport constraints, port congestion, geopolitical tensions, or natural events may affect production and delivery schedules.	Multi-port operations; alternate sea routes; tank storage facilities in key overseas locations
Technology	Delayed adoption of emerging technologies or process innovations may reduce competitiveness and increase operational inefficiencies.	Regular industry benchmarking; rollout of systems like SAP S4/HANA, MaintWiz, IPF; use of digitisation tools and a structured approach to technology upgrades
Health and Safety	Exposure to hazardous materials and industrial processes in the 'Red' category necessitates stringent health and safety oversight.	Enforcement of Process Safety Management (PSM); use of HIRA, DCS monitoring, audits, and adoption of Laxmi Life Saving Rules
Market	Heightened competition from global and domestic players may pressure pricing, product lifecycles, and market share.	Investment of 2% of Specialties revenue in R&D; creation of focussed marketing teams under business units to enhance customer engagement and service delivery
Economic	Macroeconomic volatilities in exchange rates, interest rates and GDP growth can influence demand and investment sentiment.	Strong financial discipline; forex hedging at gross exposure level; diversified banking relationships; unleveraged balance sheet; high credit ratings; flexible cost structures with diversified revenue streams
Brand	Reputational damage from quality issues, product recalls, environmental lapses, or regulatory non-compliance can erode stakeholder trust.	Multi-stage quality checks; DCS-monitored production; rigorous vendor assessments; transparent stakeholder communication
Cybersecurity	Vulnerabilities in IT infrastructure can lead to cyberattacks, data breaches, or IP theft.	24x7 SOC monitoring; EDR systems; restricted access controls; regular awareness programs; cyber insurance in place
Geopolitical	Political instability, policy shifts, or global trade tensions may disrupt operations, market access, or raw material supply.	Legal risk assessments; local oversight by Country Heads; diversification of markets and operations; pre-emptive scenario planning

Elevating Quality Standards

We remain committed to delivering products and services that consistently exceed expectations. Our emphasis on quality underpins customer trust and strengthens long-term relationships. A specialised team of quality professionals, enabled by advanced infrastructure and streamlined processes, ensures that quality benchmarks are rigorously met across all touchpoints.

Our supplier ecosystem is also tightly governed through a stringent quality evaluation process, ensuring incoming materials meet both technical specifications and customer expectations. Notably, this focus yielded measurable results in 2024-25, with customer complaints declining **YoY**, underscoring our continuous improvement efforts.

Strengthening Internal Controls

Robust internal control systems form the backbone of our governance framework. At the core is our Enterprise Resource Planning (ERP) system, which enables seamless integration across functions and fosters operational efficiency. All relevant teams are provided with structured training to ensure optimal utilisation of the system's capabilities.

Our IT function plays a critical role in sustaining infrastructure integrity, ensuring high availability, secure connectivity, and the reliability of both hardware and software environments. These systems empower collaboration and data-driven decision-making across the Company.

Financial controls are closely aligned with our operational practices and are reviewed periodically. An independent chartered accountancy firm conducts internal audits, and the findings are regularly presented to the Audit Committee of the Board. In line with evolving industry practices, we continue to invest in digitalisation and process enhancements to maintain high standards of control and transparency.

CAUTIONARY STATEMENT

This Management Discussion and Analysis may include 'forward-looking' statements that reflect the Company's current intentions, beliefs, or expectations. These statements are based on assumptions and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those anticipated.

Such factors may include, but are not limited to, shifts in macroeconomic conditions, fluctuations in demand and pricing in key markets, changes in government policies and regulations, taxation laws, and other external circumstances beyond the Company's control. Readers are advised not to place undue reliance on these forward-looking statements and to consider all contextual factors when interpreting them.

CORPORATE INFORMATION

OUR BOARD OF DIRECTORS

Executive Chairman
Mr. Ravi Goenka

Executive Directors
Dr. Rajan Venkatesh
Mr. Harshvardhan Goenka

Non-Executive Director
Mr. Rajeev Goenka
Mr. Manish Chokhani
(w.e.f. July 31, 2024)

Independent Director
Mr. Omprakash V. Bundellu
(till July 30, 2024)
Ms. Sangeeta Singh
Dr. Rajeev Vaidya
Dr. Rajiv Banavali
Mr. Arun Todarwal
(w.e.f. April 1, 2024)
Mr. Vijay Ratnaparkhe
(w.e.f. July 1, 2024)

Chief Financial Officer
Mr. Mahadeo Karnik (w.e.f. September 3, 2024)
Ms. Tanushree Bagrodia (till September 2, 2024

Company Secretary & Compliance Officer
Mr. Aniket B. Hirpara

Statutory Auditors
Deloitte Haskins & Sells LLP
Chartered Accountants

COMMITTEES OF THE BOARD

Audit Committee
Mr. Arun Todarwal (Chairman)
Ms. Sangeeta Singh
Mr. Ravi Goenka

Nomination & Remuneration Committee
Ms. Sangeeta Singh (Chairman)
Mr. Manish Chokhani
Dr. Rajeev Vaidya

Stakeholders Relationship Committee
Dr. Rajeev Vaidya (Chairman)
Mr. Manish Chokhani
Mr. Ravi Goenka
Mr. Harshvardhan Goenka

Corporate Social Responsibility Committee
Mr. Ravi Goenka (Chairman)
Ms. Sangeeta Singh
Mr. Rajeev Goenka

Risk Management Committee
Dr. Rajiv Banavali (Chairman)
Mr. Vijay Ratnaparkhe
Dr. Rajan Venkatesh
Harshvardhan Goenka

Finance Committee
Mr. Arun Todarwal (Chairman)
Mr. Ravi Goenka
Dr. Rajan Venkatesh
Mr. Mahadeo Karnik

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Tel: +91-22-49104400

Registrar & Share Transfer Agent
MUFG Intime India Private Limited
C 101, 247 Park, L. B. S. Marg, Vikhroli (West),
Mumbai – 400 083
Tel. No.: 022 - 4918 6000
Toll-free number: 1800 1020 878
Email: mumbai@in.mpms.mufg.com

MANUFACTURING LOCATIONS

Manufacturing Site I
A-22/2/1, A-22/2/3, MIDC,
Mahad, Raigad – 402 309
Maharashtra, India

Manufacturing Site II
B-2/2, B-3/1/1, B-3/1/2,
Mahad, Raigad – 402 309,
Maharashtra, India

Manufacturing Site III
G-60, MIDC, Lote-Parshuram,
Dhamandevi, District
Ratnagiri,
Maharashtra, India

Manufacturing Site IV
Village Jolva & Vadadala,
Taluka Vagra, District
Bharuch,
Gujarat, India

Directors' Report

The Members,

Laxmi Organic Industries Limited

Your Directors are pleased to present their report on the business and operations of the Company along with the audited accounts of the Company for the year ended March 31, 2025.

1. STANDALONE FINANCIAL RESULTS:

(₹ in Mn)

	Year Ended March 31, 2025	Year Ended March 31, 2024
Revenue from Operations	29,446.06	28,241.86
Profit before Depreciation, Interest and Tax	3,077.17	2,868.17
Finance Cost	197.32	57.30
Depreciation	1,224.94	1,050.96
Profit Before Tax (PBT)	**1,654.91**	**1,759.91**
Tax	474.70	486.21
Net Profit	**1,180.21**	**1,273.70**

2. DIVIDEND:

The Directors are pleased to recommend a Final Dividend of 25% (₹ 0.50/- per equity share) on the face value of ₹ 2/- per share of the Company for the financial year ended March 31, 2025. The Dividend, if approved by the Members at the ensuing Annual General Meeting, would result in an outflow of approximately ₹ 138.76 Mn.

The dividend payout for the year under review is in line with the Dividend Policy approved and adopted by the Board of Directors of the Company.

3. FINANCIAL PERFORMANCE AND OPERATIONAL REVIEW:

Key financial highlights during the year were as under:

- Total Revenue from operations increased by 4.26% to ₹ 29,446.06 Mn against ₹ 28,241.86 Mn of the previous year.
- Earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 7.29% to ₹ 3,077.17 Mn against ₹ 2,868.17 Mn of the previous year.
- Profit Before Tax (PBT) decreased by 5.97% to ₹ 1,654.91 Mn against ₹ 2,868.17 Mn of the previous year.
- Net Profit decreased by 7.34% to ₹ 1,180.21 Mn against ₹ 1,273.70 Mn of the previous year.

4. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015"), is presented in a separate section, forming part of the Annual Report.

5. TRANSFER TO GENERAL RESERVE:

The Board of Directors of the Company has decided not to transfer any amount to the General Reserve for the year under review.

6. SHARE CAPITAL:

The authorised share capital of the Company as on March 31, 2025, stood increased to ₹ 1,260.00 Mn comprising 63,00,00,000 equity shares of ₹ 2/- each. This increase is pursuant to the absorption of Yellowstone Fine Chemicals Private Limited, a wholly owned subsidiary, during the financial year under review.

Further, the issued, subscribed, and paid-up share capital of the Company increased from ₹ 551.56 Mn (comprising 27,57,80,785 equity shares of ₹ 2/- each) to ₹ 554.04 Mn (comprising 27,70,23,813 equity shares of ₹ 2/- each), primarily due to the following:

a. Issuance of 12,43,028 equity shares pursuant to the exercise of stock options by employees under the Laxmi ESOP 2020.

7. EMPLOYEE STOCK OPTION SCHEMES:

The Company currently operates two Employee Stock Option Schemes, as detailed below:

a. Laxmi Employee Stock Option Plan 2020 (Laxmi ESOP 2020):

Approved by the shareholders on November 24, 2020, Laxmi ESOP 2020 authorises the grant of up to 6,750,000 stock options, which may result in the issuance of an equivalent number of equity shares. The Scheme provides for the issuance of Employee Stock Options (ESOPs), Thank You Grants, or Restricted Stock Units (RSUs) to eligible employees of the Company and its subsidiaries. The primary objective of this Scheme is to attract, retain, and motivate employees by rewarding high performance and fostering long-term commitment.

b. Laxmi Employee Stock Option Scheme 2024 (Laxmi ESOP 2024):

Approved by the shareholders on July 30, 2024, Laxmi ESOP 2024 provides for the grant of up to 4,250,000 stock options, which may result in the issuance of an equivalent number of equity shares. The Scheme is designed to reward and incentivise eligible employees of the Company and to support employee retention by recognising exceptional performance. Further, at the forthcoming 36th Annual General Meeting, shareholder approval is being sought to extend the coverage of this Scheme to include employees of the Company's Subsidiaries and Associate Companies as well.

Both Laxmi ESOP 2020 and Laxmi ESOP 2024 are in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014. In accordance with the applicable provisions of the said Regulations, the details of stock options as on March 31, 2025, are provided in **Annexure "A"** to this Report.

8. FINANCE:

During the year under review, the Company availed various credit facilities from its existing banking partners in line with its business requirements. The Company has remained regular in servicing all its debt obligations, including the timely payment of interest and repayment of principal to all lenders.

The Company actively manages a significant foreign currency portfolio under the oversight of the Finance Committee of the Board. A comprehensive Foreign Currency Management Policy and Investment Policy, approved and periodically reviewed by the Finance Committee and Board, guides this activity.

During the year under review, the Indian Rupee depreciated by 2.265% against the US Dollar, moving from ₹ 83.3739 on April 01, 2024, to ₹ 85.5814 on March 31, 2025. The US$/INR exchange rate fluctuated within a range of ₹ 82.9512 to ₹ 87.9563, with an annual realised volatility of 2.43%, notably higher than the 2.03% volatility observed in the previous financial year.

9. CREDIT RATING:

The Company's financial prudence, disciplined capital management, and consistent performance have been recognised by credit rating agencies. Since 2023, the Company has been rated by India Ratings & Research Private Limited. During the year under review, the Company's debt facilities were upgraded, and the current ratings are as follows:

Instrument	Rating
Term Loans	Ind AA/Stable
Fund-based working capital facility	IND AA/Stable/IND A1+
Non-fund-based working capital facility	IND A1 +
Commercial Paper	IND A1 +

10. RISK MANAGEMENT & INTERNAL FINANCIAL CONTROLS:

The Company has established a robust, comprehensive internal control framework that is well-aligned with the scale and complexity of its operations. These controls not only facilitate effective risk identification and mitigation but also uphold the highest standards of corporate governance. Our internal financial controls are well-documented, seamlessly embedded within operational processes, and tested rigorously throughout the year. We are pleased to report that no significant weaknesses were observed in either their design or implementation.

Assurance on the effectiveness of these controls is obtained through multiple mechanisms, including monthly management reviews, control self-assessments, ongoing functional monitoring, and extensive testing by internal auditors. Notably, the Internal Auditors report independently to the Audit Committee of the Board, enhancing objectivity in their evaluations. Their scope includes both the adequacy of controls and the audit of a substantial portion of transactions by value.

To further strengthen compliance, the Company has deployed an internal compliance management tool that automates processes and generates timely alerts for statutory obligations. Collectively, these systems provide a high level of assurance that internal financial controls are effectively designed and operating as intended.

Additionally, in accordance with the SEBI Listing Regulations, 2015, the Company has constituted a dedicated Risk Management & ESG Governance Committee. This Committee is responsible for formulating the Company's Risk Management Plan. Details of its composition, authority, and terms of reference are provided in the Corporate Governance Report.

11. PREVENTION OF SEXUAL HARASSMENT AT THE WORKPLACE:

The Company's Policy on Prevention of Sexual Harassment at Workplace is in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Prevention of Sexual Harassment of Women at Workplace Act") and rules framed thereunder. An Internal Complaints Committee have also been set up to redress complaints received regarding sexual harassment.

During the year under review, no complaints of sexual harassment were received by the Company. The Company is committed to providing a safe and conducive work environment to all of its employees and associates.

12. PERSONNEL / HUMAN RESOURCES DEVELOPMENT:

Employees are the cornerstone of our Company, constituting our most valuable asset. Our unwavering commitment lies in attracting, nurturing, and retaining top talent. We steadfastly maintain an environment characterised by openness, camaraderie, and positive industrial relations, ensuring a conducive workplace for our employees.

During the year under review, we have introduced several new initiatives on the Human Resource front, aimed at further enhancing our employees' experiences and fostering their professional growth.

i) **Training & Development:** We encourage continuous development, empowering our employees to learn, grow, and succeed. Committed to supporting both personal and professional growth, we view this as integral to achieving individual aspirations and organisation objectives. We provide upskilling opportunities, learning programs, and strong managerial support, encouraging employees to pursue interests, enhance skills and broaden horizons.

A) **Leadership Collaboration Workshop:** To drive long-term organisational success, a dedicated leadership collaboration initiative has been launched, engaging the CEO and his leadership team. This initiative is designed to foster alignment, enhance teamwork, and build an integrated leadership approach that strengthens strategic decision-making. Through structured workshops, interactive discussions, the leadership team explores ways to collaborate effectively, ensuring transparency and synergy in achieving business objectives. A key component of this initiative is the establishment of a continuous feedback loop, allowing leaders to exchange insights, address challenges proactively, and reinforce a culture of trust and accountability. By integrating this collaborative framework into the organisation's leadership ethos, the initiative ensures that decision-makers work cohesively, inspire their teams, and drive impactful results that align with the Company's long-term vision.

B) **Leadership Development Program:** At Laxmi we recognise that leadership is the cornerstone of sustainable growth and business success. As we continue to expand, it is imperative that our senior leadership team is equipped to drive transformation, foster innovation, and build high-performing teams. LEAP is an 8-month-long leadership development intervention that has been designed keeping in mind the 70:20:10 development model. To design and implement the program, we collaborate with a panel of leadership development experts. LEAP follows a cohort-based learning approach, incorporating immersive experiences where external leaders and organisations provide an 'Outside In' perspective. Additionally, group coaching is facilitated to support the practical application of competencies acquired in workshops. This program will remain a continuous initiative for leadership development within the Company.

C) **Strengthening Financial Acumen in Leadership:** To strengthen financial literacy among senior leaders, we introduced an immersive workshop, Finance for Non-Finance: Apples and Oranges Simulation. This program simplifies complex financial concepts through an engaging, simulation-based board game, allowing leaders to experience financial decision-making firsthand. By managing a model company and exploring key financial drivers such as cash flow, profitability, and working capital, participants gain practical insights into strategic trade-offs and business expansion challenges. This interactive approach bridges the gap between financial theory and real-world application, equipping leaders with the knowledge to drive operational efficiencies, improve collaboration, and support sustainable business growth. Through this initiative, Laxmi is fostering a financially savvy leadership team, ensuring long-term success and informed decision-making at every level.

ii) **Internal Communication:** To enhance communication within the organisation, an internal platform has been established, led by an editorial team comprising employees from various functions. Impromptu is now published in both English and Marathi, offering insights into key events across different parts of the organisation. Additionally, a quarterly Town Hall format has been established to further strengthen internal communication. During these sessions, employees receive updates on business performance, operational aspects such as Quality and EHS, and major organisation-wide initiatives, ensuring transparency and engagement across teams.

iii) **Make Your Mark:** Laxmi's *Make Your Mark* Rewards & Recognition program has undergone a remarkable evolution, embracing a value-driven approach. The core principles of **Innovation, Sustainability, Customer Centricity, and Integrity** now serve as the foundation, shaping the program's direction and reinforcing behaviours that define excellence within the organisation. This transformation marks a new chapter where recognition is not just about achievements but about upholding Laxmi's values. By aligning rewards with these guiding principles, *Make Your Mark* ensures that outstanding contributions resonate with the organisation's vision, fostering a culture of excellence and purpose.

iv) **Employee Engagement -** Enhancing HR Through AI: We are dedicated to enhancing our employee experience through continuous improvement efforts. To strengthen the culture of continuous feedback and to enhance employee engagement, we launched an AI-powered automated continuous listening process throughout the lifecycle of an employee. Through this tool, we have been actively engaging with employees to gain valuable insights into their experiences and provide actionable feedback to us. These interactions have helped identify key areas for cultural enhancement, enabling us to create a more supportive and engaged work environment.

v) **Total Rewards Mindset:** To build a strong base for this mindset, it is essential to understand the external market. A basket of 20 Chemical sector companies was handpicked based on revenue, size, focus of work, amongst other parameters and benchmarked for compensation and other best practices. This activity helped us to have a robust compensation philosophy which hinges on the pillars of 'Pay for performance' and being 'Open, fair and consistent'.

vi) **Human Resources Information System Initiatives:** This year, a lot of automation initiatives were undertaken through HRIS. For example, the New Hire confirmation process, employee separation process and Others. Our performance evaluation methodology, "Checkins" was implemented through HRIS for all employees. Other process flows have been optimised as per evolving processes of recruitment.

vii) **National Apprenticeship Promotion Scheme:** At the organisational level, we have created and implemented a high-quality talent pool through the National Apprenticeship Promotion Scheme for entry-level positions. The objective of this program is to improve bench strength, reduce the resourcing turnaround time, quality of trained talent, improve gender diversity, and provide employment opportunities to entry-level talent. At the moment, we have engaged more than 140 NAPS trainees across the organisation, and more than 49 NAPS trainees have been onboarded in FY 24-25, and 117 trainees since the program introduction. These 49 onboarded trainees translate close to 65% hiring against available positions of 5.2C & 5.2D in manufacturing location and close to 18% at the organisation level across grades for FY 24-25. NAPS program has acted as a feed to " Build model" for manufacturing and other functions for developing a gender diversity pool. More than **46% of** diversity was hired from the NAPS pool of total diversity hired across the organisation in FY 25.

viii) **Gender Diversity:** Improving gender diversity in the Company is a key goal. We have continued to build on a three-pronged approach to improving Diversity –

1) **Leadership Sponsorship:** It is sponsored by each Senior leadership team member who carries specific D&I goals with > 10% weightage.

2) **Women of Laxmi Council:** A council has been formed with its preamble to guide actions on how to improve the inclusion and lives of women in Laxmi.

3) **Sensitisation:** A year-round program management to sensitise on issues that create impediments.

A series of actions has been implemented to improve gender diversity at Laxmi, such as creating and developing a talent pool through the NAPS Program, workforce sensitisation through Prevention of Sexual Harassment (POSH) workshops, initiatives on women employee safety working in shifts, especially in manufacturing, and women-friendly policy development, etc. We have moved up on gender diversity from 8% to 10% in 2024-25.

13. SUBSIDIARIES & JOINT VENTURE:

The details of the subsidiaries and the joint ventures as on March 31, 2025, are given as under:

Sr. No.	Name & Country of Incorporation	Category
1.	Laxmi Organic Industries (Europe) BV, Netherlands (LOBV)	Wholly Owned Subsidiary
2.	Cellbion Lifesciences Private Limited, India (CLPL)	
3.	Viva Lifesciences Private Limited, India (VLPL)	
4.	Laxmi Speciality Chemicals (Shanghai) Co. Limited, China (LSCSCL)	
5.	Laxmi USA LLC	
6.	Laxmi Italy s.r.l*	Step Down Subsidiary
7.	Saideep Traders, India (ST)	Step Down Partnership Firm
8.	Cleanwin Energy One LLP, India (CEOLLP)	Associate Company
9.	Radiance MH Sunrise Seven Private Limited	

**Applied for closure of operations.*

The financial information of the subsidiary companies, as required under Section 129(3) of the Companies Act, 2013, read with the applicable provisions of the Companies (Accounts) Rules, 2014, is provided in Form AOC-1, annexed to this report as **Annexure "B"**.

During the year under review:

- **Yellowstone Speciality Chemicals Private Limited,** a wholly owned subsidiary incorporated in India, was struck off with effect from June 21, 2024, as per the certificate issued by the Ministry of Corporate Affairs.
- **Yellowstone Fine Chemicals Private Limited,** also a wholly owned subsidiary incorporated in India, was amalgamated with the Company effective April 01, 2024, pursuant to the order passed by the National Company Law Tribunal (NCLT) on February 27, 2025.

The annual accounts of the subsidiary companies are available for inspection by any Member at the Registered Office of the Company. Members interested in obtaining a copy may write to the Company Secretary. These documents are also available on the Company's website at: https://www.laxmi.com/investors/financials

During the year, none of the subsidiaries were classified as a Material Subsidiary under Regulations 16 and 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Directors' Report (Contd.)

The Policy for Determining Material Subsidiaries is available on the Company's website at: https://www.laxmi.com/investors/policies

14. DIRECTORS:

a. Appointment/re-appointment/resignation:

During the year, Mr. Omprakash Venkatswamy Bundellu (DIN: 00032950), Independent Director of the Company, retired upon the completion of his two consecutive terms of five years each. His retirement became effective at the close of business hours on July 30, 2024.

At the Board Meeting held on July 01, 2024, the Board, based on the recommendation of the Nomination & Remuneration Committee, approved the appointment of Mr. Vijay Ratnaparkhe (DIN: 03211521) as an Independent Director of the Company for a term of three years, effective from July 01, 2024, to June 30, 2027. This appointment was duly approved by the members at the Annual General Meeting held on July 30, 2024.

Mr. Manish Chokhani (DIN 00204011) completed his two terms of 10 years as an Independent Director on July 30, 2024, Thereafter, he was appointed as a Non-Executive Non-Independent Director effective from July 31, 2024, with the approval of the Shareholders at the Annual General Meeting held on July 30, 2024.

Mr. Ravi Goenka (DIN: 00059267) was re-appointed as a Whole-time Director designated as Executive Chairman, subject to retirement by rotation, for a tenure of five years, effective from September 01, 2024, to August 31, 2029 with the approval of the Shareholders at the Annual General Meeting held on July 30, 2024.

Mr. Rajeev Goenka, Non-Executive Director (DIN 00059346) and Dr. Rajan Venkatesh, Managing Director & CEO (DIN 10057058) are scheduled for retirement by rotation at the upcoming Annual General Meeting and are eligible for reappointment. Following a comprehensive performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Board proposes their reappointment.

In line with the Nomination & Remuneration Committee's recommendation during the Board meeting held on May 20, 2025, Mr. Harshvardhan Goenka (DIN 08239696), whose current tenure as Whole-time Director designated as Executive Director is going to conclude on October 31, 2025, has been re-appointed by the Board as a Whole-time Director designated as Executive Director, subject to retirement by rotation, for a tenure of five years, effective from November 01, 2025, to October 31, 2030. The Company is currently in the process of seeking approval from the Members for the aforementioned appointment at the upcoming Annual General Meeting.

Details of the Directors seeking appointment/reappointment, including profiles of these Directors, are provided in the Notice convening the 36th Annual General Meeting of the Company.

Throughout the reviewed period, apart from Mr. Rajeev Goenka, who serves as a promoter director, none of the other Non-Executive Directors of the Company had any significant financial dealings or transactions with the Company. Their involvement was limited to receiving sitting fees, any applicable commissions, and reimbursement of expenses associated with attending Board or Committee meetings.

Based on the confirmations received, none of the Directors are disqualified for appointment under Section 164(2) of the Companies Act, 2013.

b. Key Managerial Personnel:

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

a. Mr. Ravi Goenka – Executive Chairman
b. Dr. Rajan Venkatesh – Managing Director & CEO
c. Mr. Mahadeo Karnik – CFO
d. Mr. Aniket Hirpara – Company Secretary & Sr. Vice President (Legal and Secretarial)

At the Board Meeting held on July 01, 2024, the Board considered and approved the resignation of Ms. Tanushree Bagrodia, CFO of the Company, effective from the close of business hours on September 02, 2024, and expressed its appreciation for her valuable contributions during her tenure. In the same meeting, based on the recommendation of the Nomination & Remuneration Committee, the Board approved the appointment of Mr. Mahadeo Karnik as the Chief Financial Officer (CFO) of the Company, effective September 03, 2024.

Directors' Report (Contd.)

c. Declarations by Independent Directors:

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, 2015. There has been no change in the circumstances affecting their status of Independent Directors of the Company.

The Board is of the opinion that all the Independent Directors appointed are of integrity and possess the requisite expertise and experience (including the proficiency). In terms of Regulation 25(8) of the SEBI Listing Regulations, 2015, they have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations, 2015 and that they are independent of the management.

d. Board Evaluation:

The details relating to the Board's Performance evaluation are in the Corporate Governance Report.

14. FIXED DEPOSITS

During the year under review, the Company has not accepted any fixed deposits from the public pursuant to Section 73 and Section 76 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014, as amended from time to time.

15. INSURANCE:

All the assets of the Company, including the building, plant & machinery and stocks at all locations, have been adequately insured.

16. CONTRACTS & ARRANGEMENTS WITH RELATED PARTY:

During the year under review, all related party transactions were carried out at arm's length and in the ordinary course of business. The Company did not enter into any materially significant transactions with Promoters, Directors, Key Managerial Personnel, or other related parties that could have a potential conflict with the interests of the Company.

All related party transactions are subject to prior review and approval by the Audit Committee, in accordance with the Company's Policy on Materiality of Related Party Transactions. Where required, such transactions are also placed before the Board for its approval or noting. Annual omnibus approvals are obtained from the Audit Committee and the Board for anticipated, repetitive transactions. These transactions are monitored on a regular basis, and a comprehensive statement of related party transactions, along with an Arm's Length Certificate issued by an Independent Chartered Accountant, is submitted quarterly to both the Audit Committee and the Board of Directors for review.

The details of contracts or arrangements entered into with related parties during the year are disclosed in Form AOC-2, annexed to this Report as **Annexure "C"**. Additionally, members may refer to the Financial Statements for disclosures on related party transactions in accordance with Ind AS requirements.

Except for Mr. Ravi Goenka, Mr. Harshvardhan Goenka, and Mr. Rajeev Goenka, none of the other Directors have any pecuniary relationships or transactions with the Company.

17. AUDITORS AND AUDITORS REPORT:

Pursuant to the provisions of Section 139 of the Act read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018), has been appointed as Auditors of the Company to hold office till the conclusion of the 39th Annual General Meeting to be held in the financial year 2027-28. In accordance with the Companies Amendment Act, 2017, ratification of Deloitte Haskins & Sells LLP is not required at the ensuing Annual General Meeting.

The notes on the Financial Statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification(s), reservation(s), adverse remark(s) or disclaimer(s).

During the year under review, the Statutory Auditors have not reported to the Audit Committee under Section 143(12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board Report.

18. SECRETARIAL AUDIT AND SECRETARIAL STANDARDS:

The Board of Directors has, on the recommendation of the Audit Committee, appointed M/s GMJ & Associates, Company Secretaries, as the Secretarial Auditors of the Company for the term of five years to hold office from April 01, 2025, till March 31, 2030 (i.e. FY26 till FY30). As required under Regulation 24A of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the appointment of a Secretarial Auditors need to be approved by the Members of the Company. Accordingly, resolution seeking Members' approval for the aforesaid appointment is included in the Notice convening the 36th Annual General Meeting.

The Secretarial Audit Report for the financial year ended March 31, 2025 is annexed herewith marked as **Annexure "D"** to this Report. The Secretarial Audit Report does not contain any qualification(s), reservation(s), adverse remark(s) or disclaimer(s).

Additionally, in line with SEBI Circular dated February 08, 2019 & November 11, 2024, an Annual Secretarial Compliance Report confirming compliance of all applicable SEBI Regulations, Circulars and Guidelines by the Company was issued by the Secretarial Auditors and filed with the Stock Exchanges, is annexed to this report as **Annexure "E"**. The remarks provided in the report are self-explanatory.

The Directors state that applicable Secretarial Standards relating to 'Meetings of the Board of Directors' and 'General Meetings', have been duly complied with by the Company.

19. COST AUDITORS:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended, the cost audit record maintained by the Company is required to be audited. The Board of Directors has on the recommendation of the Audit Committee, appointed M/s. B.J.D. Nanabhoy & Company, a firm of Cost Auditors for conducting the audit of such records and for preparing Compliance Report for the Financial Year 2025-26.

M/s. B.J.D. Nanabhoy & Company have confirmed that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013, and Rules made thereunder, and have also certified that they are free from any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Act.

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, resolution seeking Members' ratification for remuneration to be paid to Cost Auditors is included in the Notice convening Annual General Meeting.

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

20. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company upholds a steadfast commitment to enriching local communities through CSR initiatives, focusing on key thematic areas such as Health, Education, Water, and sustainability. Throughout the year, we have actively pursued and implemented a series of CSR initiatives. Below is the CSR overview of CSR's ongoing interventions:

a) **Mobile Health Unit:** Under the Health initiative, we continued to build and expand Mobile Health Initiatives in locations where manufacturing plants are situated. We continued to work with Mahad, Khed, and Chiplun taluka Health Department to improve the health and quality of life of villagers through Mobile Health Units. It comprises of mobile clinic setup (van) along with a qualified doctor, nurse, community mobilizer, and driver. Through this initiative, door-to-door health services are delivered free of cost along with basic medication. The MHU focuses on the diagnosis, consultation, treatment, and referral in case of chronic diseases. A total of 50 + villages from Mahad, Khed, and Chiplun taluka, which have poor access to health services, have been targeted through the MHU service. The initiative benefits around 30000+ villagers. To date, around 18,073 patients have been covered, and more than 63,230 treatments have been given since the launch of MHU at Mahad, Khed , and Chiplun taluka.

b) **Water:** Under the Water initiative, we have continued to provide support and build infrastructure for drinking water in the community that we operate. One such project that we delivered in Kusumwadi village from Khed taluka, wherein we constructed a jackwell which was destroyed due to a landslide during heavy monsoon, led to the discontinuation of drinking water supply. The construction of jackwell in partnership with the local Panchayat body helped to overcome the challenge of drinking water availability and restored the water supply to villagers. The initiative benefited around 700 villagers.

c) **Education:** Under the Education initiative, we have constructed the primary school building infrastructure at Parsule (Mahad – Poladpur region). Under this initiative, we constructed 7 classrooms, 2 washrooms, and bathrooms. With this, the said primary school can accommodate more than 400 primary school students up to 7 standard from nearby 11 villages of Mahad - Poladpur region. The newly built-up quality of infrastructure will enable quality of education and a better learning environment for students. This initiative is delivered in collaboration with the district education authorities and the local grampanchayat body. The newly built-up quality of school infrastructure has gained recognition from the Maharashtra Government organised award called "Mukhyamantri Majhi Shala Sundar Shala Yojana" with a token price of 3 Lakhs.

For more details on CSR please refer page no 34. The Annual Report on CSR Activities as on March 31, 2025, is annexed herewith as **Annexure "F"**.

21. OTHER DISCLOSURES:

a. **Meetings:**

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

b. **Committees of the Board:**

The details of the various Committees constituted by the Board are given in the Corporate Governance Report.

c. **Material changes and commitments if any, affecting the financial position of the Company:**

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

d. **Consolidated Financial Statements:**

The Company's Board of Directors is responsible for the preparation of the Consolidated Financial Statements of the Company & its Subsidiaries ('the Group'), in terms of the requirements of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities, the selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforestated. The Consolidated Financial Statements of the Company and its subsidiaries is provided separately and forms part of the Annual Report.

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

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure "G"** and forms part of this Report.

f. **Annual Return:**

The copy of the annual return for the financial year under review will be uploaded on the website of the Company. The same will be and is available for view under the investor section on the Company's website https://www.laxmi.com/investors/investor-information.

g. **Loans, Guarantees and Investments:**

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

h. **Particulars of Employees:**

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

The requisite details relating to the remuneration of the specified employees under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, form part of this Report. Further, this report and accounts are being sent to Members, excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure will be open for inspection by any Member. Interested Members may write to the Company Secretary.

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

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

j. Significant and Material Orders passed by the Regulators or Courts:

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

k. Statement of Deviation(s) or Variation(s):

During the year under review, there was no instance to report containing Statement of Deviation(s) or Variation(s) as per Regulation 32 of SEBI Listing Regulations, 2015.

22. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

The Business Responsibility and Sustainability Report for the Financial Year 2024-25 is presented in a separate section, forming part of the Annual Report.

23. CORPORATE GOVERNANCE REPORT:

The Corporate Governance Report relating to the year under review is presented in a separate section, forming part of the Annual Report.

24. DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

1. that in the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made 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, 2025 and of the profit of the Company for the year ended on that date;
3. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the annual financial statements have been prepared on a going concern basis;
5. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
6. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

25. ACKNOWLEDGEMENT:

Your Directors wish to place on record their sincere appreciation for the continued cooperation and support of the customers, suppliers, bankers and Government authorities. Your Directors also wish to place on record their deep appreciation for the dedicated services rendered by the Company's executives, staff and workers.

By Order of the Board
For **Laxmi Organic Industries Limited**

Date : May 20, 2025 **Ravi Goenka**
Place : Mumbai Executive Chairman (DIN: 00059267)

Annexure A

Details of ESOPs as per Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

Disclosures with respect to Employees' Stock Option Schemes pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEBSE") as on March 31, 2025:

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by the Institute of Chartered Accountants of India or any other relevant accounting standards as prescribed from time to time:

Members may refer to the Standalone Financial Statement prepared as per Indian Accounting Standard (Ind-AS) for the year 2024-25.

B. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Ind-AS 33:

Diluted EPS for the year ended March 31, 2025, is ₹ 4.23 calculated in accordance with Ind-AS 33 (Earnings per Share).

C. Details related to Scheme:

1. The description including terms and conditions of the ESOS scheme is summarised as under:

Particulars	Laxmi ESOP 2020	Laxmi ESOP 2024
Date of Member's Approval	Laxmi ESOP 2020 was earlier approved by the Members prior to the listing on November 24, 2020 and was subsequently ratified at the 32nd Annual General Meeting held on July 26, 2021.	July 30, 2024
Total number of options approved	67,50,000 options	42,50,000
Vesting requirement	As may be determined by the Nomination and Remuneration Committee, subject to a minimum vesting period of 1 year from the date of grant of options and shall end over a maximum period of 3 years from the date of grant of the options.	As may be determined by the Nomination and Remuneration Committee, subject to a minimum vesting period of 1 year from the date of grant of options and shall not be more than 5 years from the date of grant of the options.
Exercise Price or Pricing Formula	As may be decided by the Nomination & Remuneration Committee, in compliance with the accounting policies as specified in SEBI SBEBSE Regulations, as on the date of Grant, but in any case, shall not be less than the face value of Shares of the Company.	As may be determined by the Nomination & Remuneration Committee, adhering to the accounting policies outlined in SEBI SBEBSE Regulations. However, it will not be below 70% of the average share price of the Company over the preceding three months from the Grant date.
Maximum term of option granted	Three years	Five Years
Source of shares (Primary, secondary or combination)	Primary	Primary
Variation in terms of options	There has been no change in the terms of the options granted.	NA

2. Method used to account for ESOS: Fair Value.

3. Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed: - Not Applicable

Annexure A (Contd.)

4. **Option movement during the year:**

Particulars	Laxmi ESOP 2020	Laxmi ESOP 2024*
Number of options outstanding at the beginning of the year	31,99,458	NA
Number of options granted during the year	6,33,251	NA
Number of options forfeited/lapsed during the year	0	NA
Number of options vested during the year	4,21,876	NA
Number of options exercised during the year	12,85,720	NA
Number of shares arising as a result of the exercise of options	12,43,028	NA
Money realised by exercise of options (₹ in Mn)	₹ 100.54	NA
Number of options outstanding at the end of the year	23,53,190	NA
Exercisable at the end of the Period	7,35,565	NA

* No options have been granted under this Scheme during FY 2024-25.

5. **Weighted average exercise prices and weighted average fair values of options shall be disclosed separately for options:**

Particulars	Laxmi ESOP 2020	Laxmi ESOP 2024*
Weighted average exercise price of options	88.84	NA
Weighted average fair values of options	121.36	NA

* No options have been granted under this Scheme during FY 2024-25.

6. **Employee-wise details of Options Granted under Laxmi ESOP 2020 during the year:**

   a. **Senior managerial personnel as defined under Regulation 16(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

Name	Designation	No of Options Granted	Exercise Price
Mr. Mahadeo karnik	Chief Financial Officer	4,53,251	₹ 184/-
Mr. Salil Mukundan	Chief Technology Officer	1,00,000	₹ 181/-
Dr. Milind Vaidya	EVP - R&D and Specialties Marketing	80,000	₹ 176/-

   b. **Any other employee who receives a grant in any one year of option amounting to 5% or more of the option granted during that year:** None except as disclosed at sr. no. 6(a) above

   c. **Identified employees who were granted option, during any one year, equal to or exceeding 1 % of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant**: NIL

7. **Employee-wise details of Options Granted under Laxmi ESOP 2024 during the year:**

   a. **Senior managerial personnel as defined under Regulation 16(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:** NIL

   b. **Any other employee who receives a grant in any one year of option amounting to 5% or more of the option granted during that year:** None

   Identified employees who were granted option, during any one year, equal to or exceeding 1 % of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant: NIL

Annexure A (Contd.)

8. **A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following information:**

   Refer Note 38 to the Notes to Standalone Financial Statements prepared as per Indian Accounting Standard (Ind-AS).

9. **Disclosures in respect of grants made in three years prior to IPO under each ESOS Until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options shall also be made:** Not Applicable

By Order of the Board
For **Laxmi Organic Industries Limited**

Date : May 20, 2025
Place : Mumbai

Ravi Goenka
Executive Chairman (DIN: 00059267)

Annexure B

Statement Containing Salient Features of the Financials of Subsidiaries/Associate /Joint Venture

Form No. AOC-1

(Pursuant to the first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

PART A: SUBSIDIARIES

(in ₹ Mn)

1. Name of the Subsidiary*#	LOBV	CLPL	ST	VLPL	LSCSCL	LISRL	LUSLLC
2. Financial Period as on	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar
3. Reporting Currency	EUR	INR	INR	INR	CNY	EUR	US$
4. Exchange Rate (in ₹)	92.86	N.A	N.A	N.A	11.80	92.86	Incorporation is completed. However, capital infusion has not yet been done to date.
5. Capital	2.02	0.10	31.18	0.10	0.30	-	
6. Reserves	2.57	(21.20)	(56.56)	(2.73)	1.64	-	
7. Total Assets	8.14	(21.08)	59.01	96.18	2.82	-	
8. Total Liabilities	8.14	(21.08)	59.01	96.18	2.82	-	
9. Details of investment	-	-	-	-	-	-	
10. Net Turnover	15.48	-	14.42	56.35	12.27	-	
11. Profit before taxation	(0.91)	(23.05)	(22.94)	(17.92)	1.00	-	
12. Provision for taxation	(0.23)	-	-	(4.98)	0.05	-	
13. Profit after taxation	(0.68)	(23.05)	(22.94)	(12.94)	0.94	-	
14. Proposed dividend	-	-	-	-	-	-	
15. % of Share Holding	100%	100%	95%	100%	100%	100%	100%
16. Country of Incorporation	Netherland	India	India	India	Shanghai	Italy	USA

Note: From the above, CLPL, VLPL, LISRL and LUSLLC yet to commence operations.

Yellowstone Speciality Chemicals Private Limited (**YSCPL**) has applied for stick-off of the name from the Registrar of Companies;

* Laxmi Organic Industries (Europe) BV (**LOBV**); Cellbion Lifesciences Private Limited (**CLPL**); Saideep Traders (**ST**); Viva Lifesciences Private Limited (**VLPL**); Laxmi Speciality Chemicals (Shanghai) Co. Limited (**LSCSCL**); Laxmi Italy Srl (**LISRL**); Laxmi USA LLC (**LUSLLC**)

PART B: ASSOCIATE & JOINT VENTURES

Name of Associate	**Cleanwin Energy One LLP**	**Radiances MH Sunrise Seven Private Limited**
1. Latest Audited Balance Sheet Date	March 31, 2025	March 31, 2025
2. Capital Contribution in Associate Company by the Company as on the year end		
i. Amount of Investment in Associate	₹ 12.50 Mn	₹ 15.20 Mn
ii. Extend of %	26%	26%
3. Description of How there is a significant influence	The Company holds 26% of the Partner's capital in the Associate LPP.	The Company holds 26% of the Issued capital in Associate Company.
4. Reasons why associate is not consolidated	N.A.	N.A.
5. Net Worth attributable to Shareholding as per latest Audited Balance Sheet	26%	26%
6. Profit/Loss for the year		
i. Considered in Consolidation	NIL	NIL
ii. Not considered in consolidation	NIL	NIL

Annexure C

Particulars Of Related Party Transactions

Form No. AOC-2

Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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 arm's length transactions under third proviso thereto:

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

   There were no contracts or arrangements, or transactions entered into during the year ended March 31, 2025 which are not at arm's length basis.

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

   There were no material contracts or arrangements or transactions entered into during the year ended March 31, 2025.

By Order of the Board
For **Laxmi Organic Industries Limited**

Date : May 20, 2025
Place : Mumbai

Ravi Goenka
Executive Chairman (DIN: 00059267)

Annexure D

Secretarial Audit Report

Form No.MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

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

To,
The Members,
LAXMI ORGANIC INDUSTRIES LIMITED
A-22/2/3, MIDC MAHAD
Maharashtra – 402309

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

Based on our verification of the Company's books, papers, Minutes, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised 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 on March 31, 2025 complied with the statutory provisions of the applicable Acts 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, minutes, forms and returns filed and other records maintained by **LAXMI ORGANIC INDUSTRIES LIMITED** for the financial year ended on March 31, 2025, according to the provisions of:

i. The Companies Act, 2013 ("the Act") and the Rules made thereunder;

ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iii. Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations made thereunder to the extent applicable;

iv. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;

v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") viz :

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (except as stated in the Secretarial Compliance Report)

b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

e) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the Audit period)

f) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit period)

h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the Company during the Audit period)

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

i. Secretarial Standards I and II issued by The Institute of Company Secretaries of India.

ii. The Listing Agreements entered into by the Company with National Stock Exchange of India Ltd. and BSE Ltd. read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Annexure D (Contd.)

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

We further report having regard to the compliance system prevailing in the Company and as per explanations and management representations obtained and relied upon by us the Company has adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

We report that the Compliance by the Company of the following has not been reviewed in this Audit:

(a) Applicable financial laws, like direct, indirect tax laws and Goods and Service Tax, Maintenance of financial records, etc., since the same has been subject to review by statutory financial auditor and other designated professionals.

(b) As informed by the Company the Industry specific laws/general laws as applicable to the Company has been complied with. The management has also represented and confirmed that all the laws, rules, regulations, orders, standards and guidelines as are specifically applicable to the Company relating to Industry/Labour etc., have been complied with.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

   During the year under review, the following changes in the composition of the Board of Directors were carried out in compliance with the provisions of the Act:

   a. Mr. Arun Todarwal is appointed as an Additional Independent Director of the Company by the Board of Directors on March 12, 2024, and the shareholders have approved his appointment as an Independent Director of the Company vide Postal Ballot approval dated April 27, 2024, for a period of three-years commencing from April 01, 2024, to March 31, 2027 (both days inclusive).

   b. Mr. Manish Chokhani after completing his two terms of 10 years as an Independent Director on July 30, 2024, is appointed as a Non-Executive Non-Independent Director effective from July 31, 2024 with the approval of the Shareholders at the Annual General Meeting held on July 30, 2024.

   c. Mr. Ravi Goenka is re-appointed as the Executive Chairman and Whole-Time Director of the Company for a term of 5 years, effective from September 01, 2024 with the approval of the Shareholders at the Annual General Meeting held on July 30, 2024.

   d. Mr. Vijay Ratnaparkhe is appointed as an Additional Independent Director of the Company by the Board of Directors on July 01, 2024, and the shareholders have approved his appointment as an Independent Director of the Company at the Annual General Meeting held on July 30, 2024, for a period of three-years commencing from July 01, 2024, to June 30, 2027 (both days inclusive).

   e. Mr. Omprakash V. Bundellu completed his second term as an Independent Director which concluded on July 30, 2024 and retired from the Company.

2. There are adequate systems and processes in the Company to commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

3. Adequate notice is given to all directors to schedule the Board Meetings and wherever necessary consent for shorter notice was given by Directors, Board Committee Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of Minutes.

We further report that during the Audit period:

1. The application made by the Company under Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements), 2015 for reclassification of the status of few individuals from Promoter group to Public Shareholder is approved by BSE Ltd. and National Stock Exchange Ltd. on July 09, 2024.

Annexure D (Contd.)

2. The Chief Financial Officer (Key Managerial Personnel) of the Company, Ms. Tanushree Bagrodia resigned from the closure of working hours on September 02, 2024 and Mr. Mahadeo Karnik was appointed for the said post effective from September 03, 2024.
3. The Nomination and Remuneration Committee of the Board of Directors of the Company has in accordance with the terms of Employee Stock Option Plan ("ESOP – 2020"), allotted 12,43,028 equity shares of face value ₹2/- each in the share capital of the Company to the eligible employees of the Company who exercised their stock options under ESOP-2020.
4. The Laxmi Employee Stock Option Scheme 2024' ("Laxmi ESOP 2024") is approved by the Shareholders at the Annual General Meeting held on July 30, 2024.
5. Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench vide its order dated February 27, 2025 has approved the Scheme of Amalgamation of wholly owned subsidiary of the Company viz., Yellowstone Fine Chemicals Private Limited with and into the Company.

As informed, the Company has responded appropriately to notices received from the statutory/regulatory authorities including by taking corrective measures wherever found necessary.

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.

For **GMJ & ASSOCIATES**

Company Secretaries

ICSI Unique Code P2011MH023200

CS MAHESH SONI

PARTNER

Membership No: F3706

Certificate of Practice No.: 2324

Peer Review Certificate No.: 6140/2024

UDIN: F003706G000400443

Place: Mumbai

Date: May 20, 2025

Annexure A

to Secretarial Audit Report.

To,

The Members,

LAXMI ORGANIC INDUSTRIES LIMITED

A-22/2/3, MIDC MAHAD

Maharashtra – 402309.

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

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **GMJ & ASSOCIATES**

Company Secretaries

ICSI Unique Code P2011MH023200

CS MAHESH SONI

PARTNER

Membership No: F3706

Certificate of Practice No.: 2324

Peer Review Certificate No.: 6140/2024

UDIN: F003706G000400443

Place: Mumbai

Date: May 20, 2025

Annexure E

Secretarial Compliance Report

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

To,

LAXMI ORGANIC INDUSTRIES LIMITED

A-22/2/3, MIDC, Mahad,

Raigad, Maharashtra, 402309

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **LAXMI ORGANIC INDUSTRIES LIMITED** (hereinafter referred as "the listed entity"), having its registered office at A-22/2/3, MIDC, Mahad, Raigad, Maharashtra, 402309. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide our observations thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorised representatives during the conduct of Secretarial Review, we hereby report that the listed entity has, during the review period covering the financial year ended on **March 31, 2025** complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter :

We have examined:

a) all the documents and records made available to us and explanation provided by the listed entity,

b) the filings/ submissions made by the listed entity to the stock exchanges,

c) website of the listed entity,

d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the financial year ended March 31, 2025 ("Review Period") in respect of compliance with the provisions of:

i. The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

e) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the Audit period)

f) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit period)

h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the Company during the Audit period)

And based on our examination, we hereby state that, during the Review Period:

Annexure E (Contd.)

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr No	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations / Remarks of the Practicing Company Secretary (PCS)	Management Response	Remarks
1	SEBI (Listing Obligations and Disclosure Requirements), 2015.	Regulation 23 (9)	Delay of one day in furnishing related party transactions on a consolidated basis due to technical issues encountered while uploading the XML file on the portal - BSE listing center.	Stock Exchange - BSE Ltd.	Penalty	Delay in filing within stipulated time.	The Company has paid a fine of ` 5,000/- + GST to BSE Ltd.	The Company failed to upload the XML file of related party transactions on a consolidated basis on the same day of publication of financial results, due to technical issues encountered while uploading the XML file on the portal - BSE listing center; however the issue was reported to BSE Ltd via email.	There was a technical error while uploading the XML file on BSE listing center, it was also communicated to BSE via email. The same was done good on the next day.	The Company is taking active steps for avoiding such non-compliances.

(b) The observations made by us in the Secretarial Compliance Report for the financial year ended March 31, 2024 have not been brought forward, since the Company had taken sufficient steps to address the concerns raised for the said year.

Sr. No.	Observations/ Remarks of the Practicing Company Secretary (PCS) in the previous reports)	Observations made in the Secretarial Compliance report for the year ended ….. (The years are to be mentioned)	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Details of violation / Deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
Not applicable						

We hereby report that during the review period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS
1	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	None
2	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/ guidelines issued by SEBI	Yes	None

Annexure E (Contd.)

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS
3	**Maintenance and disclosures on Website:** • The Listed entity is maintaining a functional website . • Timely dissemination of the documents / information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/section of the website	Yes	None
4	**Disqualification of Director:** None of the Director(s) of the Company are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity	Yes	None
5	**Details related to Subsidiaries of listed entities have been examined w.r.t.:** (a) Identification of material subsidiary companies. (b) Requirements with respect to disclosure of material as well as other subsidiaries	NA Yes	The Company has made disclosures in respect of other subsidiaries.
6	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015	Yes	None
7	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	Yes	None
8	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions. (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/ rejected by the Audit committee, in case no prior approval has been obtained.	Yes NA	No such case was reported during the Review Period.
9	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 alongwith Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	The Company has disclosed material events under Regulation 30 within the time limits except in a few instances where the Company has submitted clarification for the delay.
10	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	The Company has a Structured Digital Database software and the entries are updated.
11	**Actions taken by SEBI or Stock Exchange(s), if any:** No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/guidelines issued thereunder.	NA	
12.	**Resignation of statutory auditors from the listed entity or its material subsidiaries:** (a) In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	
13	**Additional Non-compliances, if any:** No Additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	NA	

We further, report that the listed entity is in compliance with the disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the LODR Regulations.

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **GMJ & ASSOCIATES**

Company Secretaries

ICSI Unique Code P2011MH023200

CS MAHESH SONI

PARTNER

Membership No: F3706

Certificate of Practice No.: 2324

Peer Review Certificate No.: 6140/2024

UDIN: F003706G000400300

Place: Mumbai

Date: May 20, 2025

Annexure F

Annual Report On Corporate Social Responsibility (CSR) Activities

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

The Company recognises that production activities inherently influence the surrounding geographical areas, impacting both the lifestyle of local communities and the socio-economic profile of the region. Understanding this, the Company is committed to conducting its business with integrity and in an ethical manner, aligning its values with sustainable development goals. Our approach focuses on empowering and inspiring communities in the vicinity of our manufacturing units through voluntary social initiatives that promote economic growth, self-reliance, and social well-being. These initiatives include the formation of micro-enterprises, self-help groups, and targeted community development programs. We consider the community as a vital stakeholder, identifying their needs and addressing areas of concern to enhance their quality of life.

In the aforesaid background, the Company has broadly framed a Corporate Social Responsibility (CSR) Policy to achieve the following objectives:

a. To help enrich the quality of life of the community of the neighbouring areas of the manufacturing units of the Company.

b. To promote good practices for the environment safeguard and maintenance of the ecological balance and to create a positive impact by ensuring sustainable developments in the society.

c. To be responsible and responsive corporate citizen by providing a welfare measure and creating a safe, harmonious and ecologically balanced environment for its Members and the community at large.

d. To maintain commitment to quality, health and safety in every aspect of the business and people.

e. To promote equality of opportunity and diversity of workforce through its business operations.

f. To commit for creating social value and also allow individual employees to contribute in the various programs.

g. To provide vocational training to improve skills of people in the primarily unorganised sector.

As per the CSR Policy the Company can pursue CSR activities in areas as prescribed under Schedule VII of the Companies Act, 2013 and the same can be carried out by the Company as under:

a. By Company directly.

b. Through Laxmi Foundation, which is Company's own dedicated CSR Trust.

c. Through Laxmidevi Nathmal Goenka Charitable Trust (LNGCT) which is a registered trust having track record of more than 3 years.

d. In collaboration with other Companies undertaking project in CSR activities.

e. Contributions/donations to Organisations permitted under the applicable laws from time to time

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is https://www.laxmi.com/investors/policies

2. COMPOSITION OF CSR COMMITTEE:

Sl. No.	Name of Director	Designation	CSR Committee Meetings held in 2024-25	CSR Committee Meetings attended in 2024-25
1.	Ravi Goenka	Executive Chairman	2	2
2.	Sangeeta Singh	Independent Director	2	2
3.	Rajeev Goenka	Non-Executive Director	2	1

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.	CSR Committee link: https://www.laxmi.com/investors-information/board-committees CSR Policy link: https://www.laxmi.com/investors/policies Approved CSR Project: https://www.laxmi.com/investors/investor-information

Annexure F (Contd.)

4.		Provide executive summary along with the web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).	The provisions relating to Impact Assessment was not applicable to the Company.
5.	(a)	Average net profit of the Company as per section 135(5).	₹ 2,339.20 Mn
	(b)	Two percent of average net profit of the Company as per section 135(5)	₹ 46.78 Mn
	(c)	Surplus/Deficit arising out of the CSR projects or programmes or activities of the previous financial years.	₹ (0.20) Mn
	(d)	Amount required to be set off for the financial year, if any	NIL
	(e)	Total CSR obligation for the financial year (7a+7b- 7c).	₹ 46.59 Mn

6.(a) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Project duration.	Amt allocated for Project (in ₹ Mn).	Amount spent in the current financial Year (in ₹ Mn)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Mn)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Persule School Upgrade Project – Phase II	Promoting Education	Yes	Maharastra	Mahad	2 Year	₹ 4.35*	NA	₹ 3.26	Yes	NA	NA

** The project cost is estimated based on the initial assessment and the service provider's quotation. It is subject to market fluctuations in construction material costs.*

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in Mn).	Mode of implementation - Direct (Yes/ No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration number
1	Education Support	Promoting Education	Yes	Maharashtra	Mahad, Raigad Lote, Chiplun	10.69	Yes	NA	NA
2	Promoting Environment	Environmental Sustainability	Yes	Maharashtra	Mahad, Raigad Lote, Chiplun	2.21	Yes	NA	NA

Annexure F (Contd.)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in Mn).	Mode of implementation - Direct (Yes/ No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration number
4	Solar Project for Water Supply	Environmental Sustainability	Yes	Maharashtra	Mahad, Raigad Lote, Chiplun	0.47	Yes	NA	NA
5	Health Care Support	Promoting Healthcare	Yes	Maharashtra	Mahad, Raigad	0.66	Yes	NA	NA
6	Promoting Sports	Promoting Sports	Yes	Maharashtra	Mahad, Raigad	0.29	Yes	NA	NA
7	NEAPS Training	Skill Development	Yes	Maharashtra	Mahad, Raigad	27.91	Yes	NA	NA
8	Community Development	Community Development	Yes	Maharashtra	Mahad, Raigad	1.05	Yes	NA	NA
9	Police Welfare	Welfare Measures	Yes	Maharashtra	Mahad, Raigad	0.05	Yes	NA	NA
Total						**43.33**			

(c)	Amount spent in Administrative Overheads (₹In Mn)	NIL
(d)	Amount spent on Impact Assessment, if applicable	NIL
(e)	Total amount spent for the Financial Year (6a+6b+6c+6d)	₹ 43.33 Mn

(f) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ In Mn)	Amount Unspent (₹ in Mn)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 43.33	₹ 3.26	25/04/2025	NA	NA	NA

(g) Excess amount for set off, if any

Sl. No.	Particulars	Amount ₹ in Mn
i.	Two percent of average net profit of the Company as per section 135(5)	46.78
ii.	Total amount spent for the Financial Year	46.59
iii.	(Shortfall)/Excess amount spent for the financial year [(ii)-(i)]	(0.20)
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.20
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

Annexure F (Contd.)

7.(a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ in Mn)	Amount spent till last Financial Year (₹ in Mn)	Amount spent in the reporting Financial Year (in ₹ in Mn)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹ in Mn)
					Name of the Fund	Amount (in ₹ in Mn)	Date of transfer.	
1	2021-22	10.78	4.76	3.01	Prime Minister's National Relief Fund	3.01	29/04/2025	NIL
2	2021-22*	2.30	2.30	NIL	NIL	NIL	NIL	NIL
3	2022-23	10.07	2.85	3.24	NIL	NIL	NIL	3.98

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹ in Mn).	Amount spent on the project in the reporting Financial Year (in ₹ Mn).	Cumulative amount spent at the end of reporting Financial Year. (in ₹ Mn)	Status of the project - Completed /Ongoing.
1	NA	Mobile Health Units (MHU) in Mahad	2021-22	3 Years	13.24	6.02	13.24	First phase completed. The project's spending will be extended for another two years in the next financial year.
2	NA	Mobile Health Units (MHU) in Lote	2022-23	3 years	11.61	3.24	7.63	Ongoing
3	NA	Re-Building & Infrastructure of Primary School	2022-23	3 Years	8.53	4.32	8.53	First phase completed. The Second Phase will be undertaken in the next financial year. A part of the funds earmarked for the second phase are parked in the Unspent CSR Account of FY2024-25.

8.	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:(asset-wise details). a) Date of creation or acquisition of the capital asset(s). b) Amount of CSR spent for creation or acquisition of capital asset c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	NIL
9.	Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).	Not Applicable

10. Responsibility statement:

We hereby declare that the implementation and monitoring of the CSR policy is in compliance with CSR objectives and Policy of the Company.

Annexure G

Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo

Information pursuant to Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 and forming part of the Directors Report for the year ended March 31, 2025.

A. CONSERVATION OF ENERGY

a) Efforts made for conservation of energy: -

1. As part of a power optimisation initiative at Site-1, a 25% reduction in energy consumption was targeted, along with improved airflow in Cooling Tower fans. To achieve this, CT fans with E-glass aerofoil profiles were selected, reflecting advanced engineering and enhanced efficiency. During 2024-25, a total of 14 cooling tower fan blades were successfully replaced, resulting in an annual energy savings of 0.4 Mn kWh.

2. At Site-2, 18% of the total electricity consumption is currently sourced from renewable energy. In the current year, initiatives have been undertaken to add an additional 6 MW of renewable energy capacity, further enhancing sustainable power generation.

3. At Site-1 and Site-2, the Stage 1 audit for EnMS ISO 50001:2018 Certification has been successfully completed. The Stage 2 Certification Audit is scheduled to take place in June 2025.

4. **The following energy conservation efforts were undertaken at Site -1:**

   a. A turbo pump was installed for the cooling water supply to the plant, replacing the conventional Pressure Reducing Valve (PRV). This upgrade leverages high-pressure steam, effectively reducing the dependency on electrically driven pumps and achieving an annual energy saving of 0.7 Mn kWh.

   b. Through in-house modifications, additional bleed steam was effectively utilised during process plant shutdowns, resulting in a substantial energy saving of 85,000 kWh per month.

   c. The steam consumption per ton of Ethyl Acetate (EtAc) was optimised from 2.39 MT/MT to 2.16 MT/MT. This reduction was achieved through a series of efficiency measures, including throughput improvements, waste heat recovery, and flash steam recovery, significantly enhancing overall process efficiency.

5. **The following energy conservation efforts were undertaken at Site-2:**

   a. During the year under review, the Refrigeration System underwent a comprehensive revamp, leading to significant efficiency improvements:

      - Optimisation of Ketene Cooling with increased cooling water pressure.
      - Upgradation of the Oil Cooling System in Brine Compressors for enhanced performance.
      - Replacement of the Shell and Tube Ammonia Condenser with a more efficient Plate Heat Exchanger (PHE).
      - Upgrade of the Water Chiller (EVAPCO) with a higher-capacity evaporator.

      These enhancements resulted in increased throughput and a notable reduction in Specific Power Consumption from 2,240 units per MT in 2023-24 to 2,150 units per MT in 2024-25.

   b. Boiler Efficiency Improvement:

      - Enhanced boiler operations led to an improvement in the Steam-to-Fuel ratio, increasing from 6.53 to 6.74. This optimisation resulted in a reduction of 1,300 MT of coal consumption annually, contributing significantly to cost savings and environmental sustainability.
      - Modifications were made to the burner system of the oil-fired boiler, optimizing fuel efficiency. This led to a substantial decrease in C9 fuel consumption, dropping from 253 MT to 151 MT annually.

b) Impact of above measures on consumption of energy: -

The Company anticipates an energy consumption reduction of over 2.75% in the upcoming year, driven by ongoing optimisation initiatives and efficiency improvements.

c) Capital investment on energy conservation equipment: - ₹ 312.0 Mn

Annexure G (Contd.)

d) Power & Fuel Consumption:

For Production of Ethyl Acetate & Diketene Derivative Products:

Particulars		Year ended March 2023	Year ended March 2024
1. Electricity			
Unit	KWH	9,88,93,099	9,11,72,651
Total Amount	₹ in Mn	874.59	783.48
Rate/Unit	₹/Unit	8.84	8.59
2. Coal			
Quantity	MT	1,55,446	1,59,541
Total Amount	₹ in Mn	1,342.42	1,531.56
Rate/Unit	₹/Mt.	8,636	9,600
3. C-9 Plus			
Quantity	MT	183	220
Total Amount	₹ in Mn	10.12	12.06
Rate/Unit	₹/Mt.	55,157	54,847

I.

1. Power generated from Alternative Energy Sources: **Generated by Wind Mills in:**			
a. Karnataka*			
Total Units	KWH	-	-
Value	₹/Unit	-	-
b. Maharashtra#			
Total Units	KWH	17,38,446	18,50,459
Cost	₹/Unit	1.75	1.78

* The units generated was supplied to the State Electricity Utilities under PPAs.

The units generated in 2023-24 was captively consumed by the Company through the open access permission.

II. CONSUMPTION PER UNIT OF PRODUCTION:

Major Products		Year ended March 2025	Year ended March 2024
I. Essentials			
(a) Electricity	Kwh/Mt.	71	59
(b) Coal	Kg/Mt.	0	0
(c) Steam (From CPP)	Kg/Mt.	2,162	2,389
II. Specialty			
(a) Electricity	Kwh/Mt.	2,219	1,976
(b) Coal	Kg/Mt.	409	407
(c) Steam	Kg/Mt.	6,863	6,197
III. Special Denatured Spirit			
(a) Molasses	Kg/Ltr.	-	-

Annexure G (Contd.)

B. TECHNOLOGY ABSORPTION

(a) Research & Development (R&D):

1. Major efforts made towards technology absorption:

The Company remains steadfast in its commitment to technological advancement, investing in cutting-edge innovations to drive business growth. With a keen focus on sustainability and market competitiveness, we have made significant strides in R&D initiatives aimed at introducing newer, greener technologies across various scales of operation.

Key Initiatives:

1. **Investments:** Our dedication to innovation is evident through our substantial R&D investments, representing approximately 2% of our revenue from Specialties Business Unit and 15% of our total work force dedicated to R&D. These investments are directed towards developing products and technologies that optimise processes, diverging from traditional commercial routes to achieve superior quality and better control over final products. Our goal is to bolster our innovation pipeline and target a 20% contribution in specialty revenue from new products.

   This year our company invested and opened a brand new – contemporary, safer and customer friendly R&D center at Mahape. This center comes with four times the space compared to the previous center and equipped with the latest infrastructure to develop chemistries across a range of industries.

2. **R&D Achievements:** Over the past year, our R&D team has successfully developed and launched new platforms through systematic chemical manipulations, leveraging existing and upcoming competencies. The piloting facilities have been enhanced with additional capabilities at Mahape – over and above those existing at Lote.

3. **Fluorination Technologies:** Our R&D efforts have also focused on enhancing fluorination technologies, with new product launches and more poised for commercialisation in the upcoming year. This will further strengthen our position in the fluoro business and cater to diverse sectors. The expansion of our ECF facility at the Mahape R&D center will accelerate the development and validation of specialised reactions.

4. **Analytical Capabilities:** Our R&D analytical team has developed advanced capabilities to establish new analytical methods, enabling us to address quality-related challenges effectively and sustainably navigate growing market complexities.

Key Focus Areas:

Our R&D initiatives are strategically aligned with the following key areas:

- **Process Absorption:** Our approach to process absorption entails actively collaborating with business partners to assess and integrate new technologies into our operations. Through these partnerships, we aim to validate the efficacy of these technologies, enhancing our capabilities across diverse business segments.

- **Process Intensification:** In our pursuit of operational efficiency, we prioritise process intensification initiatives aimed at optimizing resource utilisation and minimizing environmental impact. By implementing enhancements such as streamlined workflows, resource recycling, and emissions reduction measures, we not only improve operational efficiency but also reduce costs and enhance overall productivity and product quality. These initiatives underscore our commitment to sustainable practices and responsible manufacturing.

- **Product Optimisation:** Our product optimisation efforts revolve around ensuring the robustness and reproducibility of our manufacturing processes. From initial route selection to final commercialisation, we undertake comprehensive development activities aimed at refining and optimizing every aspect of the production process. By employing rigorous testing and validation protocols, we ensure that our products meet the highest quality standards while remaining cost-effective and commercially viable.

- **Product Design and Commercialisation:** At the heart of our product design and commercialisation strategy lies the emphasis on efficiency and scalability. We meticulously design plant layouts and processes to facilitate seamless scale-up from pilot to commercial production. By integrating state-of-the-art equipment and technologies, we optimise resource utilisation and maximise production throughput. Our focus on efficient commercialisation ensures that we deliver products to market in a timely and cost-effective manner, driving value for both our company and our customers.

- **New Product Development:** Central to our innovation strategy is the proactive identification of customer needs and market trends. We continuously engage with customers to understand their evolving requirements and preferences, informing our product development initiatives. From lab-scale experimentation to full-scale commercial production, we follow a systematic approach to new product development, ensuring alignment with market demand and customer expectations. By staying agile and responsive to market dynamics, we remain at the forefront of innovation, delivering value-added solutions that address emerging challenges and opportunities. To leverage the existing talent pool within India, R&D team continually interacts with acedamia and sponsors projects in National laboratories, premier Indian universities and CSIR institutes to accelerate our product and process development cycle.

Derived Benefits:

These strategic R&D initiatives have yielded significant benefits for the Company:

- **Market Advantage:** Indigenously developed technologies provide preferential entry to markets, enhancing our competitiveness and market share.

- **Capacity Enhancement:** Introduction of new chemistries and production processes has increased our technical capabilities and production capacities.

- **Quality Assurance:** Production of superior quality products in sectors such as agro, pharma, and high performance pigments reinforces our commitment to excellence.

- **Market Expansion:** Improved manufacturing processes and new product developments strengthen our position in both domestic and export markets. Green processes and import-substituted products contribute to environmental sustainability and reduce reliance on foreign exchange.

- **Customer Confidence:** Success in R&D instills confidence in customers and fosters opportunities for future collaborations and projects.

In conclusion, our unwavering dedication to technological innovation and strategic R&D investments continue to drive sustainable growth, enhance competitiveness, and position us as a leader in the industry.

2. Information regarding imported technology (Imported during last three years): Not Applicable

The Company has incurred following expenditure on R&D:

(₹ in Mn)

Particulars	March 2025	March 2024
a) Capital	355.06	36.70
b) Recurring	169.04	165.12
Total (a + b)	**524.10**	**201.82**
Total R&D Expenditure as % of Total Turnover	**1.8%**	**0.7%**

(b) Technology Absorption, Adoption & Innovation: NIL

Annexure G (Contd.)

(c) Foreign Exchange Earning and Outgo:

(₹ in Mn)

Particulars	March 2025	March 2024
Foreign Exchange Earnings (In flow)	10,936.63	8,483.30
Foreign Exchange (Out go)		
a. Chemicals	16,507.99	14,115.27
b. Capital Goods	63.18	26.55
c. Expenses	382.45	176.66

By Order of the Board
For **Laxmi Organic Industries Limited**

Date : May 20, 2025
Place : Mumbai

Ravi Goenka
Executive Chairman (DIN: 00059267)

Annexure H

Particulars Of Employees

(Pursuant To Section 197 (12) Of The Companies Act, 2013 Read With Rules 5(1) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014

A. Remuneration of each Director and Key Managerial Personnel (KMP) along with particulars of increase during the financial year, ratio of remuneration of Directors to the Median remuneration of employees and comparison of remuneration of each KMP against the Company's standalone performance:

Name	Remuneration (₹ in Mn)	% increase in Remuneration in FY25 as compared to FY24*	Ratio of Directors' Remuneration to Median Remuneration
Executive Director			
Mr. Ravi Goenka	86.92	5.00%	134.23
Dr. Rajan Venkatesh	66.25	5.00%	102.31
Mr. Harshvardhan Goenka	22.91	5.00%	35.38
Non-Executive Director$			
Mr. Rajeev Goenka#	-	-	-
Mr. Manish Chokhani	2.06	No Change	3.17
Mr. Omprakash V Bundellu (till 30/07/2024)	-	-	-
Mr. Arun Todarwal	2.06	No Change	3.17
Ms. Sangeeta Singh	2.06	No Change	3.17
Dr. Rajeev Vaidya	2.06	No Change	3.17
Dr. Rajiv Banavali	2.06	No Change	3.17
Mr. Vijay Ratnaparkhe&	-	-	-
Key Managerial Personnel			
Ms. Tanushree Bagrodia (till 03/09/2024)	23.40	6.00%	36.12
Mr. Mahadeo Karnik (w.e.f. 03/09/2024)	20.45	NA	31.58
Mr. Aniket Hirpara	7.72	9.40%	11.92

$ Non-Executive Directors remuneration represents Commission payable for 2024-25. The increase in Commission to Non-Executive Directors has been worked out annually.

#Being Promoter Director, Mr. Rajeev Goenka is not receiving any Commission.

& Mr. Vijay Ratnaparkhe has willingly declined to accept any sitting fees and commission.

* For Executive Directors only fixed pay (CTC) plus Performance Linked Incentive (PLI) & Directors Commission is considered for calculating % increase in remuneration. For Non-Executive Directors only the Commission (excluding Sitting fees), is considered for calculating % increase in remuneration.

Note: The remuneration figures in the financial statements may differ, as they are provision-based, while the above figures reflect actuals.

Disclosure Requirement:

Sr. No.	Requirement	Disclosure
1.	The Percentage increase in median remuneration of employees in FY 24-25	17%
2.	Number of permanent employees on the rolls of the Company	1086 (as of Mar 31, 2025)
3.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year, and its comparison with the percentile increase in the managerial remuneration, and justification thereof, and point out if there are any exceptional circumstances for an increase in the managerial remuneration	The average annual increase in the salaries of employees during the year was 9.5%, while the average increase in Managerial Remuneration was 8.4% during the year.
4.	Affirmation that the remuneration is as per the remuneration policy of the Company	The Company affirms that the remuneration is as per the remuneration policy of the Company

By Order of the Board
For **Laxmi Organic Industries Limited**

Date : May 20, 2025
Place : Mumbai

Ravi Goenka
Executive Chairman (DIN: 00059267)

Corporate Governance Report

COMPANY'S PHILOSOPHY:

The Company's core belief in Corporate Governance is embodied in the principle of "Achieving the Right Results Through Ethical Means." This guiding philosophy compels us to operate with integrity, transparency, and accountability, ensuring that our business practices reflect our unwavering commitment to responsible and ethical operations. For us, Corporate Governance extends beyond mere regulatory compliance—it is a fundamental pillar that influences every aspect of our organisation, shaping our decision-making processes and strategic directions. It serves as the backbone of our corporate ethos, driving us to conduct business responsibly while safeguarding stakeholder interests.

We are committed to fostering a culture of transparency, accountability, and ethical integrity, which we believe is crucial for advancing the long-term interests of our Members and stakeholders. This commitment entails striking a delicate balance between stakeholder expectations and corporate objectives, ensuring sustainable business growth and efficient management of business affairs while upholding our obligations to all stakeholders.

At the forefront of our governance commitment is our Board of Directors, entrusted with the strategic and operational oversight of the Company. The Board is dedicated to steering the Company towards strategic and operational excellence with a strong focus on stakeholder interests. Its role and responsibilities are formalised through a well-structured Board Charter, which outlines its duties and ethical obligations, ensuring adherence to governance best practices.

We are dedicated to maintaining the highest standards of governance and disclosure, ensuring that information related to our financial performance, ownership structure, and governance framework is shared with transparency and accuracy. We firmly believe that robust disclosure practices are essential for building stakeholder trust, promoting sustainable corporate growth, and creating long-term value for our Members and stakeholders.

The Company remains steadfast in its belief that strong Corporate Governance practices are essential not only for compliance but also for sustainable business growth and stakeholder value creation. Our commitment to ethical business conduct continues to guide us towards responsible corporate citizenship and lasting success.

BOARD OF DIRECTORS:

The Company's Board comprises ten (10) Members, structured as per the provisions of the Companies Act, 2013 ("the Act") and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015"), as amended. The composition ensures the mandated balance of Executive and Non-Executive Directors, including the presence of at least one Woman Director. Furthermore, with the Board being chaired by an Executive Promoter Director, the regulations require that at least half of its members be Independent Directors, a criterion that the Company's Board fully meets.

A brief profile of Directors seeking appointment/ reappointment has been given in the Notice convening the 36th Annual General Meeting of the Company.

Composition:

Sr. No.	Category of Director	Name of Director
1	Promoter & Promoter Group	1. Mr. Ravi Goenka, Executive Chairman & Whole-time Director
		2. Mr. Harshvardhan Goenka, Executive Director
		3. Mr. Rajeev Goenka, Non-Executive Director
2	Professional	4. Dr. Rajan Venkatesh, Managing Director & CEO
3	Non-Promoter (Independent & Non-Independent)	5. Mr. Manish Chokhani, Non-Executive & Non-Independent Director
		6. Dr. Rajeev Vaidya, Independent Director
		7. Ms. Sangeeta Singh, Independent Director
		8. Dr. Rajiv Banavali, Independent Director
		9. Mr. Arun Todarwal, Independent Director
		10. Mr. Vijay Ratnaparkhe, Independent Director

Note:

(1) The Directors mentioned in Serial No. 3 (6-10) above fall within the expression of "Independent Directors" as mentioned in Regulation 16(1)(b) of the Listing Regulations, 2015.

(2) Mr. Vijay Ratnaparkhe has been appointed as an Independent Director effective July 01, 2024.

(3) The Designation of Mr. Manish Chokhani has been changed from Independent Director to Non-Executive & Non-Independent Director w.e.f. July 31, 2024.

(4) Completion of tenure of Mr. O.V. Bundellu serving as an independent director w.e.f. July 30, 2024.

Board Meeting & Agenda:

The Board has comprehensive access to all essential information required to fulfil its supervisory responsibilities and make well-informed decisions. It convenes quarterly to thoroughly review the Company's performance, financial results, and compliance with applicable laws. Periodic compliance reports are also presented for the Board's scrutiny.

To support effective decision-making, agenda papers with all critical information and documents are circulated well in advance of each meeting. If certain information cannot be included in the agenda, it is presented during the meeting along with detailed explanations. The Board ensures adherence to the disclosure requirements under Regulation 17(7) of the SEBI Listing Regulations, 2015 and complies with Secretarial Standards issued by ICSI, ensuring transparent and timely access to necessary information.

Additionally, the Board has established a post-meeting follow-up mechanism, where Action Taken Reports from previous meetings are reviewed at subsequent sessions. This enables Board members to stay updated on progress and ensures accountability in executing decisions.

Meeting and attendance:

Throughout the fiscal year, the Board of Directors held a total of six meetings on the following dates: May 21, 2024, July 01, 2024, July 26, 2024, October 29, 2024, January 22, 2025, and March 11, 2025. The summary below outlines the attendance of the Directors at these Board meetings, along with their participation in the Annual General Meeting held on July 30, 2024.

Name of the Director	Designation	Category	No. of Board Meetings attended	Attendance at the last AGM
Mr. Ravi Goenka	Executive Chairman	Executive	6	Yes
Dr. Rajan Venkatesh	Managing Director & CEO	Executive	6	Yes
Mr. Harshvardhan Goenka	Executive Director	Executive	5	Yes
Mr. Rajeev Goenka	Non-Independent	Non-Executive	6	Yes
Mr. Manish Chokhani	Non- Independent	Non-Executive	6	Yes
Mr. Omprakash V. Bundellu*	Independent	Non-Executive	3	Yes
Ms. Sangeeta Singh	Independent	Non-Executive	6	Yes
Dr. Rajeev Vaidya	Independent	Non-Executive	6	Yes
Dr. Rajiv Banavali	Independent	Non-Executive	6	Yes
Mr. Arun Todarwal	Independent	Non-Executive	6	Yes
Mr. Vijay Ratnaparkhe**	Independent	Non-Executive	4	Yes

** Mr. Omprakash V. Bundellu retired w.e.f. July 31, 2024. ** Mr. Vijay Ratnaparkhe was appointed w.e.f July 1, 2024.*

Details of Directorship(s) and Committee membership(s) in Companies as on March 31, 2025:

(No. of companies)

Name of the Director	Directorship# in other listed companies	Directorship# in other unlisted companies	No. of committee* positions held in other listed companies		Names of other listed entities where the person is a director and the category of directorship
			Chairman	Membership	
Mr. Ravi Goenka	NIL	11	NIL	NIL	NIL
Dr. Rajan Venkatesh	NIL	1	NIL	NIL	NIL
Mr. Harshvardhan Goenka	NIL	5	NIL	NIL	NIL
Mr. Rajeev Goenka	NIL	19	NIL	NIL	NIL
Mr. Manish Chokhani	2	3	1	NIL	1. Welspun Corp Limited (Independent Director) 2. Landmark Cars Limited (Independent Director)
Ms. Sangeeta Singh	4	3	1	3	1. Alkem Laboratories Limited (Independent Director) 2. Shaily Engineering Plastics Limited (Independent Director) 3. Galaxy Surfactants Limited (Independent Director) 4. Transworld Shipping Lines Limited (Independent Director)

Corporate Governance Report (Contd.)

Name of the Director	Directorship# in other listed companies	Directorship# in other unlisted companies	No. of committee* positions held in other listed companies		Names of other listed entities where the person is a director and the category of directorship
			Chairman	Membership	
Dr. Rajeev Vaidya	NIL	NIL	NIL	NIL	NIL
Dr. Rajiv Banavali	NIL	NIL	NIL	NIL	NIL
Mr. Arun Todarwal	5	3	3	2	1. Sintex-Bapl Limited (Independent Director) 2. Anuh Pharma Limited (Non- Independent Director) 3. Welspun Transformation Services Limited (Independent Director) 4. Unichem Laboratories Limited (Independent Director) 5. NESCO Limited (Independent Director)
Mr. Vijay Ratnaparkhe	NIL	NIL	NIL	NIL	NIL

*Only the Audit Committee and the Stakeholders Relationship Committee are considered. # Only Indian Companies are considered.

Disclosure of relationships between Directors inter-se

None of the Directors, except Mr. Ravi Goenka, Mr. Harshvardhan Goenka and Mr. Rajeev Goenka, are related to each other within the meaning of "relative" under section 2(77) of the Companies Act, 2013.

Number of shares and convertible instruments held by Non-Executive Directors:

The detail of equity shares of the Company held by non-executive directors as on March 31, 2025, are as under:

Name of the Director	Category	No. equity shares held
Mr. Rajeev Goenka	Non-Executive Director	109,437
Mr. Manish Chokhani	Non-Executive Director	NIL
Ms. Sangeeta Singh	Independent Director	NIL
Dr. Rajeev Vaidya	Independent Director	NIL
Dr. Rajiv Banavali	Independent Director	NIL
Mr. Arun Todarwal	Independent Director	NIL
Mr. Vijay Ratnaparkhe	Independent Director	NIL

Familiarisation Program for Board Members:

The Board members are provided with relevant documents, brochures, reports, and internal policies to help them familiarise themselves with the Company's operations, procedures, and best practices. Periodic presentations are made at Board and Committee meetings covering business updates, financial performance, sales and marketing strategies, major business segments, subsidiary operations, global business environment, strategic initiatives, and associated risks.

Additionally, the Company conducts detailed presentations for Independent Directors in separate meetings to deepen their understanding of the business segments. Monthly and quarterly updates on significant statutory and regulatory changes are also shared with the Directors. To further enhance their understanding, site visits to the Company's plant locations are organised, enabling Independent Directors to gain firsthand insights into operational activities.

The Company has also established a Policy on the Familiarisation of Independent Directors, which is available on the Company's website at www.laxmi.com/investors/policies.

During the year under review, the Company conducted a Familiarisation Programme for Independent Directors. A summary of this programme is accessible on the Company's website at https://www.laxmi.com/investors/familiarisation-programmes.

Corporate Governance Report (Contd.)

Board Skill Matrix:

As required by Listing Regulations, 2015 the matrix setting out the Skills / Expertise / Competencies that are identified and available within the Board of the Company for effective functioning are given below:

Name of Director	Skills/Expertise/Competency
1. Mr. Ravi Goenka	Leadership/Operational Experience | Strategic Planning | Procurement |Global Chemical Industry | Finance, Regulatory/Legal & Risk Management | Industrial & Stakeholders Relations | Corporate Governance
2. Mr. Harshvardhan Goenka	Strategic Planning | Business Development | New Product/Chemistries Initiatives | Sales and Marketing | R & D & Innovation | Finance
3. Mr. Rajeev Goenka	Strategic Planning | General Management
4. Dr. Rajan Venkatesh	Leadership/Operational Experience | Strategic Planning | General Management | Sales and Marketing | Procurement | Chemical Industry Expert | Manufacturing | Industrial Relations
5. Mr. Manish Chokhani	Strategic Planning | Finance & Accounting | Investment Banking & Capital Market | Regulatory/Legal & Risk Management | Stakeholders Relations | Corporate Governance
6. Dr. Rajeev Vaidya	Strategic Planning | Investment Banking | Global Chemical Industry | Stakeholders Relations | Corporate Governance
7. Ms. Sangeeta Singh	Strategic Planning | HR & People Management | Regulatory/Legal & Risk Management
8. Dr. Rajeev Banavali	Strategic Planning | Global Chemical Industry | Regulatory/Legal & Risk Management | Corporate Governance
9. Mr. Arun Todarwal	Strategic Planning | Finance & Accounting | Regulatory/Legal & Risk Management | Corporate Governance | General Management
10. Mr. Vijay Ratnaparkhe	Leadership/Operational Experience | IT Industry Expert | Regulatory/Legal & Risk Management | General Management | | Corporate Governance

Certificate from the Practicing Company Secretary:

A certificate has been obtained from Mr. Mahesh Soni, Practicing Company Secretary and Partner at M/s GMJ & Associates, Company Secretaries (FCS No. 3706, C.O.P. No. 2324), confirming that none of the Directors on the Company's Board have been debarred or disqualified from being appointed or continuing as Directors by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs (MCA), or any other statutory authority. This certificate is attached as **Annexure I** to this Report.

Independent Directors:

The Independent Directors of the Company fully comply with the requirements specified under Regulation 16(1)(b) of the SEBI Listing Regulations, 2015. The Company has also received declarations from each Independent Director, affirming their compliance with the independence criteria outlined in the said Regulation, as well as Section 149(6) of the Companies Act, 2013, and the applicable rules thereunder.

None of the Independent Directors of the Company had any material pecuniary relationships or transactions with the Company, its Promoters, or its management during the Financial Year 2024–25 that, in the judgment of the Board, could affect their independence.

In the opinion of the Board, all Independent Directors are genuinely independent of the management and fully satisfy the criteria of independence as defined under the Companies Act, 2013 and the SEBI Listing Regulations, 2015.

As per the applicable provisions of the SEBI Listing Regulations, 2015, the Company has issued formal letters of appointment to all Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website at https://www.laxmi.com/investors/investor-information.

Furthermore, the tenure of the Independent Directors is in full compliance with the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

Limit on the number of Directorships:

None of the Directors serves as a director in more than 10 public limited companies, in accordance with Section 165 of the Companies Act, 2013. Additionally, no Director acts as an Independent Director in more than seven listed companies, or in more than three listed companies if they are serving as a Whole-time Director in any listed company, as specified under Regulation 17A of the SEBI (LODR) Regulations. Furthermore, none of the Executive Directors serve as Independent Directors in any other listed entity.

All Directors also comply with the committee membership limits set out in Regulation 26 of the SEBI (LODR) Regulations. No Director is a member of more than 10 committees or serves as the Chairman of more than five committees across all listed entities where they hold directorships.

Corporate Governance Report (Contd.)

Review of Legal Compliance Reports:

During the year under review, the Board periodically reviewed compliance reports concerning the various laws applicable to the Company, as prepared by the Management.

COMMITTEES OF BOARD OF DIRECTORS: The following are the Committees of the Board:

AUDIT COMMITTEE:

The Audit Committee has been entrusted with all the required authority and powers to play an effective role as envisaged under Section 177 of the Act and Regulation 18(1) of SEBI (LODR). During the year under review, there was no change in the constitution of the Audit Committee. The Audit Committee presently comprises of three (3) Directors as under and all the members are financially literate as per the requirement of the Regulations:

Name of the Director	Category	Category
Mr. Arun Todarwal	Independent Director	Chairperson
Ms. Sangeeta Singh	Independent Director	Member
Mr. Ravi Goenka	Executive Chairman	Member

The Company Secretary acts as the Secretary to the Audit Committee.

The Audit Committee met six (6) times during the year and the following table gives the details of members and their attendance in Audit Committee meetings held during the year ended March 31, 2025:

Members	Audit Committee Meetings during 2024-25					
	May 21, 2024	July 01, 2024	July 26, 2024	October 29, 2024	January 22, 2024	March 11, 2025
*Mr. Omprakash V. Bundellu	Yes	Yes	Yes	-	-	-
Mr. Arun Todarwal	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ravi Goenka	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Sangeeta Singh	Yes	Yes	Yes	Yes	Yes	Yes

*Mr. Omprakash V. Bundellu retired w.e.f. July 31, 2024

The detailed terms of reference of the Audit Committee are available on the Company's website and can be accessed using the following link: https://www.laxmi.com/investors/investor-information

NOMINATION & REMUNERATION COMMITTEE (NRC):

The NRC has been entrusted with all the required authority and powers to play an effective role as envisaged under Section 178 of the Act and Regulation 19(1) of SEBI (LODR) Regulations. During the year under review, there was no change in the constitution of the NRC Committee. The NRC presently comprises of three (3) Directors as under:

Name of the Director	Category	Category
Ms. Sangeeta Singh	Independent Director	Chairperson
Mr. Manish Chokhani	Independent Director	Member
Dr. Rajeev Vaidya	Independent Director	Member

The Company Secretary acts as the Secretary to the NRC.

The NRC met two (2) times during the year and the following table gives the details of members and their attendance in NRC meetings held during the year ended March 31, 2025:

Members	NRC Meetings during 2024-25	
	May 20, 2024	July 01, 2024
Ms. Sangeeta Singh	**Yes**	**Yes**
Mr. Manish Chokhani	**Yes**	**Yes**
Dr. Rajeev Vaidya	**Yes**	**Yes**

The detailed terms of reference of the NRC is available on the Company's website and can be accessed using following link: https://www.laxmi.com/investors/investor-information

Corporate Governance Report (Contd.)

Board Performance Evaluation:

The Company has established a formal Policy for evaluating the performance of the Board, Committees, and individual Directors, including Independent Directors. This policy encompasses criteria such as preparedness for meetings, constructive contributions, business acumen, communication with fellow Board members, adherence to the code of conduct, and alignment with vision and strategy.

Both the Board and the Nomination and Remuneration Committee conduct annual reviews of individual directors' performance, focusing on their contributions to meetings, engagement, domain expertise, and compliance. Additionally, a dedicated Board meeting is held to evaluate the collective performance of the Board, Committees, and individual directors.

Furthermore, independent directors convene separately to assess the performance of non-independent directors, the Board as a whole, and the Chairman, considering input from both executive and non-executive directors. This comprehensive evaluation process ensures accountability, transparency, and continuous improvement in governance practices.

Succession Plan:

The Board constantly evaluates the contribution of its members and recommends to the Members their re-appointment, if thought fit, upon the expiry of their respective tenures. The Nomination & Remuneration Committee regularly reviews the succession requirements and competency planning priorities of the Board and senior management.

Independent Directors' Meeting:

A separate meeting of the Independent Directors of the Company was held on March 28, 2025 without the attendance of Non-Independent Directors and Members of the Management. The Independent Directors reviewed (i) the performance of Non-Independent Directors and the Board as a whole; (ii) the performance of the Chairman of the Board taking into account the views of the Executive Directors and Non-Executive Directors; and (iii) assessed the quality, quantity and timeliness of flow of information between the Company management and the Board required to effectively and reasonably perform their duties. All Independent Directors, except Mr. Vijay Ratnaparkhe, attended the Meeting.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Company has formulated a Stakeholders' Relationship Committee ("SRC") in compliance with Regulation 20 of the SEBI (LODR) Regulations and Section 178 of the Act on November 25, 2020. The SRC presently comprises four (4) Directors as under:

Name of the Director	Category	Category
Dr. Rajeev Vaidya*	Independent Director	Chairperson
Mr. Manish Chokhani	Non-Executive Director	Member
Mr. Ravi Goenka	Executive Chairman	Member
Mr. Harshvardhan Goenka	Executive Director	Member

*Dr. Rajeev Vaidya onboarded on the Committee w.e.f. May 21, 2024 and designated as Chairperson w.e.f. July 31, 2024

Mr. Aniket Hirpara is the Company Secretary and Compliance Officer of the Company. He also acts as the Secretary to the SRC.

The SRC Committee met four (4) times during the year, and the following table gives the details of members and their attendance in SRC meetings held during the year ended March 31, 2025:

Members	SRC Meetings during 2024-25			
	April 18, 2024	July 24, 2024	October 25, 2024	January 21, 2025
Dr. Rajeev Vaidya*	-	Yes	Yes	Yes
Mr. Manish Chokhani	Yes	Yes	Yes	Yes
Mr. Ravi Goenka	Yes	Yes	Yes	Yes
Mr. Harshvardhan Goenka	Yes	Yes	Yes	Yes

*Dr. Rajeev Vaidya onboarded on the Committee w.e.f. May 21, 2024 and designated as Chairman w.e.f. July 31, 2024

The detailed terms of reference of the SRC is available on the Company's website and can be accessed using the following link: https://www.laxmi.com/investors/investor-information

The status of complaints received from the investors during the year is as follows:

Particulars	Complaint Nos.
Complaints as of April 01, 2024	NIL
Complaints received during the 2024-25	02
Complaints disposed of during the 2024-25	02
Complaints remained unsolved as of March 31, 2025	NIL
Complaints not solved to the satisfaction of the shareholder	NIL

The Chairman of SRC has attended the last Annual General Meeting.

RISK MANAGEMENT & ESG GOVERNANCE COMMITTEE (RMEGC)

During the year under review, there was the reconstitution of the Risk Management & ESG Governance Committee w.e.f. July 26, 2024. The RMEGC presently comprises four (4) Directors as under:

Name of the Director	Category	Category
Dr. Rajiv Banavali	Independent Director	Chairperson
Dr. Rajan Venkatesh	Managing Director & CEO	Member
Mr. Harshvardhan Goenka	Executive Director	Member
Mr. Vijay Ratnaparkhe	Independent Director	Member

*Mr. Vijay Ratnaparkhe was inducted as a member of the Committee with effect from July 26, 2024. Concurrently, Dr. Rajeev Vaidya stepped down from his committee membership (as a chairperson), and Mr. Rajiv Banavali was appointed as the Chairperson, effective July 31, 2024.

The Company Secretary acts as the Secretary to the RMEGC.

The RMEGC met three (3) times during the year and the following table gives the details of members and their attendance in RMEGC meetings held during the year ended March 31, 2025:

Members	RMEGC Meetings during 2024-25		
	April 15, 2024	May 20, 2024	November 12, 2024
Dr. Rajeev Vaidya	Yes	Yes	-
Dr. Rajan Venkatesh	Yes	Yes	Yes
Mr. Harshvardhan Goenka	Yes	No	Yes
Dr. Rajiv Banavali	Yes	Yes	Yes
Mr. Vijay Ratnaparkhe	-	-	Yes

The detailed terms of reference of the RMEGC is available on the Company's website and can be accessed using the following link: https://www.laxmi.com/investors/investor-information

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The CSR Committee has been entrusted with all the required authority and powers to play an effective role as envisaged under Section 135 of the Act. During the year under review, there was no change in the constitution of the CSR Committee. The CSR Committee presently comprises of three (3) Directors as under:

Name of the Director	Category	Category
Mr. Ravi Goenka	Executive Chairman	Chairperson
Ms. Sangeeta Singh	Independent Director	Member
Mr. Rajeev Goenka	Non-Executive Director	Member

The Company Secretary acts as the Secretary to the CSR Committee.

The CSR Committee met two (2) times during the year and the following table gives the details of members and their attendance in CSR meetings held during the year ended March 31, 2025:

Members	CSR Committee Meetings during 2024-25	
	October 08, 2024	March 26, 2025
Mr. Ravi Goenka	Yes	Yes
Ms. Sangeeta Singh	Yes	Yes
Mr. Rajeev Goenka	Yes	No

The detailed terms of reference of the CSR Committee is available on the Company's website and can be accessed using following link: https://www.laxmi.com/investors/investor-information

Corporate Governance Report (Contd.)

FINANCE COMMITTEE:

The Board has established a Finance Committee tasked with overseeing matters related to interest rate risk, FX risks, and bank limits utilisation. While not mandated by the Act, this Committee was formed to effectively manage financial risks and monitor and mitigate foreign exchange and Interest Risks. It serves as a crucial avenue for risk mitigation, particularly concerning FX risks, where it monitors hedge ratios for exposures in EUR/US$ and provides guidance accordingly. Additionally, the Committee analyses economic factors and interest rate movements, offering guidance on risk measures and ensuring bank limits are monitored appropriately.

During the review period, the composition of the Finance Committee underwent changes. Mr. Arun Todarwal, Independent Director, and Mr. Mahadeo Karnik, Chief Financial Officer, were appointed as members, replacing Mr. Omprakash V. Bundellu and Ms. Tanushree Bagrodia, who retired/resigned from the Committee. As of now, the Finance Committee consists of four (4) members as under:

Name of the Director	Category	Category
Mr. Arun Todarwal	Independent Director	Chairperson
Mr. Ravi Goenka	Executive Chairman	Member
Dr. Rajan Venkatesh	Managing Director & CEO	Member
Mr. Mahadeo Karnik	CFO	Member

The Company Secretary acts as the Secretary to the Finance Committee.

The Finance Committee met five (5) times during the year and the following table gives the details of members and their attendance in FC meetings held during the year ended March 31, 2025:

Members	Finance Committee Meetings during 2024-25				
	April 19, 2024	July 18, 2024	October 22, 2024	January 21, 2025	March 11, 2025
Mr. Omprakash V Bundellu	Yes	Yes	-	-	-
Mr. Arun Todarwal	Yes	Yes	Yes	Yes	Yes
Mr. Ravi Goenka	Yes	Yes	Yes	Yes	Yes
Dr. Rajan Venkatesh	No	Yes	Yes	Yes	Yes
*Ms. Tanushree Bagrodia	Yes	Yes	-	-	-
Mr. Mahadeo Karnik	-	-	Yes	Yes	Yes

* Ms. Tanushree Bagrodia has resigned from the office as CFO w.e.f. September 02, 2024

Remuneration of the Directors

A. Remuneration to Managing Director, Whole-time Director:

(₹ in Mn)

Sr. No	Particulars	Mr. Ravi Goenka, Executive Chairman	Dr. Rajan Venkatesh. MD & CEO	Mr. Harshvardhan Goenka, Executive Director	Total
1	Gross Salary				
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	61.79	43.84	19.78	125.40
	b. Value of perquisites under Section 17(2) of the Income Tax Act, 1961	3.78	-	-	3.78
	c. Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	21.35	-	-	21.35
	As % of Profits	1.11%	-	-	-
	Others, Specify	-	-	-	-
5	Others, Specify (Performance Linked incentives)	-	22.41	3.14	25.55
	Total – (A)	**86.92**	**66.25**	**22.91**	**176.08**
	Ceiling as per Act	**₹ 192.64 Mn.**			

Note: The remuneration figures in the financial statements may differ, as they are provision-based, while the above figures reflect actuals.

B. Remuneration to Other Directors

(₹ in Mn)

Sr. No.	Name of Director	Category	Sitting Fees	Commission	Total
1	Rajeev Goenka*	Non-Executive Director	0.49	-	0.49
2	Manish Chokhani	Independent Director	0.68	2.06	2.73
3	Omprakash V Bundellu	Independent Director	0.52	-	0.52
4	Sangeeta Singh	Independent Director	1.06	2.06	3.12
5	Dr. Rajeev Vaidya	Independent Director	0.72	2.06	2.77
6	Dr. Rajiv Banavali	Independent Director	0.55	2.06	2.61
7	Arun Todarwal	Independent Director	1.09	2.06	3.15
8	Vijay Ratnaparkhe&	Independent Director	-	-	-
Total			**5.11**	**10.28**	**15.38**

* Being the Promoter Director, Mr. Rajeev Goenka is not accepting any Commission. & Mr. Vijay Ratnaparkhe has also willingly declined to accept any sitting fees and commission.

The criteria for making payments to non-executive directors are available on the Company's website https://www.laxmi.com/investors/investor-information

The Company has not granted any stock options to any of its non-executive directors.

Senior management:

During the year under review, the Company have the following senior management personnel:

Name	Designation
Mr. Mahadeo Karnik	Chief Financial Officer
Mr. Prateek Singh	Chief Human Resource Officer
Mr. Jitendra Agrawal	President – Essentials BU
Mr. Virag Shah	President – Specialities BU
Mr. Salil Mukundan	Chief Technology Officer
Mr. Susheel Mittal	Chief Supply Chain Officer
Mr. Prashant Patil	President – Manufacturing
Dr. Milind Vaidya	Executive Vice President (R&D and Specialties Marketing)
Mr. Uday Vaishampayan	Executive Vice President – EHS

During the year under review, Ms. Tanushree Bagrodia has resigned as Chief Financial Officer, Mr. Sruti Bora has resigned as Chief Transformation Officer, and Dr. Ajay Audi has resigned as Executive VP R&D.

General Body Meetings:

The following table gives the details of the last three Annual General Meetings of the Company held:

Year	Day, Date and Time	No of Directors Present	Location
2023-24 (35th AGM)	Tuesday, July 30, 2024 at 11:00 AM	8	A 22/2/3, MIDC, Mahad Industrial Area, Dist. Raigad – 402309
2022-23 (34th AGM)	Thursday, August 03, 2023 at 11:00 AM	9	
2021-22 (33rd AGM)	Friday, July 29, 2022 at 11:00 AM	7	

Corporate Governance Report (Contd.)

The following are the special business transacted at the Annual General Meetings held in last three years:

Meeting	Subject matter of resolution	Remarks
2023-24 (35th AGM)	1. To approve the remuneration of Cost Auditors for the FY ended March 31, 2025 2. To approve the appointment of Mr. Manish Chokhani (DIN: 00204011) as Non-Executive Non-Independent Director 3. To approve the revision in the remuneration of Mr. Harshvardhan Goenka for the financial year 2024-25 4. To approve the revision in the remuneration of Mr. Rajan Venkatesh, Managing Director and CEO, for the financial year 2024-25 5. To approve the re-appointment of Mr. Ravi Goenka, Executive Chairman & Whole-time Director 6. To approve Laxmi Employee Stock Option Scheme 2024 ("Laxmi ESOP 2024") 7. To approve the appointment of Mr. Vijay Ratnaparkhe (DIN: 03211521) as an Independent Director	All resolutions were passed with the requisite majority
2022-23 (34th AGM)	1. To approve the remuneration of Cost Auditors for the FY ended March 31, 2024 2. To approve the revision in the remuneration of Mr. Harshvardhan Goenka for the financial year 2023-24 3. To approve the revision in the remuneration of Mr. Ravi Goenka, Chairman and Executive Director 4. To approve the request received from the Sarawgi Family for removing their name from "Promoter & Promoter Group" and reclassifying them as "Public Members"	All resolutions were passed with the requisite majority
2021-22 (33rd AGM)	1. To approve the remuneration of Cost Auditors for the FY ended March 31, 2023 2. To approve the re-appointment of Ms. Sangeet Singh (DIN 06920906) as a Non-Executive Independent Director of the Company 3. To approve the revision in the remuneration of Mr. Harshvardhan Goenka for the financial year 2022-23 4. To consider and approve the revision in the remuneration of Mr. Satej Nabar for the financial year 2022-23 5. To approve the revision in the remuneration of Mr. Ravi Goenka, Managing Director	All resolutions were passed with the requisite majority

Whether any special resolution was passed last year through postal ballot – NA;

During the year, the following resolutions were passed by the Members through Postal Ballot:

a. Appointment of Mr. Arun Todarwal (DIN: 00020916) as Independent Director

The result of the Postal Ballot was announced on April 29, 2024, with the resolution being passed with the requisite majority.

In compliance with Sections 108 and 110 of the Companies Act, 2013 and in accordance with the prevailing circulars issued by the Ministry of Corporate Affairs (MCA Circulars), the Postal Ballot forms and prepaid business reply envelopes were not sent to Members. Instead, Members were requested to cast their votes exclusively through e-voting.

Mr. Mahesh Soni, Practicing Company Secretary and Partner at M/s GMJ & Associates, Company Secretaries (FCS No. 3706, C.O.P. No. 2324), was appointed as the Scrutiniser for the Postal Ballot process. He submitted his report to **Mr. Ravi Goenka**, Executive Chairman & Whole-time Director of the Company.

Pursuant to the provisions of the Companies Act, 2013, and with the e-voting facilities provided by the Company, none of the proposed businesses for the forthcoming Annual General Meeting required the passing of special resolutions through postal ballot.

Means of Communication:

a. Quarterly, half-yearly and annual financial results are published in leading national and regional newspapers (Business Standard, Sakal and Navshakti) and displayed on the Company's website.

b. News releases, press releases and presentations made to investors and analysts are displayed on the Company's website.

Corporate Governance Report (Contd.)

c. The Annual Report is circulated to all the Members and also displayed on the Company's website.

d. Material developments relating to the Company that are potentially price-sensitive in nature or that could impact continuity of publicly available information regarding the Company are disclosed to the stock exchanges.

e. The Company's website contains information on business, governance and important policies.

The circulars on the conduct of the annual general meeting by video conference (VC) or any other audio-visual means (OAVM), exempt Companies from the requirements of sending hard copies of the Annual Reports, AGM Notice. Hence, therefore Annual Report and Notice of the 36th AGM are being sent to the members at their registered email addresses as per MCA and SEBI Circulars. Members are requested to refer to the Notice of 36th AGM, containing detailed instructions to register/update email addresses.

During the year, the Company held an Investor Call on May 23, 2024, July 29, 2024, October 30, 2024 and January 23, 2025 to discuss the performance of the Company for the financial year 2024-25. The Management Discussion and Analysis Report forms part of this Annual Report.

The Company's website, www.laxmi.com, has a separate section for investors where Members' information is available. The Company also has a separate email ID i.e. investors@laxmi.com, for investor grievances.

Annual General Meeting:

Day and Date	**Thursday, July 31, 2025**
Time	11:00 AM
Venue	The Annual General Meeting ("AGM") would be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"). The venue of the meeting shall be deemed to be the Registered Office of the Company at A 22/2/3, MIDC, Mahad Industrial Area, Dist. Raigad – 402309
Participation through Video-Conferencing	Members can log in from 10.45 a.m. (IST) on the date of the AGM by using their remote e-voting login credentials and selecting the EVEN for the Company's AGM
Helpline Number for VC participation	022-49186175
Speaker Registration Before AGM	Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, and mobile number at investors@laxmi.com from July 28, 2025 (9:00 a.m. IST) to July 30, 2025 (5:00 p.m. IST). Those Members who have registered themselves as speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM
Dividend for FY25 recommended by the Board	Tuesday, May 20, 2025
Dividend Record Date	Friday, July 18, 2025
Dividend payment date	On or after August 05, 2025
Cut-off date for e-voting	Friday, July 18, 2025
Remote E-voting start time and date	9:00 AM, Monday, July 28, 2025
Remote E-voting end time and date	5:00 PM, Wednesday, July 30, 2025
Remote E-voting website of Linkintime	https://instavote.linkintime.co.in

Corporate Governance Report (Contd.)

Financial year:

The Company's financial year begins on April 01 and ends on March 31.

Financial Calendar (Tentative): April 2025 To March 2026:

Sr. No.	**Particulars of Meetings**	**Actual/Tentative Dates**
1	Audited Financial Results for the quarter and year ended 31st March, 2025	Tuesday, May 20, 2025
2	Unaudited Quarterly Results for the Quarter ended June 30, 2025	Within 45 days of the quarter and half year ending June 2025
3	36th Annual General Meeting	July 31, 2025
4	Unaudited Quarterly Results for the Quarter and half year ended September 30, 2025	Within 45 days of the quarter and half year ending September 2025
5	Unaudited Quarterly Results for the Quarter and nine months ended December 31, 2025	Within 45 days of the quarter and nine months ending December 2025
6	Audited Annual Results for the quarter and year ended on March 31, 2026	Within 60 days of the quarter and year ending March 2026

Listing Details:

The equity shares of the Company are listed on the National Stock Exchange of India Limited and the BSE Limited

Name & Address of the stock exchange	**Stock Code**
National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	LXCHEM
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	543277

Annual Listing Fees for the year 2025-26 have been paid to the stock exchanges.

In case the securities are suspended from trading, the director's report shall explain the reason thereof; - **Not Applicable**

Details of the Registrar and Transfer Agent (RTA) & Share Transfer Systems:

MUFG Intime India Private Limited, Mumbai (SEBI Registration No INR000004058) is acting as the Company's Registrar and Transfer Agent to handle requests for the transmission, transposition, dematerialisation and rematerialisation of equity shares. These activities are handled under the supervision of the Company Secretary, who is also the Compliance Officer under the SEBI Listing Regulations, 2015.

ISIN Number	**:**	INE576O01020
Details of Share Transfer Agent	:	**MUFG Intime India Private Limited** C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400 083 Email: mumbai@in.mpms.mufg.com

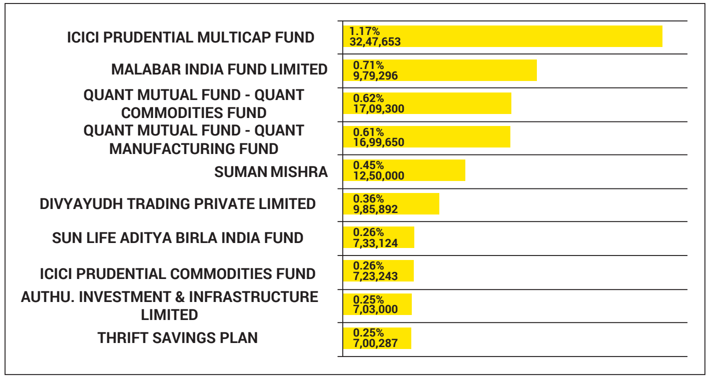
Shareholding:

Promoter & Public Shareholding as on March 31, 2025:

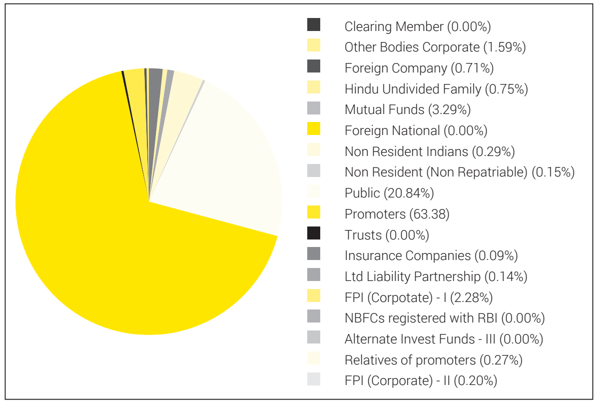
Sr. No.	**Category of the shareholder**	**Total number of shares**	**% of the holding**
1.	Promoter and Promoter Group	19,22,06,496	69.38
2.	Public Shareholding	8,48,17,317	30.62
	Total	**27,70,23,813**	**100.00**

Corporate Governance Report (Contd.)

Top 10 Non-Promoter Members as of March 31, 2025:



Shareholders' Category Summary as on March 31, 2025:



Distribution of shareholding as on March 31, 2025:

Sr. No.	Shareholding of Shares	No of Members	% of No of Members	Total Shares	% of Total Shares
1	1 to 500	3,68,644	95.81	2,71,55,643	9.80
2	501 to 1000	9,224	2.40	70,13,524	2.53
3	1001 to 2000	3,844	1.00	56,66,765	2.05
4	2001 to 3000	1,200	0.31	30,40,622	1.10
5	3001 to 4000	494	0.13	17,63,796	0.64
6	4001 to 5000	350	0.09	16,46,131	0.59
7	5001 to 10000	551	0.14	40,00,833	1.44
8	10001 and above	447	0.12	22,67,36,499	81.85
	Total	**3,84,754**	**100.00**	**27,70,23,813**	**100.00**

Corporate Governance Report (Contd.)

Dematerialisation of Share:

The Company has obtained electronic connectivity of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to facilitate the members to hold their shares in demat mode. Further, the Company has 100% of its shareholding in the DEMAT form. The ISIN Number of the Company's shares is INE576O01020.

Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible instruments, Conversion date and likely impact on equity:

The Company does not have any outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible instruments as on March 31, 2025.

Commodity price risk or foreign exchange risk and hedging activities:

The Company is subject to commodity price risks due to fluctuations in prices of crude oil, chemicals, feedstocks and downstream petroleum products. The Company's payables and receivables are in U.S. Dollars /Euro and due to fluctuations in foreign exchange prices, it is subject to foreign exchange risks. The Company has in place a robust forex risk management framework for identification and monitoring and mitigation of foreign exchange risks. Further, the Finance Committee of the Board regularly meets to assess, identify, monitor, and mitigate foreign exchange fluctuation risks. In the current year, the Risk Management Committee will design a robust risk management framework and policy to address all the kinds of risk to which the Company is exposed.

Registered office and other locations

The address of our registered office is A-22/2/3, MIDC, Mahad, Raigad - 402 309, Maharashtra, India. The address of our corporate office is Chandermukhi Building, 2nd and 3rd Floor, Nariman Point, Mumbai – 400021, Maharashtra, India.

Plant Locations

Site I	A- A-22/2/1, A-22/2/3, MIDC, Mahad Industrial Area, Dist- Raigad – 402 309
Site II	B-2/2, B-3/1/1, B-3/1/2, MIDC, Mahad Industrial Area, Dist- Raigad – 402 309
Site III	G-60, MIDC Lote Parshuram, Taluka Khed, Dist. Ratnagiri
Site IV	Village Jolva and Vadadla, Bharuch, Gujarat

MEMBERS INFORMATION:

Corporate:

Our Company was incorporated as Laxmi Organic Industries Limited in Mumbai, Maharashtra, as a public limited Company under the Companies Act, 1956, pursuant to a certificate of incorporation dated May 15, 1989, issued by the Registrar of Companies ('RoC'). Our Company received a certificate for the commencement of business on December 20, 1989, pursuant to the provisions of the Companies Act, 1956. In 2021, the Company made an initial public offering and got listed on March 25, 2021, at the National Stock Exchange (India) Limited and BSE Limited.

Company Identification Number (CIN):

All the forms, returns, balance sheets and other documents filed with the Registrar of Companies (the 'ROC') are available for inspection at the official website of the Ministry of Corporate Affairs at www.mca.gov.in under the Corporate Identification Number (CIN): L24200MH1989PLC051736

Address for correspondence:

Mr. Aniket Hirpara
Company Secretary and Compliance Officer
Laxmi Organic Industries Limited
3rd Floor, Chandermukhi Building,
Nariman Point, Mumbai - 400 021
CIN: L24200MH1989PLC051736
Tel. No.: 022 - 4910 4444
Email: investors@laxmi.com

Credit rating

The necessary details on the Company's credit rating are disclosed in the Directors' Report.

DISCLOSURE OF MATERIAL TRANSACTIONS:

Under regulation 26(5) of SEBI Listing Regulations, 2015, the Senior Management is required to make periodical disclosures to the Board relating to all material financial and commercial transactions, where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company. During the year under review, there were no such transactions.

VIGIL MECHANISM / WHISTLE-BLOWER POLICY:

The Company has established a mechanism for Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud, mismanagement, and violation of our Code of Conduct and Ethics. It also provides adequate safeguards against the victimisation of employees who avail themselves of the mechanism and allows direct access to the Chairperson of the Audit Committee through the hotline email (whistleblower@laxmi.com). The vigil mechanism/ whistle-blower policy is available on the Company's website at https://www.laxmi.com/investors/policies.

In addition to the vigil mechanism, the Company has implemented a speak-up policy through which not only employees but also the business associates viz. vendors, consultants, retainers or advisors associated with the Company, are provided with a tool to report any instance

Corporate Governance Report (Contd.)

of fraud, abuse or misconduct, possible misconduct or malpractices at the workplace. Anyone can access Speak-up Committee through the speak-up hotline number (1800-102–6969), speak-up hotline email (laxmi-speakup@integritymatters.in) or directly at the website (https://laxmi.integritymatters.in).

Policy for Determination of Material Events or Information:

According to Regulation 30 of the SEBI Listing Regulations 2015, the Board of Directors has adopted the Policy for Determination of Material Events or Information. The objective of the Policy is to ensure timely and adequate disclosure of material events or information. The Policy can be accessed from the Company's website at https://www.laxmi.com/investors/policies

Dividend Distribution Policy:

The Dividend Distribution Policy has been disclosed on the website of the Company at https://www.laxmi.com/investors/policies

Policy on Related Party Transactions:

The Company has formulated a policy on the materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of the Companies Act, 2013 and Listing Regulations. The policy has been disclosed on the website of the Company at https://www.laxmi.com/investors/policies

Other Disclosures

a) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

Sr. No.	Details Violation	Action Taken By	Penalty Amount
	FY-2024-25		
1	Delay in filing of Related Party Transaction Statement for the half year ended March 31, 2024	BSE Ltd. and National Stock Exchange Ltd.	₹ 5,000/- (plus 18% GST)
	FY-2022-23		
1	Delay in filing of Related Party Transaction Statement for the half year ended March 31, 2022.	BSE Ltd. and National Stock Exchange Ltd.	₹ 75,000/- (plus 18% GST)

b) The Company's related party transactions are mainly with its subsidiaries and associate companies. All the contracts/ arrangements/ transactions entered by the Company during the current financial year with related parties were in the ordinary course of business and at an arm's length basis. None of the transactions entered with the related parties during the financial year conflicted with the Company's interest. The policy formulated by the Company is uploaded on its website of the Company at https://www.laxmi.com/investors/policies

c) The Company's equity shares are listed on the Stock Exchanges, namely National Stock Exchange of India Limited and BSE Limited. The listed entity has complied with all the Regulations and circulars/ guidelines issued thereunder.

d) The Company believes in the conduct of the affairs of its constituents fairly and transparently by adopting the highest standards of professionalism and ethical behaviour. The Company is committed to developing a culture where it is safe for all directors/ employees to raise concerns about any poor or unacceptable practice and any event of misconduct. Accordingly, the Company has a Whistle Blower Policy in place under which Directors/employees are free to raise concerns. No person has been denied access to the Audit Committee.

e) The Company has complied with all mandatory requirements of Regulation 34 of the SEBI (LODR) Regulations.

f) During the year, recommendations made to the Board by the Committees were accepted by the Board.

g) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Refer Note 11 to the Notes to Standalone Financial Statements.

h) During the year under review, the Statutory Auditors of the Company, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, were paid an aggregate remuneration of ₹ 10.35 Mn as per the table below:

Particulars	Amount (₹ in Mn)
Audit Fees including consolidation & Limited Review	8.60
Certification & Reimbursement	1.75
Total	**10.35**

Corporate Governance Report (Contd.)

i) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Particulars	Number
Number of complaints filed during the financial year	0
Number of complaints disposed of during the financial year	0
Number of complaints pending as on end of the financial year	0

j) The Company has complied with the requirement of the Corporate Governance Report of sub paras (2) to (10) of Part C of Schedule V of SEBI (LODR) Regulations.

It is confirmed that the Company has complied with the requirements prescribed under Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, 2015.

k) The Company has complied with the discretionary requirements as specified in Part E of Schedule II, the details are mentioned as under :

a. The Board: Not Applicable since the Company has an Executive Chairperson.

b. Members' Rights: The quarterly and half-yearly financial results are submitted to Stock Exchanges and published in the newspapers as mentioned above, and are also uploaded under the "Investor" section on the Company's website at https://www.laxmi.com/investors/financials. Therefore, the results were not separately circulated to all Members.

c. Modified opinion(s) in the Audit Report: It is always the Company's endeavour to present unqualified financial statements. There are no audit-modified opinions in the Company's financial statement for the year under review.

d. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: During the year under review, the Company has not separated the role of the Chairman and Managing Director.

e. Reporting of Internal Auditor: The Internal Auditor reports directly to the Audit Committee.

f. Risk Management: The Company has in place a Risk Management committee.

l) Disclosures with respect to demat suspense account/ unclaimed suspense account:

The aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	230 Shares
Number of shareholders who approached the Company for the transfer of shares from the suspense account during the year	NIL
The number of shareholders to whom shares were transferred from the suspense account during the year	NIL
The aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	230 Shares
The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	Yes

m) Disclosure of certain types of agreements binding listed entities:

The Company has not entered into any agreement with any shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of holding, subsidiary or associate company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

n) Disclosure of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: NIL

o) Details of Material Subsidiaries: During the year, none of the subsidiaries were classified as a Material Subsidiary under Regulations 16 and 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CEO AND CFO CERTIFICATION:

The Executive Director & CEO and CFO give an annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations, 2015. The annual certificate given by the Executive Director & CEO and the CFO in terms of Regulation 17(8) is published as **Annexure II** to this Report.

Corporate Governance Report (Contd.)

CODE OF CONDUCT:

The Board has laid down a Code of Conduct for all members of the Board and Senior Management consisting of members of the Corporate Executive Committee and other Employees /Executives of the Company. The Code of Conduct is posted on the Company's website at https://www.laxmi.com/investors/policies. All the members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the period from April 1, 2024 to March 31, 2025. The declaration received from Mr. Ravi Goenka, Executive Chairman & Whole-time Director in this regard, is attached as **Annexure IV** to this Report:

FRAMEWORK OF INSIDER TRADING:

The Company's shares are listed on the National Stock Exchange of India Limited and the BSE Limited. To regulate insider trading, the Company has put in place a Code of Conduct to regulate, Monitor and Report the Trading of Company shares by Insiders. During the year under review, the said Company's Code was amended in line with the amendments issued by SEBI from time to time. The Company Directors, Key Management Personnel, Designated Employees and other Insiders are informed about the closure of the Trading Window before the dissemination of price-sensitive information. The said code of conduct is available on the Company's website at https://www.laxmi.com/investors/policies

COMPLIANCE CERTIFICATE OF THE PRACTICING COMPANY SECRETARY:

Certificate from M/s GMJ & Associates, Practicing Company Secretaries confirming compliance with conditions of Corporate Governance as stipulated under Listing Regulations, 2015 is attached as **Annexure III** to this Report.

OTHER POLICIES MANDATED UNDER SEBI LISTING REGULATIONS, 2015:

Policy for Preservation of Document & Archival:

According to Regulation 9 of SEBI Listing Regulations 2015, the Board of Directors has adopted the Policy on Preservation of Documents. This Policy envisages the procedure governing the preservation of documents as required to be maintained under the various statutes, viz. Companies Act, 1956, Companies Act, 2013 and Rules issued there under from time to time, applicable Secretarial Standards, Listing Regulations, 2015 SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and any other applicable regulations under SEBI Act, 1992.

According to Regulation 30(8) of SEBI Listing Regulations, 2015, every listed Company shall disclose on its website all such events or information which have been disclosed to the stock exchange(s) under Regulation 30. Such disclosures shall be posted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company. Accordingly, the Board of Directors has approved the 'Archival Policy'.

The Policy for Preservation of Document & Archival can be accessed from the Company's website at https://www.laxmi.com/investors/policies

UNCLAIMED DIVIDEND & TRANSFER TO IEPF:

Section 124 and 125 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), mandates that companies transfer dividend that has remained unclaimed for seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Further, the Rules mandate that the shares on which dividend has not been paid or claimed for seven consecutive years or more be transferred to the IEPF. The details of unpaid dividends are uploaded on the website of the Company at https://www.laxmi.com/investors/unclaimed-dividend

Members who have not claimed their dividends for the last two years are requested to write to the Company's Registrar and Share Transfer Agents and claim their dividends. The total amount of unclaimed dividends has been disclosed in the financial statements.

Members are requested to note that the unclaimed dividends will be transferred to the IEPF after the below-mentioned last date of claim which has been calculated by adding 37 days and 7 years to the date of declaration:

Dividend and Year	Dividend per Share (₹)	Date of Declaration	Last Date for Claim
Final Dividend 2021	₹ 0.50	26.07.2021	01.09.2028
Final Dividend 2022	₹ 0.70	29.07.2022	04.09.2029
Final Dividend 2023	₹ 0.50	03.08.2023	07.09.2030
Final Dividend 2024	₹ 0.60	30.07.2024	05.09.2031

Annexure I

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Board of Directors,
Laxmi Organic Industries Limited
A-22/2/3, MIDC Mahad
Maharashtra – 402309.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Laxmi Organic Industries Limited (CIN: L24200MH1989PLC051736)** having registered office at A-22/2/3, MIDC Raigad, Maharashtra - 402309 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para - C Sub-clause 10(i) of the SEBI (LODR) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Ravi Vasudeo Goenka	00059267	01/05/2010
2.	Harshvardhan Ravi Goenka	08239696	01/11/2020
3.	Rajeev Vasudeo Goenka	00059346	12/08/1994
4.	Rajan Venkatesh	10057058	03/04/2023
5.	Manish Chokhani	00204011	30/03/2012
6.	Vijay Ratnaparkhe	03211521	01/07/2024
7.	Sangeeta Kapil Jit Singh	06920906	04/09/2017
8.	Rajeev Arvind Vaidya	05208166	25/11/2020
9.	Rajiv Manohar Banavali	09128266	18/05/2021
10.	Arun Lalchand Todarwal	00020916	01/04/2024

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

For **GMJ & ASSOCIATES**
Company Secretaries
ICSI Unique Code P2011MH023200

CS MAHESH SONI
PARTNER
Membership No: F3706
Certificate of Practice No.: 2324
Peer Review Certificate No.: 6140/2024
UDIN: F003706G000400487

Place: Mumbai
Date: May 20, 2025

Annexure II

CERTIFICATE OF EXECUTIVE DIRECTOR & CEO AND CFO

(As per provisions of Regulation 17(8) of SEBI Listing Regulations, 2015)

To,
The Board of Directors of
Laxmi Organic Industries Limited
Mumbai

Dear Sirs / Madam,

Certificate under Regulation 17(8) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015

In respect of the Financial Statements of the Company for the Year ended March 31, 2025, we hereby certify that:

A) We have reviewed Financial Statements and the Cash Flow Statement of the Company for the year ended as on March 31, 2025 and that to the best of our knowledge and belief:
   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operations 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:
   i. significant changes in the internal control over financial reporting during the year;
   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Laxmi Organic Industries Limited**

Sd/-	**Sd/-**
Dr. Rajan Venkatesh	**Mahadeo karnik**
Managing Director & CEO	CFO

Place: Mumbai
Date: May 20, 2025

Annexure III

CERTIFICATE ON CORPORATE GOVERNANCE

Issued by practicing Company Secretary

To,
The Members of
Laxmi Organic Industries Limited
A 22/2/3, MIDC, Mahad,
Maharashtra – 402309

We have examined the compliance of conditions of Corporate Governance by Laxmi Organic Industries Limited, for the year ended on March 31, 2025, as stipulated in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchanges.

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

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

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

For **GMJ & ASSOCIATES**
Company Secretaries
ICSI Unique Code P2011MH023200

CS MAHESH SONI
PARTNER
Membership No: F3706
Certificate of Practice No.: 2324
Peer Review Certificate No.: 6140/2024
UDIN: F003706G000400487

Place: Mumbai
Date: May 20, 2025

Annexure IV

DECLARATION ON CODE OF CONDUCT

Declaration – Code of Conduct

Declaration under Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015:

All the members of the Board and the Senior Management Personnel of the Company have for the year ended March 31, 2025, affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **Laxmi Organic Industries Limited**
Ravi Goenka
Executive Chairman

Place: Mumbai
Date: May 20, 2025

Business Responsibility and Sustainability Report

Section A: GENERAL DISCLOSURES

I Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L24200MH1989PLC051736
2	Name of the Listed Entity	Laxmi Organic Industries Limited
3	Year of incorporation	1989
4	Registered office address	Plot No: A-22/2/3 MIDC Mahad, Raigad – 402 309
5	Corporate address	3rd Floor, Chandermukhi Building, Nariman Point, Mumbai – 400021
6	E-mail	investors@laxmi.com
7	Telephone	+91 22 49104444
8	Website	www.laxmi.com
9	Financial year for which reporting is being done	2024-25
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) National Stock Exchange of India Limited (NSE)
11	Paid-up Capital	Refer note 11 under Standalone Financial Statement
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Aniket Hirpara (+91 22 49104444, Aniket.Hirpara@laxmi.com)
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone Basis
14	Name of assurance provider	NA
15	Type of assurance obtained	NA

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	Chemical Manufacturing	Specialty chemical manufacturing focused on two key segments: Essential Chemicals and Specialty Chemicals	100%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Sales of Chemical products within Essentials Business Unit	2029	68%
2	Sales of Chemical products within Specialty Business Unit	2029	32%

III Operations

18 No. of locations where plants and/or operations/ offices of the entity are situated:

Location	No. of plants	No. of offices	Total
National	7	3	10
International	0	2	2

19 Markets served by the entity

a No. of Locations

	Location	Number
	National (No. of States)	22
	International (No. of States)	56
b	What is the contribution of exports as a percentage of the total turnover of the entity?	36%
c	A brief on types of customers	The Company serves a diverse range of customers across multiple high-value industries. Its core clientele includes companies in the pharmaceutical (life sciences) sector, where the Company's specialty intermediates are critical for the manufacture of active pharmaceutical ingredients (APIs) and bulk drugs. The Company is also a trusted partner to the agrochemical industry, supplying essential intermediates used in the production of crop protection chemicals. In addition, the Company caters to the paints, coatings, and inks sector by providing pigment intermediates, as well as to the industrial specialty sector through customised chemical solutions. Through its Essentials and Specialty Business segments, the Company offers a broad portfolio of acetyl intermediates, ketene and diketene derivatives, esters, amides, and green solvents. Its customer base spans leading players across North America, South America, Europe, Asia, and Africa, supported by a global network of offices and storage facilities. The Company positions itself not merely as a supplier but as a strategic growth partner to global life sciences, crop sciences, and pigment companies, contributing to innovation, sustainability, and supply chain reliability in the sectors it serves.

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					
	Permanent (A)	903	793	88%	110	12%
	Other than Permanent (B)	164	120	73%	44	27%
	Total employees (A + B)	1067	913	86%	154	14%
	Workers					
	Permanent (C)	183	181	99%	2	1%
	Other than Permanent (D)	799	770	96%	29	4%
	Total workers (C + D)	982	951	97%	31	3%

b Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Differently-abled Employees					
	Permanent (E)	1	1	100%	0%	0%
	Other than Permanent (F)	0	0	0%	0%	0%
	Total employees (E + F)	1	1	100%	0%	0%
	Differently-abled Workers					
	Permanent (G)	0	0	0%	0	0%
	Other than Permanent (H)	1	1	100%	0	0%
	Total employees (G + H)	1	1	100%	0	0%

Note: Other than permanent category of employees includes contract employees while other than permanent category of workers includes contract workers.

21 Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	1	10%
Key Management Personnel	8	0	0%

Note: Key Management Personnel include the Chairman, CEO, CFO, SLT, and CS.

22 Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Category	FY (2024-25) (Turnover rate in current FY)			FY (2023-24) (Turnover rate in previous FY)		
	Male	Female	Total	Male	Female	Total
Permanent Employees	14.27%	1.11%	15.35%	18.89%	1.00%	19.89%
Permanent Workers	0.56%	0%	0.56%			

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

23 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	Laxmi Organic Industries (Europe) BV, Netherlands (LOBV)	Wholly owned Subsidiary Company	100%	No
2	Cellbion Lifesciences Private Limited, India (CLPL)	Wholly owned Subsidiary Company	100%	No
3	Viva Lifesciences Private Limited, India (VLPL)	Wholly owned Subsidiary Company	100%	No
4	Laxmi Speciality Chemicals (Shanghai) Co. Limited, China (LSCSCL)	Wholly owned Subsidiary Company	100%	No
5	Laxmi Italy SRL*	Step Down Subsidiary	100%	No
6	Sai Deep Traders	Step Down Partnership Firm	95%	No
7	Cleanwin Energy One LLP, India (CEOLLP)	Associate	26%	No
8	Radiance MH Sunrise Seven Private Limited, India (RMSPL)	Associate	26%	No
9	Laxmi USA LLC, USA (USLLC)	Wholly owned Subsidiary Company	100%	No

*The Company has applied for the closure of this entity. # Yellowstone Fine Chemicals Private Limited, WOS, got merged with the Company w.e.f. March 30, 2025.

VI CSR Details

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a	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
b	Turnover (in ₹)	₹ 29,446.06 Mn
c	Net worth (in ₹)	₹ 19,113.80 Mn

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)	2024-25 (Current Financial Year)			2023-24 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes	0	0V	NA	0	0	NA
Shareholders	Yes	2	0	NA	1	0	NA
Employees & Workers	Yes	0	0	NA	0	0	NA
Customers	Yes	13	0	CAPA are provided to respecter customers	15	4	1 - CAPA completed 1 - Customer Approval 1 - Under observation
Value Chain Partners	Yes	0	0	NA	0	0	NA

Laxmi has established mechanisms and procedures to redress grievances. We have a 'Speak Up' policy and a Whistleblower Policy for reporting any complaints and issues. The policies are available to all our stakeholders on https://www.laxmi.com/investors/policies. The grievance committee acts as a focal point to address the problems on a timely basis and take specific actions based on the severity of issue.

Business Responsibility and Sustainability Report (Contd.)

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	**Environmental**: Water Quality & Wastewater management	R	The production process involves the use of water and the generation of industrial-grade effluent. Water plays a crucial role as an input in the production process, and ensuring the long-term sustainability of water sources is a critical risk that requires continuous monitoring and management. The effluent generated during the process has the potential to pollute nearby land and water bodies if proper treatment measures are not in place. The constituents of the effluent can make water bodies unsuitable for human or animal consumption, highlighting the importance of implementing appropriate treatment measures.	Water and wastewater risk is addressed through two distinct yet complementary approaches. Our manufacturing plants are situated in regions with rainfall-dependent water sources, minimizing immediate threats to source water quantity and quality. Nevertheless, we are proactively implementing measures to ensure responsible water usage within our processes and to reduce wastage. Our effluent treatment plant is equipped with unit operations specifically designed to treat effluent to meet safe discharge standards. Regular monitoring of effluent quality is conducted, and we also operate zero liquid discharge (ZLD) plants to further limit effluent discharge, enhancing our overall environmental stewardship.	**Negative:** The Company has long-term water supply contracts with MIDC, which mitigates risks related to raw water availability or quality. However, stricter effluent discharge standards set by the Central Pollution Control Board could result in increased capital and operating costs for effluent treatment.
2	**Environmental:** Hazardous Materials Management	R	Specialty chemicals manufacturing encompasses the handling of hazardous materials throughout various stages, including raw materials transport, storage, production processes, and finished goods storage and transportation. This poses risks to employees and workers, such as exposure to spills, fumes, and other hazards, which have the potential to cause serious harm to both health and property.	The Company has implemented an organisation-wide Integrated Policy on Environment, Health, Safety and Quality Management System in accordance with ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 Standards. This includes measures aimed at preventing occupational injuries and illnesses for employees and contractors, achieved through the deployment of various hazard identification, risk assessment, and risk control mechanisms as per the aforementioned standards.	**Negative:** The financial implications of the risk primarily revolve around mitigation activities, including but not limited to training programs, conducting drills, adopting emergency measures, and ensuring preparedness for potential incidents. These proactive measures are essential for minimizing the impact of risks on operations and ensuring the safety and well-being of employees, contractors, and the surrounding environment.

Business Responsibility and Sustainability Report (Contd.)

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)
3	**Environmental:** Air Quality	R	The production of specialty chemicals carries the risk of releasing harmful gases into the atmosphere, which could pose a threat to human and animal lives in nearby areas. Additionally, these emissions may have long-term health-related impacts on individuals exposed to them over time.	1. Our processes and Standard Operating Procedures (SOPs) are established with careful consideration of industry and legal standards to incorporate effective air pollution control mechanisms. 2. Regular trainings and internal audits are conducted to maintain stringent checks on air quality, ensuring compliance with established standards and continuous improvement in our environmental performance.	**Negative:** The financial implications primarily involve investing in mitigation measures such as pollution control equipment and robust safety and control systems. These measures are essential to minimise the risk of incidents like the leakage of hazardous gases, which could result in financial exposure due to adverse impacts on the surrounding community.
4	**Environmental:** Waste Management	R/O	The management of hazardous waste poses risks to land, water bodies, and ecosystems if disposal guidelines are not strictly followed by waste management contractors. However, embracing waste recycling presents a potential opportunity for the Company to adopt circular economy principles, leading to minimal waste generation and contributing positively to environmental sustainability.	Hazardous waste generated by the Company is handled and disposed of by approved contractors authorised by the State Pollution Control Board, ensuring compliance with regulatory guidelines and environmental standards.	**Negative/Positive:** Hazardous waste management poses financial implications like compliance and liability costs for the Company. However, recycling and waste reduction efforts offer cost savings and revenue opportunities. These actions also boost efficiency and reputation, potentially leading to further savings and business growth.
5	**Environmental:** GHG Emissions	R	Chemical manufacturing, a notably emission-intensive activity, is closely scrutinised by major customers, investors, and governments. The Company' customers may demand GHG reduction commitments, while ESG-focused investors may prioritise companies meeting emission targets. India's climate commitments may require emission reduction efforts, and the government is creating a carbon trading market. Neglecting GHG emissions could result in opportunity loss with customers, investor disinterest, and higher regulatory costs.	GHG emissions can be mitigated by implementing strategies such as conducting energy audits to identify areas for energy reduction, increasing the sourcing of renewable energy, and purchasing offsets. As of the current financial year, 12.1% of our total energy consumption was sourced from renewable sources. The overall % of total renewable energy consumed was reduced as compared to previous financial year as our reporting boundaries have new additional site of Lote.	**Negative:** Financial implications may arise in the form of increased capital expenditure for procuring more renewable energy.
6	**Environmental:** Energy Management	O	Our manufacturing process consumes a significant amount of energy, and savings in energy not only contribute to our bottom line but also help us achieve our emissions reduction goals.	-	**Positive:** Energy efficiency measures identified through energy audits can have a positive impact on our financial performance.
7	**Social:** Occupational Health and Safety	R	The manufacturing of specialty chemicals presents numerous risks to workers and employees, including material management challenges, spills, fumes, fire hazards, and long-term exposure risks. These hazards can lead to health impairments, severe injuries, or fatalities. Furthermore, health and safety risks extend to the supply chain during the production of raw materials and the transportation of both raw materials and finished products.	The Company has implemented several measures to mitigate occupational health and safety risks, including: 1. Adoption of an organisation-wide Integrated Policy on Environment Health Safety and Quality Management System, in alignment with ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 Standards. 2. Implementation of strict health and safety protocols and Standard Operating Procedures (SOPs) governing the storage, use, transportation, and waste treatment of hazardous substances. 3. Conducting regular trainings and internal audits to ensure compliance with all SOPs related to Operational Health and Safety.	**Negative:** The financial implications of the risk primarily revolve around mitigation activities, including training, drills, adoption of emergency measures, and preparedness for incidents. Implementing appropriate safeguards such as insurance also plays a crucial role in mitigating the potential loss of production and associated financial impacts.
8	**Social:** Human Rights	R/O	Human rights present both risks and opportunities for the Company. As a compliant organisation with a dedicated human rights policy alongside other policies affecting human resources, Laxmi has the opportunity to foster a nurturing environment that respects the rights of its employees. However, human rights risks primarily arise in the upstream supply chain, particularly with vendors, where there is a need to enhance awareness and monitoring of human rights issues.	Laxmi's strategy to mitigate human rights risks within the organisation and across its supply chain includes conducting awareness trainings on human rights, establishing channels for employees to report human rights issues, and conducting regular third-party assessments to ensure the effective implementation of policies.	**Negative/Positive:** Financial risks related to human rights could manifest in the form of legal settlements for grievances and expenses incurred for third-party support in areas such as trainings, monitoring, and assessments.

Business Responsibility and Sustainability Report (Contd.)

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)
9	**Social:** Product Responsibility	O	Two key product segments for the Company include the life sciences and crop sciences industries. In the life sciences sector, our products serve as key constituents in pharmaceutical products such as anticoagulants, anti-inflammatory drugs, antimalarials, antiretrovirals, etc. In the crop sciences industry, we produce chemicals used in synthesizing fertilisers and seed treatment chemicals. Given the human consumption or potential human contact with our customers' end products, product responsibility is of utmost importance in these segments.	Risk mitigation mechanisms are firmly in place as we consistently meet the stringent quality standards of our customers. By supplying products that require higher safety and quality standards, the Company can potentially expand into new customer segments.	**Positive:** Quality-related issues can have significant financial implications, potentially leading to lost sales. Transitioning to higher thresholds of product safety and quality would require substantial investment in research and development before realizing incremental revenue from these improvements.
10	**Social:** Sustainable Procurement	O	Procurement represents a significant portion of operational costs and sustainability impact. Leveraging procurement to engage with responsible suppliers can improve environmental, social, and governance performance across the value chain.	The Company has initiated supplier ESG assessments and established procurement guidelines aligned with environmental and social criteria. Supplier contracts include clauses related to labour practices, emissions, and ethical sourcing.	**Positive:** Potential cost savings, improved supplier performance, enhanced brand reputation, and alignment with ESG-oriented customer demands.
11	**Social:** Diversity and Inclusion	O	A diverse and inclusive workforce enhances creativity, innovation, and decision-making. It contributes to employee engagement, talent retention, and positive employer branding.	The Company promotes equal opportunity policies, conducts gender sensitisation workshops, ensures fair recruitment practices, and tracks D&I metrics across functions.	**Positive:** Increased employee satisfaction, innovation, and access to diverse markets; improved ability to attract and retain talent.

Business Responsibility and Sustainability Report (Contd.)

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)
12	**Governance:** Business Ethics	R	Business ethics, encompassing corporate governance, employee conduct, labour relations, customer relationships, and supply chain practices, can expose organisations to various risks including legal, reputational, financial, and market-related risks. As Environmental, Social, and Governance (ESG) themes gain prominence, governance-related issues are facing heightened scrutiny from potential investors and major customers. This necessitates the implementation of robust systems and processes to effectively manage business ethics-related challenges.	Business ethics risks are mitigated through several measures, including the establishment of a Code of Conduct for the Board of Directors, Independent Directors, Senior Management, and Employees. Additionally, policies addressing Anti-Corruption, Anti-Bribery, and Anti-Money Laundering are in place, along with a Whistleblower policy. These policies are reinforced through awareness trainings and grievance redressal systems to ensure effective implementation across the organisation.	**Negative:** Financial implications related to business ethics issues could include the loss of customers or market share, financial losses due to legal exposure, and other adverse impacts resulting from unethical business practices.
13	**Governance:** Management of Legal & Regulatory Environment	R	The manufacturing of specialty chemicals requires approvals and periodic regulatory filings covering various aspects such as product specifications, safety standards, pollution control measures, compliance with labour laws, and adherence to factory codes. Additionally, there is an increasing demand for ESG related disclosures, starting with the BRSR framework in India. Furthermore, customers in Europe and the USA are expected to impose supply chain disclosure requirements as mandated by forthcoming legislation in these regions.	The organisation manages regulatory compliances and filings through internal systems, risk registers, and process controls. Additionally, preparations are underway to enhance ESG disclosures to ensure transparency to all stakeholders.	**Negative:** Failure to resolve legal and regulatory matters could result in potential fines and penalties imposed by statutory authorities in accordance with prescribed regulations.

Business Responsibility and Sustainability Report (Contd.)

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)
14	**Governance:** Climate Risk & Opportunities	R/O	The chemical industry is viewed as a major contributor to climate change but also as a crucial facilitator of climate change mitigation through advancements in products and processes. With India committing to global climate goals and aiming for Net Zero emissions by 2070, companies in the Indian chemical sector are expected to take a leading role in reducing GHG emissions, minimizing effluent and waste footprints, and promoting circular economy practices in their operations.	Climate change risks and opportunities will be addressed through the following strategies: 1. Enhancing process efficiency, adopting sustainable procurement practices, and investing in research and development for developing products and processes that reduce emissions and minimise waste footprints. 2. Establishing Environmental, Social, and Governance (ESG) targets and implementing a robust governance structure to drive sustainability-related initiatives effectively.	**Negative/Positive:** Financial implications for climate-related risks and opportunities include investments in new product development, renewable energy, energy efficiency, and sustainable procurement practices.
15	**Governance:** Critical Incident Management	R	The chemical industry is prone to critical incidents such as chemical spills, fires, or explosions that can have severe impacts on human health, the environment, and business continuity.	The Company has an Emergency Response Plan (ERP) in place, conducts mock drills, and has cross-functional crisis response teams. Periodic reviews and updates of the plan are conducted.	**Negative:** Potential financial losses from downtime, legal claims, environmental restoration, and reputational damage. Investments in preparedness and insurance premiums are recurring costs.
16	**Governance:** Data Privacy	R	With increased digitalisation, customer and employee data privacy is a growing concern. A data breach could result in legal liabilities, reputational harm, and compliance violations, especially with emerging global privacy regulations.	Implementation of a comprehensive data protection policy, cybersecurity measures, employee awareness programs, and compliance with applicable data protection laws (e.g., GDPR equivalents).	**Negative:** Financial exposure due to legal penalties, compensation claims, and IT security infrastructure investments. However, strong data governance enhances customer trust and regulatory compliance.

Business Responsibility and Sustainability Report (Contd.)

Section B: MANAGEMENT AND PROCESS DISCLOSURES

The National Voluntary Guidelines on Social, Environmental, and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs encompass nine areas of Business Responsibility. These include the following principles:

P1: Business should conduct and govern themselves with Ethics, Transparency and Accountability.

P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3: Businesses should promote the wellbeing of all employees.

P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

P5: Businesses should respect and promote human rights.

P6: Businesses should respect, protect, and make efforts to restore the environment.

P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8: Businesses should support inclusive growth and equitable development.

P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

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

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and management processes									
1	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Web Link of the Policies, if available	Internal company policies are accessible on the Company's intranet portal or displayed outside the manufacturing units, while other policies are available on the Company's official website: https://www.laxmi.com/investors/policies								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	No	Yes	Yes	Yes	Yes	No	No	No	No
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.#	(1)	(2, 3, 4, 5, 6, 7, 8)	(2, 3, 4)	(1)	(2, 4)	(2, 4)	-	(1, 9)	(2, 4, 6)
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company' dedication to sustainable development aligns closely with the broader purpose of nation-building, which serves as a guiding principle for driving business investments that support India's economic growth and enhance the well-being of its citizens. The Company has actively integrated this sustainability commitment into its strategic direction, business operations, and decision-making processes. The Company has set a key diversity and inclusion goal to increase women's representation in its workforce to 4%–12% by FY 2025–26. This target reflects the Company's commitment to fostering a more equitable and inclusive workplace by creating opportunities, promoting gender-balanced hiring practices, and supporting career development for women across all levels of the organisation.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	N/A								

#GRI Standard (1), ISO 45001:2018 (2), ISO 9001:2015 (3), ISO 14001: 2015 (4), USDA Certified Bio based Product Label (5), Responsible Care (6), Star K Kosher Certification (7), Halal India Certification (8), CSR disclosures pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (9)

Governance, leadership and oversight

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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)	The Company recognise that integrating Environmental, Social, and Governance (ESG) principles into our core business is essential for long-term resilience and value creation. The past year has brought both challenges and opportunities in our ESG journey. Regulatory expectations, climate risks, supply chain disruptions, and the evolving stakeholder demands have compelled us to continuously innovate and strengthen our sustainability practices. Despite these challenges, we have made measurable progress. We have improved energy and water efficiency across our manufacturing units, implemented structured waste management and circularity initiatives, and strengthened our compliance with human rights, occupational health and safety, and ethical labour practices. We have also adopted new ESG-related policies, enhanced Board-level oversight on sustainability, and initiated capacity-building programs to embed ESG awareness throughout the organisation. One of our key goals was to increase women's representation 12% by FY 2025–26, which we have achieved. Further reduce our carbon and waste footprint in line with national and global climate goals. As we move ahead, we remain committed to continuous improvement, transparency, and meaningful engagement with all stakeholders to ensure a responsible and sustainable future.								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	A senior management ESG Steering Committee has been established, representing key departments including manufacturing, HR, finance, investor relations, and sales and marketing. **Name** / **Designation** / **Category** Dr. Rajiv Banavali / Independent Director / Chairperson Mr. Vijay Raqtnaparkhe / Independent Director / Member Dr. Rajan Venkatesh / Managing Director & CEO / Member Mr. Harshvardhan Goenka / Executive Director (Business Development & Strategy) / Member This committee is tasked with adopting the ESG policy and overseeing its implementation in alignment with the ESG Roadmap.								
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 Risk Management and ESG Governance Committee of the Board is entrusted with the authority to review, approve, and monitor the implementation of the Company's ESG Roadmap, ensuring its effective execution across all levels of the organisation.								

Business Responsibility and Sustainability Report (Contd.)

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	The Company formalised its ESG governance structure. Under this framework, the Risk Management and ESG Governance Committee of the Board was designated as the apex governing body for all ESG-related matters. To support the execution of ESG initiatives, a cross-functional Steering Committee was constituted, ensuring balanced representation from key departments. This Steering Committee is responsible for driving the implementation of ESG strategies and regularly providing market insights and progress reports to the Risk Management and ESG Governance Committee of the Board.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	All statutorily mandated policies have been formally documented and effectively implemented across the organisation. Throughout the reporting year, the Company maintained full compliance with applicable legal and regulatory requirements, with no reported instances of non-compliance. Periodic internal reviews and audits were conducted to ensure adherence to these policies, reinforcing a culture of accountability and responsible business conduct. The Company's proactive approach to policy implementation underscores its commitment to governance excellence and regulatory integrity.																	

		P1	P2	P3	P4	P5	P6	P7	P8	P9
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.	Yes, The review of policies are conducted during different third party audits like TFS and ECOVADIS. Also the detailed independent assessment was carried out by M/S Intertek for FY 24-25.								
12	If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated, as below:									
	Question	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	The entity does not consider the Principles material to its business (Yes/No)	NA								
	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA								
	The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA								
	It is planned to be done in the next financial year (Yes/No)	Yes								
	Any other reason (please specify)	NA								

Section C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

P1 BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

ESSENTIAL INDICATORS

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	1	POSH workshop	20%
Key Managerial Personnel	3	Finance Acumen, POSH workshops, Top Team Interventions	100%

Business Responsibility and Sustainability Report (Contd.)

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Employees other than BoD and KMPs	363	Finance Acumen, Communication skills, Negotiation skills, Sales Effectiveness, MS Excel, Project Mindset, Organising Skills & Prioritisation, Delegation & Motivation, Basic Finance session, Creativity and Innovation etc.	98%
Workers	35	Behavioural based Safety, COC, DAME, Process Safety Management, Shutdown activities, Self Defense, Women's health & safety, Wealth Management, Policy awareness, POSH, Breakdown maintenance, ACETALDAHYDE TANKER SAMPLING, Hazardous Drum Handling, LABORATORY SAFETY TRAINING, Onsite Emergency Plan, Preventive Maintenance, Repairing of Mechanical Seal, HAZOP etc.	99%

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					
Category	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In ₹)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine		BSE Limited, Mumbai, India	5000/-	The Company submitted its Related Party Transactions (RPT) disclosure in PDF format to BSE Limited on May 21, 2024, immediately following the Board Meeting. However, due to a technical issue on the BSE portal, the RPT could not be filed in XBRL format on the same day. After the issue was resolved by the BSE Helpdesk on May 22, 2024, the Company promptly completed the XBRL filing. As a result of the one-day delay in XBRL filing, BSE imposed a fine of 5,000, which has been duly paid by the Company. It is important to note that the RPT disclosure was filed in both PDF and XBRL formats with the National Stock Exchange of India Limited (NSE) within the statutory deadline on May 21, 2024. The Company remains committed to ensuring timely and effective regulatory compliance.	No
		Labour Court Bharuch, Gujarat, India	500/-	A complaint was filed by the Government Labour Officer, Bharuch, before the Labour Court at Bharuch alleging non-compliance with Rule 18(3) of the Contract Labour (Regulation and Abolition) Act, 1970. The Company voluntarily acknowledged the lapse in writing and requested the imposition of a monetary fine. Considering the voluntary admission, lack of a prior adverse record, and the Company's socio-economic responsibility, the court imposed a nominal fine of 500. The Company has duly paid the fine on March 08, 2025, and fully complied with the court's order.	No
Settlement	NA	NA	NA	NA	NA
Compounding fee	NA	NA	NA	NA	NA

Non-Monetary					
Category	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In ₹)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	Nil				
Punishment	Nil				

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

	Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
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.	• In the fiscal year 2022-23, the Board of Directors developed and adopted an anti-corruption, anti-bribery, and anti-money laundering policy. • This policy applies to all individuals at all levels and grades, both permanent and temporary, and is aligned with relevant Indian regulations, including the Prevention of Corruption Act 1988 (amended in 2018), the Prevention of Money Laundering Act 2002, and the Companies Act 2013. • The policy is publicly available on the Company's website at https://www.laxmi.com/investors/policies. • It underscores the Company's commitment to conducting business fairly and ethically, with a zero-tolerance approach towards corruption, bribery, and money laundering. • The policy mandates compliance with legal requirements and prohibits improper payments, gifts, inducements, money laundering, and fraud in any form. • Facilitation payments or kickbacks are strictly prohibited, including any activities that facilitate such actions. • The policy identifies "red flags" and provides clear guidelines for maintaining accurate records of payments made and received by the Company. • It establishes a framework for both internal and external reporting of incidents related to corruption, bribery, or money laundering. • Detailed procedures for the effective implementation of the policy are included to ensure its success and compliance.

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

Category	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Directors	Nil	Nil	NA	NA	NA
KMPs	Nil	Nil	NA	NA	NA
Employees	Nil	Nil	NA	NA	NA
Workers	Nil	Nil	NA	NA	NA

6 Details of complaints with regard to conflict of interest

Category	2024-25 (Current Financial Year)		2023-24 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	Nil	Nil

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.	There is no adverse action taken by any authority till date.

Business Responsibility and Sustainability Report (Contd.)

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

	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Number of days of accounts payables	102	114

Note: Accounts payable includes creditors for the purchase of goods and services. Therefore, accounts payable days are calculated considering the cost of goods and services procured, power and fuel expenses, and other related expenses.

9 Open-ness of business

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

Parameter	Metrics	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	14.73%	7.8%
	b. Number of trading houses where purchases are made from	97	81
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	72.66%	68.60%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	-	-
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors		
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.06%	0.4%
	b. Sales (Sales to related parties / Total Sales)	4%	3.6%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	21.4%
	d. Investments (Investments in related parties / Total Investments made)	-	11.9%

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	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
The Company has communicated the various NGRBC principles to its key value chain partners via email. However, a well-planned procedure is being developed for implementation in the upcoming financial year.		

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.	• The Company has established a Code of Conduct specifically designed for the Board of Directors and Senior Management Personnel. • This policy outlines the ethical principles and professional behavior expected from directors and senior executives. • It serves as a comprehensive framework, emphasizing integrity, transparency, accountability, and adherence to applicable laws and regulations. • Directors and senior management are required to comply with the provisions of this Code of Conduct at all times. • The policy is publicly available for stakeholders and interested parties on the Company's official website at https://www.laxmi.com/investors/policies. • This Code of Conduct reflects the Company's commitment to upholding the highest standards of corporate governance and ethical practices. • It highlights the significance of ethical decision-making and integrity in all business dealings. • The policy promotes a culture of trust, respect, and accountability within the organisation. • By disclosing and making this policy accessible, the Company demonstrates its commitment to transparency and accountability, strengthening trust and confidence among stakeholders.

P2 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.

Category	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	0.2%	1%	• Proactively implemented measures to address environmental and social impacts through focused initiatives and strategic investments. • Prioritised efficient water and energy management to promote resource conservation. • Undertook efforts to minimise waste generation and enhance waste management practices.
CapEx	5.6%	11%	• Focused on reducing greenhouse gas (GHG) emissions to contribute to climate action goals. • Maintained air quality standards to reduce environmental harm and ensure compliance. • Ensured strong occupational health and safety (OHS) practices to protect employees across operations. • Upheld human rights principles throughout business activities and supply chains.

2	Does the entity have procedures in place for sustainable sourcing? (Yes/No)	- Yes, the Company has adopted a Sustainable Procurement Policy that emphasises environmentally and socially responsible practices throughout its supply chain. The policy promotes: • Minimizing the use of hazardous substances in materials and processes • Conserving natural resources through responsible sourcing and operations • Reducing waste generation and limiting pollutant emissions into air, water, and soil • Encouraging the use of recyclable and reusable materials at every stage of the value chain • Prohibiting any form of child or forced labour in the supply network • Adhering to legal requirements related to wages and working hours • Maintaining safe, healthy, and secure workplaces for all employees and workers • Providing clean, safe, and adequate accommodation where applicable • Ensuring equal treatment of individuals, regardless of race, color, gender, age, nationality, religion, sexual orientation, marital status, citizenship, disability, or health status • Supporting community well-being and inclusive development as part of its social responsibility - Suppliers' Code of Conduct- The Company expects suppliers to maintain ethical practices, comply with laws, and respect labour rights by prohibiting child and forced labour, ensuring safe and inclusive work environments. Suppliers should prioritise environmental responsibility, minimise waste, and ensure workplace safety. Compliance with all regulations is essential, fostering sustainable and accountable partnerships.
	If yes, what percentage of inputs were sourced sustainably?	The percentage of inputs sourced sustainably has not been determined yet.

3	Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for:	
	Plastics (including packaging) E-waste Hazardous waste Other waste	The Company has established robust processes to ensure the safe and environmentally responsible handling of waste at the end of life, including plastic waste, e-waste, hazardous waste, and other types of waste. These processes are designed to promote reuse, recycling, and proper disposal in compliance with relevant regulations: - **Plastic Waste:** • We adhere to Extended Producer Responsibility (EPR) guidelines for plastic waste management, ensuring plastic waste is collected, segregated, and handed over to CPCB/SPCB-authorised third-party recyclers. • Efforts are made to minimise plastic usage, and we work towards increasing the recyclability of plastic products used in our operations. - **E-Waste**: • E-waste generated from electronic products and equipment is collected, dismantled, and segregated into recyclable components. • We collaborate with certified e-waste recycling vendors who are authorised by the CPCB to ensure safe disposal and recovery of valuable materials such as metals and plastics. • Data destruction protocols are strictly followed to prevent data breaches and ensure secure disposal of electronic devices. - **Hazardous Waste:** • Hazardous waste, such as chemicals and solvents, is handled with extreme care, stored separately, and disposed of through licensed waste disposal contractors. • Our processes comply with the Hazardous Waste Management Rules, ensuring that hazardous materials are disposed of in a manner that mitigates environmental and health risks. - **Other Waste:** • Non-hazardous waste is segregated at the source and sent for recycling or disposal based on its type. • We actively seek to reduce the overall waste generated through process optimisation and waste minimisation techniques. • Waste not suitable for recycling is sent to authorised disposal facilities that comply with environmental standards. In addition, we are continuously reviewing and enhancing our waste management strategies to improve recycling rates and minimise landfill disposal. The overall goal is to ensure that all products and waste are reclaimed, reused, or disposed of in a sustainable manner to reduce our environmental impact.
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.	Extended Producer Responsibility (EPR) applies to the Company for the management of plastic and battery waste. The Company's waste management practices are aligned with EPR guidelines, ensuring proper disposal through third-party vendors authorised by the CPCB/SPCB. Additionally, ongoing efforts are focused on developing strategies to improve the efficiency and effectiveness of waste management processes.

Business Responsibility and Sustainability Report (Contd.)

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?

S. No.	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.
1.	2029	Specialty Chemicals	-	This study encompassed the entire product lifecycle from the extraction and procurement of raw materials, their transportation to the production site, manufacturing of the product and its packaging, and other secondary impacts across the entire value chain, from 'cradle to gate.'	Yes	These reports will be disseminated to external stakeholders through email communications.

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
	NA		

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

	Indicate input material	Recycled or re-used input material to total material	
		2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
	NA		

P3 Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F /A)
Permanent Employees											
Male	793	793	100%	793	100%	-	-	793	100%	-	-
Female	110	110	100%	110	100%	110	100%	-	-	-	-
Total	903	903	100%	903	100%	110	12%	793	88%	-	-
Other than Permanent Employees											
Male	120	120	100%	92	77%	0	-	120	100%	-	-
Female	44	44	100%	16	36%	44	100%	-	-	-	-
Total	164	164	100%	136	83%	44	27%	120	73%	-	-

Business Responsibility and Sustainability Report (Contd.)

1b Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F /A)
Permanent Workers											
Male	181	181	100%	181	100%	-	-	181	100%	-	-
Female	2	2	100%	2	100%	2	100%	-	-	-	-
Total	183	183	100%	183	100%	2	1%	181	99%	-	-
Other than Permanent Workers											
Male	770	770	100%	770	100%	-	-	770	100%	-	-
Female	29	29	100%	29	100%	29	100%	-	-	-	-
Total	799	799	100%	799	100%	29	4%	770	96%	-	-

Note: Day care facilities are available to all employees/workers but have not been availed till date .

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

	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company	4.77%	5.06%

2 Details of retirement benefits, for Current and Previous FY

Benefits	2024-25 (Current Financial Year)			2023-24 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	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, the premises and offices of the Company are accessible to differently abled employees and workers, in line with the provisions of the Rights of Persons with Disabilities Act, 2016. Key accessibility features include: • Ramps and handrails installed at building entrances for wheelchair access • Accessible restrooms designed to accommodate persons with disabilities • Reserved parking spaces for differently abled individuals near building entrances • Clear signage and tactile indicators to support visually impaired individuals • Wider doorways and corridors to enable smooth mobility • Emergency evacuation protocols that consider the needs of differently abled persons • Workplace flexibility and reasonable accommodations provided as needed These measures are part of our commitment to fostering an inclusive, safe, and supportive work environment for all.

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.	Our Human Rights Policy is grounded in the principles of fairness, dignity, and respect for all individuals. It outlines our firm commitment to ensuring a workplace that is free from any form of discrimination. The policy explicitly prohibits discrimination based on gender, age, caste, social background, physical or mental disabilities, religious beliefs, or any other personal characteristic. It is designed to promote a culture of inclusivity and equal opportunity, where every individual has access to fair treatment and employment opportunities based on merit. Through this policy, we aim to foster a work environment that supports diversity and enables all employees to thrive.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	-	100%	-
Female	100%	-	-	-
Total	100%	-	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

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	Yes, the Company has implemented a formal **Speak Up Policy** that offers employees a secure and confidential channel to report concerns related to fraud, misconduct, abuse, or malpractice. The policy reinforces our zero-tolerance stance against unethical practices, including discrimination, harassment, and any form of retaliation. It clearly defines the structure and responsibilities of the Speak Up Committee, the available reporting mechanisms, the process for handling protected disclosures, and the scope of investigation. This framework empowers employees to voice their concerns responsibly, reinforcing a culture of integrity, accountability, and trust within the organisation.

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

Category	2024-25 (Current Financial Year)			2023-24 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
Male	793	21	3%	700	27	4%
Female	110	4	4%	73	4	5%
Total Permanent Workers						
Male	181	141	78%	179	137	77%
Female	2	2	100%	2	2	100%

8 Details of training given to employees and workers:

Category	2024-25 (Current Financial Year)					2023-24 (Previous Financial Year)				
	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	793	793	100%	757	95%	700	395	56%	635	91%
Female	110	110	100%	90	82%	73	39	53%	61	84%
Total	903	903	100%	847	94%	773	434	56%	696	90%
Workers										
Male	181	181	100%	178	98%	179	38	21%	17	9%
Female	2	2	100%	2	100%	2	0	0%	0	0%
Total	183	183	100%	180	98%	181	38	38%	17	9%

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

Category	2024-25 (Current Financial Year)			2023-24 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Total Permanent Employees						
Male	793	714	90%	700	550	79%
Female	110	76	69%	73	41	56%
Total	903	790	87%	773	591	76%
Total Permanent Workers						
Male	181	181	100%	179	0	0%
Female	2	2	100%	2	0	0%
Total	183	183	100%	181	0	0%

10 Health and safety management system:

a	Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?	Yes, the Company has implemented a comprehensive Occupational Health and Safety (OHS) Management System across all its facilities to uphold the highest standards of workplace safety and employee well-being. Recognizing that a safe work environment is fundamental to operational excellence and employee morale, the system is designed to proactively identify, assess, and mitigate occupational hazards. It encompasses regular risk assessments, safety audits, emergency preparedness protocols, and continuous training for employees and contractors. Personal protective equipment (PPE) usage, incident reporting, and investigation processes are strictly followed to ensure compliance with applicable legal and regulatory requirements. This structured approach reinforces our commitment to creating a secure and healthy workplace across all operational locations.
b	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 adopt a structured and proactive approach to identifying work-related hazards and assessing risks on both routine and non-routine bases. The processes in place include: • Hazard Identification and Risk Assessment (HIRA): Conducted regularly to evaluate operational risks and implement control measures across various departments. • Hazard and Operability Study (HAZOP): Applied primarily to assess process-related hazards in chemical operations, focusing on deviations and their potential impacts. • Quantitative Risk Assessment (QRA): Utilised to quantify potential risks, particularly in high-risk areas, and to guide mitigation strategies. • Hazardous Area Classification: Specialised tool used to evaluate explosion and fire risks in specific operational zones. • Routine EHS Inspections: Carried out to ensure day-to-day compliance with safety standards and identify emerging risks. • Fire Safety Measures: Regular checks and system validations are conducted, including fire drills and equipment maintenance. • Third-Party EHS Audits: Independent evaluations are conducted to benchmark practices and uncover hidden or systemic risks. • Disaster Management Plan (DMP): A comprehensive framework is in place to handle emergencies and minimise impact through predefined response protocols. These integrated tools and processes collectively strengthen our capability to systematically identify, evaluate, and mitigate occupational health and safety risks across all operations.
c	Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)	Yes, the Company has robust and well-defined processes that enable workers to report work-related hazards and to remove themselves from potentially unsafe conditions without fear of retaliation. A comprehensive Environment, Health, and Safety (EHS) framework is in place, which includes clear protocols for reporting incidents, near-misses, and potential risks. These protocols cover structured incident reporting systems, investigation methodologies, and analysis by designated EHS teams. Workers and contractors actively participate in hazard identification and control programs, with their roles and responsibilities clearly communicated in local languages to ensure complete understanding and compliance. To further support workplace safety, visual safety instructions and signage are prominently displayed across facilities. Additionally, emergency evacuation plans with marked access routes and designated safe assembly points are established to facilitate quick and safe responses in case of any hazardous situation.
d	Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Employees and workers are provided access to medical and healthcare services beyond occupational requirements. These include general health support and counseling sessions, particularly following routine medical check-ups, to ensure overall well-being and early identification of any health concerns.

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

Safety Incident/Number	Category	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	

*Reportable Dangerous Occurrence -High Learning Value Incident (HLVI) On February 22, 2025, at approximately 17:00 Hrs, the plant's organic separation vessel got pressurized due to decomposition of acidic organic layer causing its manhole to dislodge from its position. The vessel's contents decomposed, momentarily releasing decomposition products into the atmosphere through the damaged manhole The pressurization led to the deformation of vessel, and the resulting overpressure propelled fragment projectiles that damaged nearby pipelines. The site emergency procedure was activated immediately, and all employees were safely evacuated to the assembly point. The situation was brought under control within 15 minutes.

12	Describe the measures taken by the entity to ensure a safe and healthy work place.	To ensure a safe and healthy work environment, the Company undertakes the following measures: • Systematic Risk Identification: Significant risks and concerns are identified through both internal assessments and external audits or feedback mechanisms. • Corrective and Preventive Actions (CAPA): Action plans are developed and executed in accordance with the hierarchy of controls—elimination, substitution, engineering controls, administrative controls, and PPE. • Engineering and Design Enhancements: Implementation of safety-instrumented systems and continuous improvement of engineering controls to reduce risk at the source. • Operational Control Reviews: Regular evaluation and updating of operational procedures to align with current best practices and regulatory changes. • Training & Capacity Building: Ongoing training and retraining programs are conducted to maintain and improve Environment, Health, and Safety (EHS) competencies across all levels. • Fire and Life Safety Systems: Installation and maintenance of fire protection systems, alarms, extinguishers, and emergency exits. • Provision of PPE: Distribution and enforcement of proper use of personal protective equipment based on job-specific risk assessments. • Occupational Health Surveillance: Regular medical check-ups and monitoring to detect and prevent work-related illnesses. • Industrial Hygiene Measures: Monitoring of workplace exposure to hazardous substances, noise levels, and ventilation conditions. • Process Safety Management: Implementation of structured systems to manage operational hazards in manufacturing and chemical processing. • Monitoring and Measurement Systems: Continuous tracking of safety KPIs and EHS metrics to identify performance trends and areas for improvement. • Regular Audits and Inspections: Both internal and third-party audits are conducted to verify compliance, assess risks, and suggest improvements. • Emergency Preparedness: Emergency response plans, mock drills, and first-aid training are in place to ensure readiness for unexpected events. • Inclusive Safety Communication: Use of multilingual signage, safety posters, and awareness campaigns to ensure all employees understand safety protocols. • Worker Engagement: Encouraging active involvement of employees and contractors in safety committees, hazard identification, and toolbox talks. These comprehensive practices underscore the Company's commitment to ensuring a safe, secure, and health-conscious working environment for all.

Business Responsibility and Sustainability Report (Contd.)

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

Category	2024-25 (Current Financial Year)			2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

14 Assessments for the year:

Category	**% of your plants and offices that were assessed (by entity or statutory authorities or third parties**
Health & 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.	A comprehensive root cause analysis was carried out to uncover the fundamental issues. Following this, a detailed corrective and preventive action (CAPA) plan was developed and executed to effectively resolve the concerns. The plan outlines targeted corrective steps to address the identified gaps, along with preventive measures designed to avoid recurrence, thereby promoting sustained effectiveness and driving continuous improvement

LEADERSHIP INDICATORS

1	Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).	The Company has secured a Group Term Life Insurance Policy covering all employees across its entities.
2	Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners	• A thorough root cause analysis was conducted to identify the core issues. • Based on the findings, a corrective and preventive action (CAPA) plan was developed and implemented. • The plan includes specific corrective actions to resolve the identified issues. • Preventive measures have been put in place to ensure these issues do not recur. • The focus is on ensuring long-term effectiveness and fostering continuous improvement.

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 are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	**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**	
	2024-25 (Current Financial Year)	**2023-24 (Previous Financial Year)**	**2024-25 (Current Financial Year)**	**2023-24 (Previous Financial Year)**
Employees	Not applicable, as no such rehabilitation was conducted.			
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)**

No, the entity does not currently provide transition assistance programs to facilitate continued employability or manage career endings resulting from retirement or termination of employment.

P4 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.	Stakeholder engagement forms a critical pillar of our sustainability governance. The input we receive plays a vital role in shaping a well-rounded strategy that reflects stakeholder expectations and addresses emerging sustainability challenges. To define our stakeholder group, we followed a structured, rigorous process—conducting in-depth discussions with LOIL's ESG team and concentrating on five critical areas: business operations, investor segments, workforce composition, customer relationships, and supply chain dynamics. By nurturing these relationships, we strengthen our long-term resilience and reinforce our commitment to responsible and inclusive growth.

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

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Employee	No	Emails, Notice Boards, Website, Darwin (internal communication online platform), Impromptu (Internal newsletter)	At least once in a year or as and when required.	The Company prioritises gaining an in-depth understanding of the risks and opportunities arising from its activities. To achieve this, key stakeholders, both internal and external, were identified, and stakeholder consultations were conducted. Through these consultations, stakeholder opinions were gathered, leading to the identification of the most crucial 12 material topics. To maintain the relevance of these topics, similar consultations are planned to be conducted every three years.
2	Supplier	No	Emails, Website		
3	Customer/Client	No	Emails, Meetings, Website		
4	Investors (Other than shareholders)	No	Emails, Meetings,		
5	Other: Community	No	In-person meetings		
6	Government Authorities	No	Regulatory filings (online/ offline) - Site inspections - Compliance reports - Consultations & hearings - Public disclosure platforms (MCA, SEBI)	As per regulatory calendar	Ensure compliance with environmental, labour, safety, and financial regulations - Obtain permits and approvals - Fulfill BRSR, GHG, and ESG disclosure requirements - Seek clarifications and guidance on emerging compliance obligations
7	Industrial Associations	No	Membership meetings - Industry roundtables & conferences - Newsletters and circulars - Technical committees - Joint policy submissions	Monthly to quarterly (meetings, updates) - Annual conferences	Stay updated on industry trends and regulatory developments - Contribute to collective advocacy - Share best practices and collaborate on sustainability and innovation initiatives

Business Responsibility and Sustainability Report (Contd.)

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.	Through proactive engagement methods such as surveys, interviews, workshops, and direct consultations, we ensure that stakeholders' voices are meaningfully integrated into our decision-making processes. This continuous dialogue helps us identify material issues, align our sustainability priorities with stakeholder concerns, and foster transparency and accountability across our operations.
2	Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity	Yes, stakeholder consultation is actively used by the Company Limited to support the identification and management of key environmental and social topics. Through structured engagement processes with employees, customers, suppliers, local communities, and regulatory bodies, the Company gathers insights that help shape its sustainability policies and practices. For example, community feedback has contributed to the strengthening of environmental management initiatives such as water conservation and emission control. Inputs from employees and suppliers have guided enhancements in occupational health and safety measures, skill development programs, and responsible sourcing practices. These interactions ensure that stakeholder concerns are meaningfully integrated into the Company's environmental and social strategy.

P5 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	2024-25 (Current Financial Year)			2023-24 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	903	903	100%	773	773	100%
Other than permanent	164	164	100%	131	131	100%
Total	1067	1067	100%	904	904	100%
Workers						
Permanent	183	183	100%	181	181	100%
Other than permanent	799	799	100%	553	553	100%
Total	982	982	100%	734	734	100%

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

Category	2024-25 (Current Financial Year)					2023-24 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F/ D)
Employees										
Permanent	903	0	NA	903	100%	773	0	NA	773	100%
Male	793	0	NA	793	100%	700	0	NA	700	100%
Female	110	0	NA	110	100%	73	0	NA	73	100%
Other than permanent	164	0	NA	164	100%	263	0	NA	263	100%
Male	120	0	NA	120	100%	221	0	NA	221	100%
Female	44	0	NA	44	100%	42	0	NA	42	100%
Workers										
Permanent	183	0	NA	183	100%	181	0	NA	181	100%
Male	181	0	NA	181	100%	179	0	NA	179	100%
Female	2	0	NA	2	100%	2	0	NA	2	100%
Other than permanent	799	568	71%	231	29%	453	453	100%	0	0%
Male	770	546	71%	224	29%	445	445	100%	0	0%
Female	29	22	76%	7	24%	8	8	100%	0	0%

3 a Details of remuneration/salary/wages, in the following format:

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹)	Number	Median remuneration/ salary/ wages of respective category (₹)
Board of Directors (BoD)	3	6,13,76,218	0	0
Key Managerial Personnel	8	1,17,50,000	0	0
Employees other than BoD and KMP	782	6,90,998	110	4,99,426
Workers	181	5,32,072	2	3,41,117

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

	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Gross wages paid to females as % of total wages	7.39%	7.65%

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)	The Grievance Committee functions as the central body responsible for managing and resolving all human rights concerns arising from, or influenced by, the Company's operations.
5	Describe the internal mechanisms in place to redress grievances related to human rights issues.	• The Human Rights Policy provides a formal mechanism for employees to report any incidents of abuse, misconduct, or suspected violations within the organisation, including through the designated Speak Up channel. • Concerns can be submitted through multiple avenues—such as email, written communication, company website, or hotline—and are promptly logged by the Speak Up Committee upon receipt. • Once a complaint is registered, an impartial inquiry process is initiated, and an Investigation Officer is appointed to lead the investigation. • The investigation is expected to be completed within 45 days of the officer's appointment, ensuring timely resolution. • Complainants are protected from any form of retaliation, and strict measures are in place to maintain the confidentiality of their identity throughout the process. • In the event of the formation of a workers' organisation or initiation of collective bargaining, the Company is committed to constructive engagement with employees and their representatives. • This approach reflects the Company's commitment to protecting human rights and maintaining a respectful, inclusive, and safe workplace for all.

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

Category	2024-25 (Current Financial Year)			2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	Nil	0	0	Nil
Discrimination at workplace	0	0	Nil	0	0	Nil
Child Labour	0	0	Nil	0	0	Nil
Forced Labour/Involuntary Labour	0	0	Nil	0	0	Nil
Wages	0	0	Nil	0	0	Nil
Other human rights related issues	0	0	Nil	0	0	Nil

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

	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
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

Business Responsibility and Sustainability Report (Contd.)

8	Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.	• The Company has established robust policies such as the Whistleblower (Vigilance) Policy, Speak-Up Policy, and Prevention of Sexual Harassment (POSH) Policy to address and resolve concerns related to discrimination and harassment. • Complainants are assured complete confidentiality, and all reports are handled with sensitivity to protect the identity of the individual raising the concern. • The Speak-Up mechanism explicitly prohibits any retaliation or adverse action against individuals who report genuine concerns in good faith. • Clear procedures for reporting and resolution of complaints are outlined in the policies, ensuring transparency and accountability. • Protection against victimisation or retaliation is built into the resolution process, promoting a culture of trust and safety. • All employees and business partners are covered under these policies, reinforcing inclusive and respectful workplace practices. • Consequences for any breach or retaliation are predefined and strictly enforced, ensuring disciplinary action where required. • Awareness sessions and periodic training are conducted to ensure all stakeholders are informed of their rights and the support mechanisms available.
9	Do human rights requirements form part of your business agreements and contracts? **(Yes/ No)**	Yes, Human rights requirement is part of our contract. All the regulatory requirements considering human rights are taken care while business agreements or contracts.
10	Assessments for the year:	
	Category	**% 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 significant findings noted.

LEADERSHIP INDICATORS

1	Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints	We have a robust mechanism in place to address human rights grievances. As no grievances were reported during FY 2024–25, there was no need to modify or introduce any new processes.

Business Responsibility and Sustainability Report (Contd.)

2	Details of the scope and coverage of any Human rights due diligence conducted.	Focus on Human Rights considerations has been an integral part and a business code of LOIL since its inception. We continue to comply with all statutory requirements under this ambit.
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, the premises of the entity are accessible to differently abled visitors. Key initiatives implemented include: • Barrier-free access to the premises through ramps and wide entryways. • Accessible restroom facilities designed to accommodate wheelchair users. • Designated seating arrangements in waiting areas and meeting rooms for differently abled visitors. • Clear signage with high-contrast text and pictograms for easy navigation. • Elevators with Braille buttons and auditory floor indicators. • Handrails and anti-skid flooring in key areas to ensure safety. • Parking spaces reserved for differently abled individuals near entry points. • Emergency evacuation protocols inclusive of persons with disabilities. • Training for front-desk and support staff on assisting differently abled visitors with respect and care.

P6 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	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	63,787	63,949
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C) in GJ	63,787	63,949
From non-renewable sources		
Total electricity consumption (D) (Through Grid)	2,51,083	1,84,356
Total fuel consumption (E) (LPG, PNG, Diesel, C9, Coal)*	30,70,803	33,18,709
Energy consumption through other sources (F) (Energy Through Power plant)	1,86,697	1,32,908
Total energy consumed from non-renewable sources (D+E+F) in GJ	35,08,583	36,35,973
Total energy consumed (A+B+C+D+E+F)	35,72,370	36,99,922

Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) (GJ/₹ million)	121.31	131.03
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) (₹/US dollar, 2022)	0.59×10^{-5}	0.64×10^{-5}
Energy intensity in terms of physical Output (GJ/per tonne of production)	14.44	14.56
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	

* Note-based on our internal assessment, the correction of values for Total fuel consumption E in FY 23-24 bringing the change in Total energy consumed from non renewable energy sources, Total Energy consumed and Energy intensity values.

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.

All the Company sites and facilities are operating in the chemical sector, which is not under the purview of the Performance Achieve and Trade Scheme of the Government of India.

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

S. No.	Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
	Water withdrawal by source (in kilolitres)		
i	Surface water	-	-
ii	Groundwater	-	-
iii	Third party water	12,59,868	12,67,298
iv	Seawater / desalinated water	-	-
v	Other	-	-
	Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	12,59,868	12,67,298
	Total volume of water consumption (in kilolitres)	12,59,868	12,67,298

Business Responsibility and Sustainability Report (Contd.)

S. No.	Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
	Water intensity per rupee of turnover (Water consumed / revenue from operations) (KL / ₹)	4.27×10^{-5}	4.48×10^{-5}
	Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (INR/US dollar, 2022)	2.09×10^{-6}	1.96×10^{-6}
	Water intensity in terms of physical Output (KL/tonne of production)	5.1	5.0
	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		2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)			
To Surface water	No treatment	NA	NA
	With treatment – please specify level of treatment	NA	NA
To Groundwater	No treatment	NA	NA
	With treatment – please specify level of treatment	NA	NA
To Seawater	No treatment	NA	NA
	With treatment – please specify level of treatment	NA	NA
Sent to third-parties (CETP)	No treatment	NA	NA
	With treatment – please specify level of treatment	1,37,354	1,14,699
Others – Recycled/Reused	No treatment		NA
	With treatment – please specify level of treatment	3,35,280	2,20,600
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		

Business Responsibility and Sustainability Report (Contd.)

5	Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation	The Company currently operates three manufacturing units, which collectively account for 99% of its turnover. Continuous expansions of these facilities have been undertaken to meet growing product demand. During these expansions, the principles of Zero Liquid Discharge (ZLD) are integrated at the design stage, exemplified by the adoption of Low Temperature Evaporation/Mechanical Vapour Recompression (MVR) technology for enhanced treatment. Comprehensive treatment schemes are implemented to recycle and reuse treated effluents back into the process, ensuring efficient resource utilisation and environmental sustainability.

6 Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	2024-25 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	kg	32,987	48,560
SOx	kg	57,398	58,694
Particulate Matter (PM)	kg	45,687	45,591
Persistent Organic Pollutants (POP)	NA	-	-
Volatile Organic Compounds (VOC)	NA	-	-
Hazardous Air Pollutants (HAP)	NA	-	-
Others – please specify	NA	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	No		

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

Parameter	Unit	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N2O, HFCs, PFCs, SF_6, NF_3, if available)	CO_2 in MT	3,04,343	3,13,807
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N2O, HFCs, PFCs, SF_6, NF_3, if available)	CO_2 in MT	50,705	35,821
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	CO_2 in MT/rupee of turnover	1.21×10^{-5}	1.23×10^{-5}
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) (INR/US dollar, 2022)	CO_2 in MT/rupee of turnover adjusted for PPP	0.59×10^{-6}	0.54×10^{-6}
Total Scope 1 and Scope 2 emission intensity in terms of physical output	CO_2 in MT/ton of production	1.43	1.38
Total Scope 1 and Scope 2 emission intensity (optional) – per ton of production		-	-
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		

Business Responsibility and Sustainability Report (Contd.)

8	Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.	The Company has implemented several environmentally sustainable practices to reduce its carbon footprint and improve operational efficiency. This includes transitioning from coal and fuel oil (F.O.) to cleaner fuel (C9), which not only reduces emissions but also enhances energy efficiency. Regular revalidation of Electrostatic Precipitator (ESP) efficiencies ensures that Suspended Particulate Matter (SPM) levels remain well within the prescribed limit of 50 mg/nm3, contributing to better air quality. Mechanical seals have been adopted in place of glands to minimise leaks and improve containment, while bulk solvent storage tanks are equipped with vent condensers to prevent emissions. These measures, along with closed-loop operations, demonstrate the Company's commitment to sustainable practices and environmental stewardship.

9 Provide details related to waste management by the entity, in the following format:

Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	33.99	23.8
E-waste (B)	0	0
Bio-medical waste (C)	0.13	0.0003
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0.5
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	5,695	4,862
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	14,747	3,344
Total (A+B + C + D + E + F + G + H)	**20,477**	**8,230**
Waste intensity per rupee of Turnover (Total waste generated / Revenue from operations) (KL /₹)	0.69×10^{-6}	0.29×10^{-6}
Waste intensity per rupee of turnover adjusted Purchasing for Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (INR/US dollar, 2022)	0.34×10^{-7}	0.0127×10^{-7}
Waste intensity in terms of physical output	0.083	0.032
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		
Recycled	14,781	547
Reused	941	1,742
Other recovery operations – sent to third-party	768	0
Total	**16,490**	**2,313**
Category of waste		
Incineration	492	329
Landfill	3,495	3,264
Other disposal methods	0	0
Total	**3,987**	**3,593**
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	Yes, monthly monitoring is conducted by an MoEF&CC Approved Laboratory, M/s. Ashvamedh in Mumbai. Periodic joint vigilance is also carried out, involving sample collection and analysis by MPCB officials.	

Business Responsibility and Sustainability Report (Contd.)

	Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
10	Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.	Our waste management practices include a robust procedure for collecting and storing both hazardous and non-hazardous wastes. We have designated storage areas for different types of waste to ensure proper segregation at the source. Additionally, we utilise one of our process streams as fuel for an in-process waste recovery system, reducing emissions and recovering valuable products. Furthermore, all our manufacturing sites are members of an approved hazardous waste treatment, storage, and disposal facility regulated by the State Pollution Control Board.	

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

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Since all our operations and offices are located within MIDC/GIDC/SEZ or specific zones designated by the Government of India, this indicator is not applicable to our situation.			

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

S. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
1	**Lotte Unit (Site 3)** EIA Study was conducted for Environment Clearance application of Expansion of Specialty Intermediates Manufacturing from 1,02,000 MT/A to 1,91,472 MT/A	SIA/MH/ IND2/50229/2019	EIA Study Period Oct, Nov & Dec 2023	Yes, by M/s. Equinox Environments (I) Pvt. Ltd.	Yes	Parivesh 2.0 Portal

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

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

Business Responsibility and Sustainability Report (Contd.)

LEADERSHIP INDICATORS

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

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

(i)	Name of the area	NA
(ii)	Nature of operations	NA
(iii)	Water withdrawal, consumption and discharge in the following format:	

Parameter		2024-25 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)			
To Surface water		NA	NA
To Groundwater		NA	NA
To Seawater		NA	NA
Sent to third-parties		NA	NA
Others		NA	NA
Total volume of water withdrawal (in kilolitres)		NA	NA
Total volume of water consumption (in kilolitres)		NA	NA
Water intensity per rupee of turnover (Water consumed / turnover)		NA	NA
Water intensity **(optional)** – the relevant metric may be selected by the entity		NA	NA
Water discharge by destination and level of treatment (in kilolitres)		NA	NA
To Surface water	No treatment	NA	NA
	With treatment – please specify level of treatment	NA	NA
To Groundwater	No treatment	NA	NA
	With treatment – please specify level of treatment	NA	NA
To Seawater	No treatment	NA	NA
	With treatment – please specify level of treatment	NA	NA
Sent to third-parties	No treatment	NA	NA
	With treatment – please specify level of treatment	NA	NA
Others	No treatment	NA	NA
	With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)		NA	NA
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? **(Y/N)** If yes, name of the external agency.		NA	

3 With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities

NA

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

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Wastewater treatment solutions	In addition to the conventional biological treatment scheme, we have implemented the following initiatives: • Volute Sludge Dewatering System • Multiple Effect Evaporator • Stripper to improve condensate quality • Low Temperature Evaporator (LTE) • Agitated Thin Film Drier (ATFD)	Effective and efficient wastewater treatment has been achieved.

Business Responsibility and Sustainability Report (Contd.)

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
2.	Sludge hydrolysis unit	The sludge produced poses hazards related to temperature, reactivity, stability, storage, and handling. To mitigate these risks, we have developed state-of-the-art technology that completely neutralises the hazards by hydrolysing the sludge. This process has provided additional benefits, including improved raw material consumption and the generation by-products, which are used as a raw material in one of our products. Additionally, the hydrolysed sludge is utilised as fuel for boilers to produce steam.	• Neutralisation of hazards associated with sludge • Resource optimisation • By-product utilisation • Energy efficiency

5	Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.	We have a comprehensive disaster management plan at the plant level, along with a business continuity plan, to ensure seamless operations during any disaster or disruption. Our risk assessment procedures for products, projects, and businesses involve collaboration with internal and external experts. This plan delineates emergency response protocols, safeguards critical assets, and prioritises the safety of our employees and customers. Additionally, it includes strategies for minimizing downtime and facilitating swift recovery from disruptions.
6	Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.	Our operations are governed by robust policies and systems across all our sites, ensuring compliance and effective management. We have established multiple platforms and mechanisms to receive and address grievances from stakeholders promptly, with clear processes for resolution. These efforts reflect our commitment to maintaining transparency and accountability in our operations. To manage process risks effectively, we employ various methods such as controls, interlocks, and automation to minimise or eliminate potential hazards. However, we acknowledge the potential for significant negative environmental impacts, particularly in cases of accidental material spillage during transit. To mitigate such risks, we have implemented proactive measures including a Journey Management Programme, rigorous selection and evaluation processes for Logistics Service Providers (LSPs), regular vendor assessments, a comprehensive Distribution Emergency Response Plan, and ongoing training and retraining programs for LSPs. These actions demonstrate our proactive approach to environmental risk management and safety across our supply chain.

P7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1a	Number of affiliations with trade and industry chambers/ associations.	The Company is affiliated with a total of five trade and industry chambers/associations. These affiliations enable active participation in industry-wide discussions, policy advocacy, and knowledge sharing. Through these associations, the Company stays informed of emerging trends, regulatory developments, and best practices, thereby strengthening its position within the industry and contributing to its continued growth and compliance.
1b	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, in the following format	

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Indian Chemical Council	National
2	All India Liquid Bulk Importers	National
3	National Safety Council	National
4	Mahad Manufacturers Association	State
5	Maharashtra Labour Welfare	State

2	Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.	There have been no adverse orders issued by any regulatory authorities against the Company in relation to anti-competitive conduct. Accordingly, no corrective actions have been required or are currently underway in this regard. The Company remains committed to fair business practices and compliance with all applicable competition laws and regulations.

S. No.	Name of authority	Brief of the case	Corrective action taken
	NA		

Leadership Indicators

1. Details of public policy positions advocated by the entity

Sl. 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
1	As a responsible corporate, LOIL understands its role in advocating policies, which ensures positive impact on the society. Our approach to advocacy is guided by our Code of Conduct. We focus on building and sustaining mutually beneficial relationships with government, regulators, trade unions, investors, suppliers and communities for ensuring a smooth governance and enhancing social and environmental conditions.	Engagement with authorities are undertaken after taking due consideration of our as well as the larger national interest.	Yes	Yes, Annually	NA

P8 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.

S. No.	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
	The requirement to conduct Social Impact Assessments (SIA) is applicable at the project planning stage. For the current financial year, no new projects have been initiated that mandate an SIA under applicable laws. Accordingly, this disclosure is not applicable, as the relevant SIA studies were conducted two years ago.					

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 ₹)
	Rehabilitation and Resettlement (R&R) is not applicable to LOIL entities, as all chemical manufacturing units are located within Maharashtra Industrial Development Corporation (MIDC) areas or other notified industrial zones. These designated industrial areas do not require R&R activities as per applicable regulations, and no such projects are currently being undertaken by the entity.					

3	Describe the mechanisms to receive and redress grievances of the community.	• In alignment with the Company's CSR Policy, 25% of the total CSR budget is allocated to initiatives that enhance the well-being of communities located near our plants and manufacturing units. • This dedicated allocation supports meaningful engagement with local residents to better understand and address their concerns. • Open and transparent communication channels are maintained to facilitate continuous feedback and dialogue with the community. • A communication register is maintained at the plant gate to enable stakeholders to conveniently record and convey their concerns or suggestions. • Additionally, the Company maintains regular interaction with local government authorities to ensure timely and effective resolution of any community grievances.

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

Category	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	6%	7%
Sourced directly from within the district and neighbouring districts	53%	29%

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	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Rural	46%	48%
Semi-urban	0	0
Urban	0	0
Metropolitan	54%	52%

(Place to be categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

LEADERSHIP INDICATORS

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

	Mahad (Raigad District, Maharashtra)	Chiplun (Ratnagiri District, Maharashtra)
1.	Mobile Health Unit (MHU)	Mobile Health Unit
2.	Employability through NAPS	Employability through NAPS
3.	Parsule ZP School construction	Jack well construction

6 Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1.	Re-Building & Infrastructure Upgrade of Parsule Primary School	130	-
2.	Deployment of Mobile Health Units (MHU) in Mahad	39,547	-
3.	Deployment of Mobile Health Units (MHU) in Lote	23,683	-
4.	Education support	50	-
5.	Construction of Well	700	-
6.	Employability Through NAPS	140	-

P9 Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1	Describe the mechanisms in place to receive and respond to consumer complaints and feedback.	The customer complaint mechanism is an integral component of the Company's Integrated Management System (IMS). Since it forms part of the IMS, it is regularly audited to ensure strict adherence to monitoring standards, and any identified weaknesses are promptly addressed and corrected. This system efficiently handles complaints received from customers or distributors regarding issues related to quality, packaging, logistics, shortages, or documentation. It incorporates processes for logging complaints, investigating root causes, setting clear turnaround times for resolution, and establishing communication channels to provide timely feedback to customers. Regular audits ensure the system's continuous improvement, maintaining its effectiveness in meeting customer satisfaction and operational excellence.

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	100% of the Company's product turnover is covered under disclosures that include relevant environmental and social parameters, safe and responsible usage, and guidelines for recycling or safe disposal.
Safe and responsible usage	
Recycling and/or safe disposal	Each product consignment is accompanied by a comprehensive Safety Data Sheet (SDS), which outlines critical information regarding the safe handling, usage, storage, and disposal of the product in compliance with applicable regulatory standards. In addition, transportation of products is supported by Transport Emergency (TREM) Cards that provide clear instructions for safe transit, emergency response protocols, and communication channels in the event of an incident during transport. Furthermore, the Company ensures regular training for employees and logistics partners on safe material handling and emergency preparedness, reinforcing its commitment to health, safety, and environmental responsibility across the value chain. These measures are embedded into our product stewardship framework, ensuring end-to-end compliance and promoting sustainable and responsible product lifecycle management.

Business Responsibility and Sustainability Report (Contd.)

3 Number of consumer complaints in respect of the following:

Category	2024-25 (Current Financial Year)			2023-24 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services						
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other	0	0	NA	0	0	NA

4 Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not Applicable	NA
Forced recalls	Not Applicable	NA

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 has a defined framework and mechanisms in place to address cybersecurity risks and data privacy.

- **Cybersecurity Policy and BCP Framework**
  The Company has implemented a comprehensive Cybersecurity Policy along with a Business Continuity Plan (BCP) to ensure operational resilience and protection against cyber threats. These policies outline preventive, detective, and corrective measures to manage cyber risks effectively.
- **Cyber Insurance Coverage**
  To mitigate financial and operational risks arising from cyber incidents, the Company has secured cyber insurance coverage.
- **Advanced Security Infrastructure**
  Multiple layers of protection are in place, including:
  - Non-tamper able antivirus and anti-malware solutions
  - Advanced Threat Protection (ATP) services
  - Email security gateways and firewalls
- **Transition to Cloud Infrastructure**
  The Company is actively transitioning from on-premises systems to cloud-based infrastructure, starting with email services. This enhances data security, accessibility, and disaster recovery capabilities.
- **Consideration of SOC Operations**
  To further strengthen real-time monitoring and incident response, the implementation of a Security Operations Center (SOC) is under active consideration.
- **Data Privacy and Access Control**
  Access to sensitive data is managed through role-based controls and monitored user access rights. This ensures that only authorised personnel can access critical business information.
- **Employee Awareness and Training**
  Regular cybersecurity awareness and training programs are conducted to ensure that employees are equipped to recognise and respond to cyber threats.

Business Responsibility and Sustainability Report (Contd.)

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.	**No,** during the reporting period, there were no corrective actions taken or underway related to advertising practices, delivery of essential services, cybersecurity and data privacy of customers, product recalls, or penalties/actions imposed by regulatory authorities concerning the safety of the Company's products or services. The Company maintains robust systems and protocols to ensure compliance with all applicable regulations and to uphold the safety, quality, and integrity of its operations.
7	Provide the following information relating to data breaches:	
a	Number of instances of data breaches	0
b	Percentage of data breaches involving personally identifiable information of customers	0
c	Impact, if any, of the data breaches	There have been no cases of data breaches till date.

LEADERSHIP INDICATORS

1 Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

https://www.laxmi.com/

2 Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Product Safety Communication and Customer Engagement Mechanisms

- **Material Safety Data Sheets (MSDS)**
  The Company has a well-established system for collecting, maintaining, and disseminating product safety information through Material Safety Data Sheets. These documents are shared with customers and contain critical information on product handling, storage, usage, and disposal to ensure safety and regulatory compliance.
- **Customer Support and Technical Assistance**
  Dedicated Customer Support teams are in place to address product-related queries. These teams work closely with customers to provide timely assistance and clarify safety and compliance information where required.
- **Sales and Marketing Team Interactions**
  The Sales and Marketing teams regularly interact with customers to understand specific product safety expectations and ensure that such needs are addressed proactively in product documentation and communication.
- **Customer-led Facility Audits**
  Several customers conduct on-site audits of the Company's manufacturing units to assess the effectiveness and alignment of its Environment, Health, and Safety (EHS) systems with their internal standards and industry protocols. These engagements promote mutual transparency and continuous improvement in safety practices.

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)	• **Compliance with Local and Global Product Standards** All product-related information is developed in accordance with applicable local regulations as well as international standards. This ensures that safety, handling, and environmental aspects are accurately addressed and communicated. • **Clear and Prominent Display of Product Information** Safety instructions, usage guidelines, and regulatory disclosures are prominently displayed on packaging, technical documents, and labels to ensure clarity and accessibility for end users. • **Customer Satisfaction Surveys** The Company conducts structured customer satisfaction surveys on a periodic basis to gather feedback on various aspects of its products, including performance, safety, quality, and service support. The insights gathered help drive improvements and ensure that customer expectations are being met consistently.

FINANCIAL STATEMENTS

Independent Auditor's Report

To The

Members of

Laxmi Organic Industries Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Laxmi Organic Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, total 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") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us 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 of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Auditor's Response
Impairment assessment of certain tangible assets, intangible assets and capital work-in-progress (CWIP) related to Electro Chemical Fluorination (ECF) used for manufacturing chemicals: (Refer Note 1A(e) of the standalone financial statements) As at March 31, 2025, the Company has carried out a review of recoverable amount in respect of certain tangible assets, intangible assets and capital work-in-progress (CWIP) which aggregates ₹ 5,215.31 Mn considering decline in performance, among other internal factors. The estimation of value-in-use for impairment assessment involves significant judgements, assumptions and estimates such as future expected level of operations, related forecast of cash flows, terminal growth and discount rates. Considering the significance of aforesaid balances to the overall financial statements and significant management efforts and judgments involved, we have considered assessment of carrying value of above assets as a key audit matter.	**Principal audit procedures performed included the following:** • Tested the design, implementation and operating effectiveness of key controls in respect of the Company's impairment assessment process, including the approval of forecasts and valuation model. • Evaluated the reasonableness of key assumptions and inputs in the cash flow forecasts considering the current economic scenario and understanding of the business. • Engaged the internal valuation expert to challenge Management's underlying assumptions and appropriateness of the valuation model. • Considered historical forecasting accuracy, by comparing previously forecasted cash flows to actual results achieved. • Assessed the sensitivity analysis in relation to the key assumptions. • Evaluated the chartered engineer's report for the assessment of useful life of tangible assets. • Evaluated the appropriateness and adequacy of disclosures given in the standalone financial statements in accordance with applicable accounting standards.

Independent Auditor's Report (Contd.)

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis Report, Business Responsibility and Sustainability Report, Director's Report including annexures to the Director's Report and Corporate Governance report, but does not include the consolidated financial statements, 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 the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS 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 Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone 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 the management.

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

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

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

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

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

OTHER MATTER

The comparative financial information of the Company for the year ended March 31, 2024 prepared prior to effective date of the business combination of entity under common control referred to in Note 44 of the standalone financial statements was audited by the predecessor auditor (whose report dated May 21, 2024 expressed an unmodified opinion). These previously issued financial information have been restated to comply with Ind AS 103 Appendix C for Business combinations of entities under common control and included in this financial statements as comparative financial information. The adjustments made to the previously issued financial information to comply with the said Ind AS have been audited by us.

Our opinion on the standalone financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows 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 Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) 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 32 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. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 49(e) 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 49(e) 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

      v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

      As stated in note 11 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

Independent Auditor's Report (Contd.)

vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Falguni Bhor
Partner
Membership No. 111787
UDIN: 25111787BMONRO4743

Place: Mumbai
Date: May 20, 2025

Annexure "A" To The Independent Auditor's Report

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

Report on the Internal Financial Controls with reference to standalone financial statements 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 **Laxmi Organic Industries Limited** (the "Company") as at March 31, 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date which includes internal financial controls with reference to standalone financial statements.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of 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 standalone financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 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 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 standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A company's internal financial control 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 control 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

Annexure "A" To The Independent Auditor's Report (Contd.)

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.

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an 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, 2025, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Falguni Bhor
Partner
Membership No. 111787
UDIN: 25111787BMONRO4743

Place: Mumbai
Date: May 20, 2025

Annexure "B" To The Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirement's section of our report of even date)

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, capital work-in-progress and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) Some of the Property, Plant and Equipment, capital work-in-progress and right-of-use assets) were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, capital work-in-progress, and right-of-use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) With respect to immovable properties disclosed in the financial statements included in property, plant equipment, according to the information and explanations given to us and based on the examination of the registered sales deed/transfer deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except for the following:

Description of immovable properties taken on lease	Gross carrying value (as at the balance sheet date) (₹ in Mn)	Net carrying value (as at the balance sheet date) (₹ in Mn)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Land Under lease - Colony	2.68	2.47	Yellowstone Chemicals Private Limited	No	Post NCLT Order Date August 25, 2022	Acquisition on business combination vide NCLT Order September 12, 2022, Name transfer process has been initiated vide letter dated November 17, 2022
Land Under lease - Factory	20.90	19.18				
Land Under lease - Factory	13.60	12.73				
Freehold land	42.03	42.03	Yellowstone Fine Chemicals Private limited	No	Post NCLT Order Dated February 27, 2025	Acquisition on Scheme of Merger vide NCLT order dated February 27, 2025, Stamp duty Adjudication process has been initiated on May 15, 2025.
Land under Lease	88.06	86.37				
Land under Lease	37.32	36.63				

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

(e) No proceedings have been initiated during the year or are pending against the Company as of March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for (goods-in-transit and stocks held with third parties), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in-transit, the goods have been received subsequent to the year end or confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has been sanctioned working capital

Annexure "B" To The Independent Auditor's Report (Contd.)

limits in excess of ₹ 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets of the Company. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, and other stipulated financial information) filed by the Company with 7 such banks or financial institutions till the date of this report are in agreement with unaudited books of account of the Company of the respective quarter ended June 30, 2024, September 30, 2024 and December 31, 2024. The Company is yet to submit the return/ statement for the quarter ended March 31, 2025 with the banks or financial institutions.

(iii) The Company has made investments, provided any guarantee or security, to companies, firms, Limited Liability Partnerships but has granted unsecured loans and advances in the nature of loans, in respect of which:

(a) The Company has provided loans or advances in the nature of loans during the year and details of which are given below:

(₹ in Mn)

		Loans
A.	**Aggregate amount granted/ provided during the year**	
-	Employees	11.85
B.	**Balances Outstanding as at the balance sheet date in respect of above cases**	
-	Employees	8.90

The Company has not provided any guarantee or security to any other entity during the year.

(b) On the basis of information and explanation given to us that the terms and conditions of the grant of all the above-mentioned loans and advances in nature of loans provided during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and repayments of principal amounts and receipt of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) According to information and explanation given to us and based on the audit procedures performed, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In respect of statutory dues:

Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

Annexure "B" To The Independent Auditor's Report (Contd.)

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Income-tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub – clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Gross Amount (₹ in Mn)	Paid under Protest (₹ in Mn)	Amount Unpaid (₹ in Mn)
Income Tax Act 1961	Income Tax	Judicial Assessing officer	AY 2005-2006 and 2008-2009	0.21	-	0.21
Income Tax Act 1961	Income Tax	Commissioner of Income Tax (Appeals)	AY 2013-2019	53.28	-	53.28
Income Tax Act 1961	Income Tax	Income Tax Appellate Tribunal (ITAT)	AY 2020-2021	268.43	-	268.43
Income Tax Act 1961	Income Tax	Commissioner of Income Tax (Appeals)	AY 2021-2022	398.73	-	398.73
Income Tax Act 1961	Income Tax	Commissioner of Income Tax (Appeals)	AY 2021-2022	157.15	-	157.15
Goods and Service Tax	Input credit – Trans - 1	High Court	FY 2017-2018	62.90	6.29	56.61
Goods and Service Tax	Input credit – Trans - 1	Commissioner (Appeal) CGST	FY 2017-2018	18.13	1.81	16.32
Goods and Service Tax	Input credit	Dy. Commissioner CGST	FY 2019-2020	3.14	0.31	2.83
Goods and Service Tax	Input credit	Commissioner (Appeal) CGST	FY 2017-2022	235.26	23.53	211.73
Finance Act 1994	Service Tax	Customs, Excise and Service Tax Appellate Tribunal	FY 2012-2017	2.59	0.20	2.39
Customs Act 1962	Custom Duty	The Commissioner of Customs (Appeal)	FY 2012-2013	3.39	0.13	3.26
Customs Act 1962	Customs Duty	Customs, Excise and Service Tax Appellate Tribunal	FY 2012-2013	56.89	2.13	54.76
Customs Act 1962	Customs Duty	Customs, Excise and Service Tax Appellate Tribunal	Various dates	6.53	-	6.53
Maharashtra Value added Tax Act, 2002	VAT	Jt. Commissioner of Sales-tax	FY 2011-2012	2.33	-	2.33
Central Sales Tax Act, 1956	CST	Deputy Commissioner of Sales-tax	FY 2014-2016	13.28	-	13.28
Maharashtra Electricity Duty Act, 2016	Electricity Duty	High Court - Mumbai	FY 2015-2016 to FY 2024-25	495.01	-	495.01

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Annexure "B" To The Independent Auditor's Report (Contd.)

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) 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 associates.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system which commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to March 31, 2025.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b) and (c) of the Order is not applicable.

(b) The Group does not have any CIC as part of the group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to

Annexure "B" To The Independent Auditor's Report (Contd.)

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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W- 100018

Falguni Bhor
Partner

Place: Mumbai — Membership No. 111787
Date: May 20, 2025 — UDIN: 25111787BMONRO4743

Standalone Balance Sheet

as at March 31, 2025

(All figures are rupees in Mn unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	1A	11,585.45	8,668.04
(b) Right of use assets	1B	13.74	33.80
(c) Capital work-in-progress	2	4,188.29	4,585.54
(d) Other Intangible Assets	3	8.47	13.18
(e) Financial assets			
(i) Investments	4A	216.61	259.15
(ii) Other financial assets	5A	88.44	70.83
(f) Income Tax Assets (Net)	6	20.98	25.58
(g) Other non-current assets	7A	550.52	146.17
Total Non-Current Assets		**16,672.50**	**13,802.29**
(2) Current assets			
(a) Inventories	8	3,586.41	2,482.95
(b) Financial assets			
(i) Investments	4B	1,453.93	1,230.88
(ii) Trade receivables	9	5,407.18	6,026.97
(iii) Cash and cash equivalents	10A	175.05	852.00
(iv) Bank balance other than (iii) above	10B	766.16	2,058.74
(v) Other financial assets	5B	264.47	393.99
(c) Other current assets	7B	2,077.57	1,349.03
Total Current Assets		**13,730.77**	**14,394.56**
Total Assets		**30,403.27**	**28,196.85**
EQUITY & LIABILITIES			
EQUITY			
(a) Equity share capital	11	554.05	551.56
(b) Other equity	12	18,565.25	17,452.05
Total Equity		**19,119.30**	**18,003.61**
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	425.00	972.24
(ii) Lease liabilities	14A	5.03	14.41
(b) Provisions	15A	76.93	61.19
(c) Deferred tax liabilities (net)	16	347.56	289.40
Total Non-Current Liabiities		**854.52**	**1,337.24**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	2,106.71	385.14
(ii) Lease liabilities	14B	9.38	19.59
(iii) Trade payables	18		
A) Total outstanding dues of micro enterprises and small enterprises		230.28	93.54
B) Total outstanding dues of creditors other than micro enterprises and small enterprises		6,741.96	7,452.93
(iv) Other financial liabilities	19	862.74	584.33
(b) Provisions	15B	43.02	47.66
(c) Income Tax Liabilities (Net)	20	348.31	179.43
(d) Other current liabilities	21	87.05	93.38
Total Current Liabilities		**10,429.45**	**8,856.00**
Total Equity and Liabilities		**30,403.27**	**28,196.85**

The accompanying notes form an integral part of the standalone financial statements 1 to 51

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. 117366W/W-100018

For and on behalf of the Board of Directors
Laxmi Organic Industries Limited
CIN: L24200MH1989PLC051736

Falguni Bhor
Partner
Membership No: 111787

Ravi Goenka
Executive Chairman
DIN: 00059267

Dr. Rajan Venkatesh
Managing Director & CEO
DIN: 10057058

Mahadeo Karnik
Chief Financial Officer

Aniket Hirpara
Company Secretary
M. No. ACS18805

Mumbai
May 20, 2025

Mumbai
May 20, 2025

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

(All figures in Rupees in Mn, unless otherwise stated)

Particulars	Note No.	Year 2024-25	Year 2023-24
INCOME:			
Revenue from operations	22	29,446.06	28,241.86
Other income	23	252.93	287.77
Total income		**29,698.99**	**28,529.63**
EXPENSES:			
Cost of raw materials consumed	24A	19,159.98	18,541.68
Purchase of stock-in-trade	24B	211.88	356.30
Changes in inventories of finished goods, stock-in-trade and work-in-progress	24C	(208.94)	26.41
Power and fuel	25	2,324.16	2,285.48
Employee Benefits Expenses	26	1,405.19	1,428.41
Finance cost	27	197.32	57.30
Depreciation and amortisation expenses	28	1,224.94	1,050.96
Other expenses	29	3,729.55	3,023.18
Total expenses		**28,044.08**	**26,769.72**
Profit before exceptional items and tax		**1,654.91**	**1,759.91**
Exceptional items		**-**	**-**
Profit before tax		**1,654.91**	**1,759.91**
1. Current tax		419.91	495.61
2. Deferred tax		54.79	(9.40)
Total Tax expenses	30	**474.70**	**486.21**
Profit for the year		**1,180.21**	**1,273.70**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans		9.64	7.79
(ii) Income Tax (expense)/benefit on remeasurement of the defined benefit plans	30	(3.37)	(2.72)
B (i) Items that will be reclassified to profit or loss		-	-
Total Other comprehensive income		**6.27**	**5.07**
Total comprehensive income for the year		**1,186.48**	**1,278.77**
Earnings per equity share (face value of share ₹ 2/- each)			
Basic (₹)	31	4.27	4.71
Diluted (₹)	31	4.23	4.68

The accompanying notes form an integral part of the standalone financial statements 1 to 51

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. 117366W/W-100018

For and on behalf of the Board of Directors
Laxmi Organic Industries Limited
CIN: L24200MH1989PLC051736

Falguni Bhor
Partner
Membership No: 111787

Ravi Goenka
Executive Chairman
DIN: 00059267

Dr. Rajan Venkatesh
Managing Director & CEO
DIN: 10057058

Mahadeo Karnik
Chief Financial Officer

Aniket Hirpara
Company Secretary
M. No. ACS18805

Mumbai
May 20, 2025

Mumbai
May 20, 2025

Standalone Statement of Cash Flows
for the year ended March 31, 2025

(All figures are rupees in Mn unless otherwise stated)

Particulars	Year 2024-25	Year 2023-24
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax for the year	1,654.91	1,759.91
Adjustments for:		
Depreciation and amortisation expense	1,224.94	1,050.96
Finance Cost	197.32	57.30
Interest income	(84.62)	(141.94)
(Gain)/Loss on disposal/retirement of property, plant and equipment	67.61	(10.72)
Net (gain)/loss on sale/fair value of investments mandatorily measured at Fair Value Through Profit and Loss	(119.68)	(43.26)
Provisions/Liabilities no longer required written back	(13.30)	-
Provision/reversal of expected credit loss	21.56	39.54
Share-based payments expenses/(Reversal)	(5.26)	168.43
Provision for diminution in value of investments In subsidiaries	46.76	-
Net (gain)/loss arising on derivative instruments measured at fair value through profit or loss	78.49	(5.01)
Net unrealised exchange (gain)/loss	(33.91)	10.60
Total non cash adjustments	**1,379.91**	**1,125.90**
Operating cashflow before changes in working capital	**3,034.82**	**2,885.81**
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets:		
Inventories	(1,103.46)	(40.64)
Trade receivables	610.97	(692.82)
Financial assets	122.06	477.50
Non financial assets	(714.11)	9.80
Adjustments for increase/(decrease) in operating liabilities:		
Trade payable	(625.68)	3,012.31
Non financial liabilities	(6.33)	(18.52)
Financial liabilities	52.45	(34.24)
Provisions	20.74	31.26
	(1,643.36)	**2,744.65**
Cash generated from operations	**1,391.46**	**5,630.46**
Net income tax (paid)/refunds (net)	(246.66)	(424.60)
Net cash flow generated from operating activities (A)	**1,144.80**	**5,205.86**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment (including capital work in progress) and intangible assets.	(4,000.99)	(2,597.04)
Proceeds from disposal of property, plant and equipment	0.86	79.19
Movement in other bank balances	1,297.62	(1,569.60)
Purchase of Current investments - Mutual Funds	(17,907.07)	(11,880.71)
Sale of Current Investments - Mutual Funds	17,803.70	10,893.22
Interest received	69.43	119.55
Net cash flow (used in) investing activities (B)	**(2,736.45)**	**(4,955.39)**

Standalone Statement of Cash Flows
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

Particulars	Year 2024-25	Year 2023-24
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (including securities premium) and share application money	100.42	2,675.67
QIP share issue expenses	-	(105.37)
Proceeds from long term borrowings	500.00	-
Repayment of long term borrowings	(1,303.40)	(96.60)
Proceeds from/(repayment of) short term borrowings (net)	1,977.73	(2,217.93)
Interest paid	(172.90)	(207.35)
Repayment of Lease Liabilities	(21.21)	(20.53)
Dividends paid	(165.94)	(132.79)
Net cash flow (used in)/generated from financing activities (C)	**914.70**	**(104.90)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(676.95)**	**145.57**
Cash and cash equivalents at the beginning of the year	852.00	690.28
Addition on account of business combination (refer note 44)	-	16.15
Cash and cash equivalents at the end of the year	**175.05**	**852.00**
Components of cash and cash equivalents (refer note 10A):		
Cash on hand	1.93	2.48
Balances with bank in current account	173.12	239.52
Fixed deposit (original maturity within 3 months)	-	610.00
Cash and cash equivalents at the end of year	**175.05**	**852.00**

The accompanying notes form an integral part of the standalo ne financial statements 1 to 51

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. 117366W/W-100018

Falguni Bhor
Partner
Membership No: 111787

Mumbai
May 20, 2025

For and on behalf of the Board of Directors
Laxmi Organic Industries Limited
CIN: L24200MH1989PLC051736

Ravi Goenka
Executive Chairman
DIN: 00059267

Dr. Rajan Venkatesh
Managing Director & CEO
DIN: 10057058

Mahadeo Karnik
Chief Financial Officer

Aniket Hirpara
Company Secretary
M. No. ACS18805

Mumbai
May 20, 2025

Standalone Statement of Changes in Equity

for the year ended March 31, 2025

(All figures are rupees in Mn unless otherwise stated)

A EQUITY SHARE CAPITAL

Particulars	As at March 31, 2025			As at March 31, 2024		
	Number of shares	Face value (₹)	₹ Mn	Number of shares	Face value (₹)	₹ Mn
Opening balance	27,57,80,785	2	551.56	26,51,76,208	2	530.35
Fresh issue of shares (refer note 11)	12,43,028	2	2.49	1,06,04,577	2	21.21
Closing balance	**27,70,23,813**	**2**	**554.05**	**27,57,80,785**	**2**	**551.56**

B OTHER EQUITY

Particulars	Capital Reserve	Capital Redemption Reserve	Securities Premium	Share Application Money Pending Allotment	Amalgamation Adjustment Deficit	Share based payment reserve	General Reserve	Retained Earnings	Total
Balance as at April 01, 2023	**5.50**	**50.29**	**5,010.03**	**-**	**(118.68)**	**252.77**	**49.01**	**8,418.69**	**13,667.61**
Reserves taken over on business combination (refer note 44)	-	-	-	-	-	-	-	(79.15)	(79.15)
Balance as at April 01, 2023	**5.50**	**50.29**	**5,010.03**	**-**	**(118.68)**	**252.77**	**49.01**	**8,339.54**	**13,588.46**
Profit for the year	-	-	-	-	-	-	-	1,273.70	1,273.70
Other Comprehensive Income	-	-	-	-	-	-	-	5.07	5.07
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,278.77**	**1,278.77**
Dividend paid on equity shares	-	-	-	-	-	-	-	(132.79)	(132.79)
Issue Expenses - QIP	-	-	(105.27)	-	-	-	-	-	(105.27)
Issued during Year - QIP	-	-	2,571.95	-	-	-	-	-	2,571.95
Issue of equity shares on exercise of ESOP	-	-	82.50	-	-	-	-	-	82.50
Transfer on exercise of ESOP by employees	-	-	160.72	-	-	(160.72)	-	-	-
ESOP compensation cost	-	-	-	-	-	168.43	-	-	168.43
Balance as at March 31, 2024	**5.50**	**50.29**	**7,719.93**	**-**	**(118.68)**	**260.48**	**49.01**	**9,485.53**	**17,452.05**
Profit for the year	-	-	-	-	-	-	-	1,180.21	1,180.21
Other Comprehensive Income	-	-	-	-	-	-	-	6.27	6.27
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,186.48**	**1,186.48**
Dividend paid on equity shares	-	-	-	-	-	-	-	(165.94)	(165.94)
Share Application Money Pending Allotment	-	-	-	3.43	-		-	-	3.43
Issue of equity shares on exercise of ESOP	-	-	169.32	-	-	(74.83)	-	-	94.49
ESOP compensation cost	-	-	-	-	-	(5.26)	-		(5.26)
Balance as at March 31, 2025	**5.50**	**50.29**	**7,889.25**	**3.43**	**(118.68)**	**180.39**	**49.01**	**10,506.06**	**18,565.25**

The accompanying notes form an integral part of the standalone financial statements 1 to 51

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. 117366W/W-100018

For and on behalf of the Board of Directors
Laxmi Organic Industries Limited
CIN: L24200MH1989PLC051736

Falguni Bhor
Partner
Membership No: 111787

Ravi Goenka
Executive Chairman
DIN: 00059267

Dr. Rajan Venkatesh
Managing Director & CEO
DIN: 10057058

Mahadeo Karnik
Chief Financial Officer

Aniket Hirpara
Company Secretary
M. No. ACS18805

Mumbai
May 20, 2025

Mumbai
May 20, 2025

Statement of material accounting policies and other related notes to standalone financial statements

A. COMPANY OVERVIEW

Laxmi Organic Industries Limited (the Company) was established in 1989 and is primarily engaged in the business of manufacturing of acetyl intermediates and specialty chemicals. The Company is a public limited company incorporated and domiciled in India having its registered office at A-22/2/3, MIDC, Mahad, Raigad – 402 039, Maharashtra, India.

Pursuant to the scheme of merger between the Company and Yellowstone Fine Chemicals Private Limited(YFCPL/Transferor Company) approved by the Honourable NCLT vide its order dated February 27, 2025, the Assets and Liabilities of the transferor company has been incorporated into these Financial Statements.

B. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- The financial statements of the Company comprises the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity, the Statement of Cash Flows for the year ended March 31, 2025, the Summary of Statement of Material Accounting policies, and other explanatory information (collectively, the "Financial Statements"), as approved by the Board of Directors of the Company at their meeting held on May 20, 2025.
- These financial statements have been prepared in accordance with the Companies (Indian Accounting Standards), Rules, 2015, as amended (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013.
- These financial statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments, which are measured at fair values, which are disclosed in the financial statements.
- Accounting policies have been consistently applied except where newly issued India accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
- The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest Mn, except otherwise indicated.

C. KEY ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

- The preparation of financial statements requires management's judgments, estimates and assumptions that impacts the reported amounts of revenues, expenses, assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the accompanying notes thereon. Uncertainty about these assumptions and estimates could result in outcomes that might require a material adjustment to the carrying amount of assets or liabilities in future periods.
- **Estimates:**

  Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.
- **Judgments:**

  The Company's management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements, while formulating the Company's accounting policies:

  a. Income taxes:

  The Company is eligible for 100% tax holiday under section 80-IA of the Income Tax Act, 1961. As a result, timing differences arising and reversing during the tax holiday period are not recognised by the Company.

  b. Defined benefit plans (gratuity benefits):

  The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Statement of material accounting policies and other related notes to standalone financial statements (Contd.)

c. Useful lives of property, plant and equipment:

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

d. Impairment of property, plant and equipment:

For property, plant and equipment and intangibles, an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

e. Impairment of investment in subsidiaries:

For determining whether the investments in subsidiaries and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Company has estimated the future cash flows, capacity utilisation, operating margins and other factors of the underlying businesses / operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of investments.

f. Inventories:

The Company estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

g. Recognition and measurement of other provisions:

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

h. Leases:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

D. RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company with effect from April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any impact in its Financial Statements.

On May 7, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025. The Company is currently assessing the probable impact of these amendments on its financial statements.

E. SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

The Company classifies all other assets as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

b) Property, plant and equipment (PPE):

- Property, plant and equipment are stated at cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes, commissioning expenses, etc. up to the date the asset is ready for its intended use. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognises the replaced part, and recognises the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria is satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.
- Long-term lease arrangements of land are treated as property, plant and equipment, in case such arrangements result in transfer of control and the present value of the lease payments is likely to represent substantially all of the fair value of the land.
- Capital work-in-progress represents expenditure incurred on capital assets that are under construction or are pending capitalisation and includes project expenses pending allocation. Project expenses pending allocation are apportioned to the property, plant and equipment of the project proportionately on capitalisation.
- Borrowing costs on property, plant and equipment's are capitalised when the relevant recognition criteria specified in Ind AS 23 Borrowing Costs is met.
- Decommissioning costs, if any, on property, plant and equipment are estimated at their present value and capitalised as part of such assets.
- An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement.
- Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when 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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- The residual values and useful lives of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

c) Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for

Statement of material accounting policies and other related notes to standalone financial statements (Contd.)

impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss.

d) **Depreciation methods, estimated useful lives and residual value:**

Depreciation on all assets of the Company is charged on written down value over the useful life of assets mentioned in Schedule II to the Companies Act, 2013. Lease hold land is amortised over the period of lease.

e) **Borrowing costs:**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

In determining the amount of borrowing costs eligible for capitalisation during a period, any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred.

f) **Impairment of non-financial assets:**

On annual basis, the Company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value.

An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

The recoverable amount is the higher between an asset's fair value less sale costs and value in use. For the purposes of assessing impairment, assets are grouped together at the lowest level for which there are separately identifiable cash flows (cash-generating units).

g) **Inventories:**

Items of inventories are valued at lower of cost and estimated net realisable value as given below.

i. **Raw materials and packing materials:**

Raw materials and packing materials are valued at lower of cost and market value, (cost is net of taxes, wherever applicable). However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Costs are determined on weighted average method.

ii. **Work-in-progress:**

Work in progress is valued at the lower of cost and net realisable value. The cost is computed on weighted average method and includes cost of materials, cost of conversion and other costs incurred.

iii. **Finished goods:**

Finished goods are valued at lower of cost or net realisable value. The cost is computed on weighted average method and includes cost of materials, cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition.

iv. **Stores and spares:**

Stores and spare parts are valued at lower of purchase costs or net realisable value.

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The cost is determined based on weighted average method.

v. **Traded goods:**

Traded goods are valued at lower of purchase cost or net realisable value.

h) **Cash and cash equivalents:**

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments net of bank overdrafts which are repayable on demand as these form an integral part of the Company's cash management.

i) **Foreign currency translation:**

The Company's financial statements are presented in ₹, which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences arising out of foreign exchange translations and settlements of monetary items during the year are recognised in the Statement of Profit and Loss.

Non-monetary items, which are carried at historical cost denominated in a foreign currency, are reported using the exchange rates at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference.

j) **Provisions, contingent liabilities and contingent assets:**

A. **Provisions**

The Company recognises a provision when: it has a present legal or constructive obligation as a result of past events, it is likely that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

B. **Contingent liabilities**

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

C. **Contingent assets**

Contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

k) **Employee share – based payment plans ('ESOP'):**

The Company recognises compensation expense relating to share based payments in accordance with Ind AS 102-Share based Payment. For share entitlement granted by the Company to its employees, the estimated fair value as determined on the date of grant, is charged to the Statement of Profit and Loss on a straight-line basis over the vesting period and assessment of performance conditions if any, with a corresponding increase in equity. The increase in equity recognised in connection with share-based payment transaction is presented as a separate component in equity under "Share based payment reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest. The cumulative accumulation in the Share based payment reserve in respect of options exercised are transferred to Securities Premium.

l) **Fair value measurement:**

The Company measures financial instruments such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- **Level 1 -** Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2 -** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- **Level 3 -** inputs that are unobservable for the asset or liability.

For assets and liabilities that are recognised in the Financial Statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period and discloses the same.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

m) Financial instruments

A. Financial assets:

i. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost. However, trade receivables that do not contain a significant financing component are measured at transaction price.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at Fair Value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments, which are held for trading, are classified as at fair value through profit and loss ("FVTPL"). For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at fair value through other comprehensive income ("FVTOCI"), then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

All other financial assets are measured at fair value through profit or loss.

iii. Derecognition of financial instruments

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,

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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.

iv. **Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model to the financial assets measured at amortised cost.

Expected credit losses are measured through a loss allowance at an amount equal to:

- the twelve months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within twelve months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).
- The Company follows 'simplified approach' for recognition of impairment loss allowance on:
- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of 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. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on twelve months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

B. Financial liabilities

i. **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

ii. **Subsequent measurement**

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

a. Financial liabilities at fair value through profit or loss

b. 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. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

iii. **Loans and borrowings:**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

iv. **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 cumulative amortisation.

v. **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or is 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.

vi. **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

C. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively.

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 statement of profit and loss

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n) Revenue

A. Revenue from operations:

The Company earns revenue primarily from sale of chemicals.

Revenue is recognised at the transaction price upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is recognised at point in time when the performance obligation with respect to sale of chemicals or rendering of services to the customer which is the point in time when the customer receives the goods and services.

Revenue from related parties is recognised based on transaction price which is at arm's length.

Revenue is measured at the transaction price received or receivable, after the deduction of any trade discounts, volume rebates, sales return on transfer of control in respect of ownership to the buyer which is generally on dispatch of goods and any other taxes or duties collected on behalf of the government which are levied on sales such as Goods and Services Tax (GST). Discounts given include rebates, price reductions and other incentives given to customers. No element of financing is deemed present as the sales are made with a payment term which is consistent with market practice.

Revenue from services is recognised when all relevant activities are completed and the right to receive income is established. This is applicable in case of job work services given by the Company to the customers.

The Company disaggregates revenue from sale of goods or rendering of services with customers by product classification, geographical region and customer category.

B. Other operating income & Other income

- Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability. In respect of incentives attributable to the export of goods, the Company following the accounting principle of matching revenue with the cost has recognised export incentive receivable when all conditions precedent to the eligibility of benefits have been satisfied and when it is reasonably certain of deriving the benefit. Since these schemes are meant for neutralisation of duties and taxes on inputs pursuant to exports, the same are grouped under material costs.

  The other export incentives that do not arise out of neutralisation of duties and taxes are disclosed under other operating revenue.

- Revenue in respect of Insurance /other claims, commission etc. are recognised only when it is reasonably certain that the ultimate collection will be made.

- Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

- Dividend income is recognised when the right to receive the same is established.

- Current investments are marked to market at the end of the relevant period and the resultant gains or losses are recognised in the Income statement.

- For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

- Insurance claim are accounted when the right to receive is established and the claim is admitted by the surveyor

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o) Employee benefits

All employee benefits payable wholly within twelve months rendering services are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity, a defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/ period on projected unit credit method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognised in the statement of profit and loss in the period of plan amendment.

The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
- Net interest expense or income.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are payable as a result of the Company's decision to terminate employment before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises these benefits when it has demonstrably undertaken to terminate current employees' employment in accordance with a formal detailed plan that cannot be withdrawn, or to provide severance indemnities as a result of an offer made to encourage voluntary redundancy. Benefits that will not be paid within twelve months of the balance sheet date are discounted to their present value.

Termination benefits are recognised as an expense in the period in which they are incurred.

p) Income Taxes:

Tax expenses comprise current tax and deferred tax:

i. Current tax:

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/ appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii. Deferred tax:

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amount in the standalone financial statement for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or liability settled, based on the tax rates (tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of major components of deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

iii. MAT credit:

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as a deferred tax asset only to the extent that there is reasonable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The MAT credit to the extent there is reasonable certainty that the Company will utilise the credit is recognised in the statement of profit and loss and corresponding debit is done to the deferred tax asset as unused tax credit.

q) Leases

As a lessee

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 assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or 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 lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

Short-term leases and leases of low-value assets the Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss.

r) Research and development:

Revenue expenditure on research and development is charged to statement of profit and loss in the year in which it is incurred. Capital expenditure on research and development is considered as an addition to property, plant & equipment / intangible assets.

s) Earnings per share:

Earnings per share are calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

t) Dividend distribution

Dividend distribution to the equity holders is recognised as a liability in the Company's annual accounts in the year in which the dividends are approved by the Company's equity holders.

u) Trade payables & trade receivables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at transaction value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

v) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

w) Business Combinations

Business Combinations are accounted for using Ind AS 103 'Business Combination'. Acquisitions of businesses are accounted for using the acquisition method unless the transaction is between entities under common control.

Business Combinations arising from transfer of interests in entities that are under common control, are accounted using pooling of interest method wherein, assets and liabilities of the combining entities are reflected at their carrying value. No adjustment is made to reflect fair values, or recognise any new assets or liabilities other than those required to harmonise accounting policies.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

(All figures are rupees in Mn unless otherwise stated)

1A PROPERTY, PLANT AND EQUIPMENT

Class of Assets	Freehold Land	Land under lease	Factory building	Non factory building	Plant and equipment	Furniture & fixtures	Office equipments	Computers	Vehicles	Windmill	Total
Cost											
As at April 01, 2023	1,016.10	192.71	1,483.13	246.94	6,576.07	71.45	24.23	30.97	78.82	22.32	9,742.74
Additions on account of Business Combination (refer note (d) and 44)	42.03	-	-	-	39.09	0.23	0.32	0.46	-	-	82.13
Reinstated balance as at April 01, 2023	**1,058.13**	**192.71**	**1,483.13**	**246.94**	**6,615.16**	**71.68**	**24.55**	**31.43**	**78.82**	**22.32**	**9,824.87**
Additions during the year	-	125.38	727.10	13.87	1,777.38	12.28	43.23	4.90	39.74	-	2,743.88
Disposals/ Adjustments during the year	-	-	-	-	-	-	-	-	15.55	-	15.55
As at March 31, 2024	**1,058.13**	**318.09**	**2,210.23**	**260.81**	**8,392.54**	**83.96**	**67.78**	**36.33**	**103.01**	**22.32**	**12,553.20**
Additions during the year	-	362.11	721.60	140.36	2,757.49	121.34	46.73	6.75	-	-	4,156.38
Disposals/ Adjustments during the year	-	-	-	-	42.53	-	-	-	5.49	-	48.02
As at March 31, 2025	**1,058.13**	**680.20**	**2,931.83**	**401.16**	**11,107.51**	**205.30**	**114.51**	**43.08**	**97.52**	**22.32**	**16,661.56**
Accumulated depreciation											
As at April 01, 2023	-	7.83	296.13	87.33	2,312.21	43.69	19.40	25.45	44.92	13.36	2,850.32
Additions on account of Business Combination (refer note (d) and 44)	-	-	-	-	13.15	0.10	0.15	0.39	-	-	13.79
Reinstated balance as at April 01, 2023	**-**	**7.83**	**296.13**	**87.33**	**2,325.36**	**43.79**	**19.55**	**25.84**	**44.92**	**13.36**	**2,864.11**
Charge for the Year	-	3.70	159.98	9.52	821.71	7.78	15.81	4.06	15.10	1.14	1,038.80
Disposals/ Adjustments during the year	-	-	-	-	4.40	-	-	-	13.35	-	17.75
As at March 31, 2024	**-**	**11.53**	**456.11**	**96.85**	**3,142.67**	**51.57**	**35.36**	**29.90**	**46.67**	**14.50**	**3,885.16**
Charge for the Year	-	7.71	190.36	11.81	933.86	12.84	19.40	4.08	17.37	0.99	1,198.42
Disposals/ Adjustments during the year	-	-	-	-	2.37	-	-	-	5.10	-	7.47
As at March 31, 2025	**-**	**19.24**	**646.47**	**108.66**	**4,074.16**	**64.41**	**54.76**	**33.98**	**58.94**	**15.49**	**5,076.11**
NET BLOCK											
As at March 31, 2024	**1,058.13**	**306.56**	**1,754.12**	**163.96**	**5,249.87**	**32.39**	**32.42**	**6.43**	**56.34**	**7.82**	**8,668.04**
As at March 31, 2025	**1,058.13**	**660.96**	**2,285.36**	**292.50**	**7,033.35**	**140.89**	**59.75**	**9.10**	**38.58**	**6.83**	**11,585.45**

Notes:

(a) Details of immovable property which are not in the name of the Company:

The title deeds of all immovable properties transferred under the amalgamation schemes which are yet to be transferred in the name of the Company as at March 31, 2025 and as at March 31, 2024 are as detailed hereunder

Class of Property, Plant and Equipment	Description of item of property	Gross Block (₹ in Mn)	Title deeds held in the name of	Property held since which date	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Reason for not being held in the name of the Company
Land under lease	Land Colony	2.68	Yellowstone Chemicals Private Limited (YCPL)	NCLT Order Dated August 25, 2022 Appointed Date October 02, 2021	NA	Acquisition on business combination vide NCLT Order dated September 12, 2022. Name transfer process has been initiated vide letter dated November 17, 2022.
Land under lease	Land Factory	20.90				
Land under lease	Land Factory	13.60				
Free hold land	Land Factory	42.03	Yellowstone Fine Chemicals Private Limited (YFCPL)	NCLT Order Dated February 27, 2025 Appointed Date April 01, 2024	NA	Acquisition on business combination vide NCLT Order dated February 27, 2025. Stamp duty adjudication process has been initiated.
Land under lease	Land Factory	88.06				
Land under lease	Land Factory	37.32				
Total		**204.59**				

(b) During the previous year, the Company acquired land and buildings as part of its expansion plans. Buildings requiring modification and alterations to prepare them for their intended use are classified as Capital Work in Progress (CWIP). There are no buildings acquired during the current year.

(c) During the previous year, depreciation on assets utilised in association with the expansion plans was recorded as project expenses pending allocation amounting to ₹ 10.32 Mn and charged to Capital Work in Progress (CWIP).

(d) Additions to the gross block and accumulated depreciation as of April 01, 2023, represent the amounts recorded pursuant to the amalgamation of Yellow Stone Fine Chemicals Private Limited (YFCPL), a wholly-owned subsidiary, with the Company. This amalgamation, being a business combination under common control, has been accounted for in accordance with Appendix C of Ind AS 103. Furthermore, additions to the gross block and accumulated depreciation for the financial year ended March 31, 2024, reflect the combined effect of capital additions made by both the Company and the transferor entity, YFCPL.

(e) Impairment assessment by the Management of certain tangible assets, intangible assets and Capital work-in-progress (CWIP) related to Electro Chemical Fluorination (ECF) used for manufacturing chemicals

The Company has carried out a review of recoverable amount in respect of certain tangible assets, intangible assets and capital work-in-progress (CWIP) considering decline in performance, among other internal factors. The assessment was based on the management's business plans and projections which were approved by the Board of Directors. The key assumptions used for computation of value-in-use were sales growth rate, gross profit margins, long-term growth rate (cash flows beyond the 5 years period are extrapolated using the estimated long-term growth rate) and the risk-adjusted pre-tax discount rate. The discount rates were derived from the Company's weighted average cost of capital, taking into account the cost of capital, to which specific market-related premium adjustments are made. The Company had performed sensitivity analysis by changing the variables independently, keeping the other variables constant, based upon which, there would be no material impairment charge which would impact the decision of the users of the standalone financial statements.

The carrying value of above mentioned assets is as follows:

Particulars	As at March 31, 2025
Tangible assets	3,548.40
Intangible assets	4.65
CWIP	1,662.26
Total	**5,215.31**

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(f) Details of additions made during the year w.r.t research and development

Particulars	Year 2024-25	Year 2023-24
Factory building	-	0.06
Non Factory buildings	88.45	-
Plant and equipment	116.73	1.28
Computers	0.25	-
Furniture and fixtures	47.84	-
Office equipment	7.68	-
Capital work-in-progress	2.97	35.36
Laboratory equipment	91.14	-
Total	**355.06**	**36.70**

1B RIGHT OF USE ASSETS

Class of Assets	Building	Total
Cost		
As at April 01, 2023	118.74	118.74
Additions on account of Business Combination	-	-
Reinstated balance as at April 01, 2023	118.74	118.74
Additions	8.07	8.07
Disposals/adjustments	-	-
As at March 31, 2024	**126.81**	**126.81**
Additions	-	-
Disposals/adjustments	-	-
As at March 31, 2025	**126.81**	**126.81**
Accumulated Amortisation		
As at April 01, 2023	73.31	73.31
Additions on account of Business Combination	-	-
Reinstated balance as at April 01, 2023	**73.31**	**73.31**
Amortisation expenses for the year	19.70	19.70
Disposals/adjustments	-	-
As at March 31, 2024	**93.01**	**93.01**
Amortisation expenses for the year	20.06	20.06
Disposals/adjustments	-	-
As at March 31, 2025	**113.07**	**113.07**
NET BLOCK		
As at March 31, 2024	**33.80**	**33.80**
As at March 31, 2025	**13.74**	**13.74**

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

2 CAPITAL WORK-IN-PROGRESS

Particulars	Opening balance	Additions on account of Business Combination (refer note c)	Addition during the year	Transfer to property, plant and equipment	Closing balance refer note 1A(e)
As at March 31, 2025	4,585.54	-	3,173.74	3,570.99	4,188.29
As at March 31, 2024	878.59	3,732.12	2,680.08	2,705.25	4,585.54

Notes:

(a) CWIP Ageing Schedule

As at March 31, 2025

CWIP for a period of	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,623.56	303.90	260.83	-	4,188.29
Projects temporarily suspended	-	-	-	-	-
	3,623.56	**303.90**	**260.83**	**-**	**4,188.29**

As at March 31, 2024

CWIP for a period of	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2,320.49	2,260.53	2.81	1.71	4,585.54
Projects temporarily suspended	-	-	-	-	-
	2,320.49	**2,260.53**	**2.81**	**1.71**	**4,585.54**

(b) Details of Capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

As at March 31, 2025

Project Code	Amount of CWIP to be completed in				
	Less than 1 year	1-2 years	2-3 years	> 3 years	Grand Total
YFCPL	1,620.97	-	-	-	**1,620.97**
LOIL-22-260M-32	43.93	-	-	-	**43.93**
LOIL-23-110M-02	39.84	-	-	-	**39.84**
LOIL-23-120M-23	24.03	-	-	-	**24.03**
LOIL-23-120M-20	21.09	-	-	-	**21.09**
LOIL-23-120M-16	19.53	-	-	-	**19.53**
LOIL-24-260C-04	36.82		-	-	**36.82**
Others (Individually less than 5%)	63.66	-	-	-	**63.66**
Total	**1,869.87**	**-**	**-**	**-**	**1,869.87**

As at March 31, 2024

Project Code	Amount of CWIP to be completed in				
	Less than 1 year	1-2 years	2-3 years	> 3 years	Grand Total
YFCPL	3,133.57	-	-	-	**3,133.57**
CEBC-ADMINBLOCKU2	73.98	-	-	-	**73.98**
LOIL-22-130P-08	41.25	-	-	-	**41.25**
LOIL-22-260M-32	-	43.87	-	-	**43.87**
LOIL-23-110M-02	-	39.84	-	-	**39.84**
LOIL-23-130M-03	42.62	-	-	-	**42.62**
LOIL-23-140M-13	-	68.74	-	-	**68.74**
Others (Individually less than 5%)	160.95	27.16	-	-	**188.11**
Total	**3,452.37**	**179.61**	**-**	**-**	**3,631.98**

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(c) Additions to the Capital work-in-progress as of April 01, 2023, represent the amounts recorded pursuant to the amalgamation of Yellow Stone Fine Chemicals Private Limited (YFCPL), a wholly-owned subsidiary, with the Company. This amalgamation, being a business combination under common control, has been accounted for in accordance with Appendix C of Ind AS 103. Furthermore, additions to the Capital work-in-progress for the financial year ended March 31, 2024, reflect the combined effect of additions made by both the Company and the transferor entity, YFCPL.

3 OTHER INTANGIBLE ASSETS

Class of Assets	Patents *	Softwares	Total
Cost			
As at April 01, 2023	-	26.05	26.05
Additions on account of Business Combination	-	-	-
Reinstated balance as at April 01, 2023	**-**	**26.05**	**26.05**
Additions	9.17	2.30	11.47
Disposals/Adjustments	-	-	-
As at March 31, 2024	**9.17**	**28.35**	**37.52**
Additions	-	1.75	1.75
Disposals/adjustments	-	-	-
As at March 31, 2025	**9.17**	**30.10**	**39.27**
Accumulated Amortisation			
As at April 01, 2023	-	21.56	21.56
Additions on account of Business Combination	-	-	-
Reinstated balance as at April 01, 2023	**-**	**21.56**	**21.56**
Amortisation expenses for the year	0.70	2.08	2.78
Disposals/adjustments	-	-	-
As at March 31, 2024	**0.70**	**23.64**	**24.34**
Amortisation expenses for the year	3.82	2.64	6.46
Disposals/adjustments	-	-	-
As at March 31, 2025	**4.52**	**26.28**	**30.80**
NET BLOCK			
As at March 31, 2024	**8.47**	**4.71**	**13.18**
As at March 31, 2025	**4.65**	**3.82**	**8.47**

*Refer note 1A (e)

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

4A INVESTMENTS- NON - CURRENT

	Particulars	As at March 31, 2025	As at March 31, 2024
A	**Investments in equity Instruments- Subsidiaries**		
(a)	**Unquoted equity shares in Subsidiaries (measured at cost)**		
i)	Laxmi Organic Industries (Europe) B.V. of Euro 100 each (180 shares (March 31, 2024: 180 shares))	1.26	1.26
ii)	Laxmi Speciality Chemicals (Shanghai) Co. Limited of RMB 3,00,000 each (1 share (March 31, 2024: 1 share))	2.98	2.98
iii)	Cellbion Lifesciences Private Limited of ₹ 10 each (10,000 shares (March 31, 2024: 10,000 shares))	39.95	39.95
iv)	Laxmi Italy SRL (80,000 shares of Euro 1 each (March 31, 2024: 80,000 shares of Euro 1 each)) (refer note (b) below)	6.81	6.81
v)	Viva Lifesicences Private Limited of ₹ 10 each (10,000 shares (March 31, 2024: 10,000 shares))	0.10	0.10
vi)	Yellowstone Specialty Chemicals Private Limited of ₹ 10 Each (Nil shares (March 31, 2024: 1,00,000 shares)) (refer note (c) below)	-	1.00
B	**Investments in equity Instruments- Associates**		
	Radiances MH Sunrise Seven Private Limited of ₹ 10 each (15,12,000 shares (March 31, 2024: 15,12,000 shares))	15.12	15.12
C	**Investments in equity Instruments- Limited liability partnership**		
	Cleanwin Energy One LLP (26.04 % Holding in capital)	12.50	12.50
D	**Investments in preference shares (Unquoted measured at cost)**		
i)	4% Cumulative Redeemable Preference Shares in Laxmi Organic Industries (Europe) B.V. of Euro 2,00,000 each (10 shares (March 31, 2024: 10 shares)) (refer note (a) below)	184.65	180.43
		263.37	**260.15**
E	**Provision for diminution in value of investments**		
	Laxmi Italy SRL (refer note b below)	(6.81)	-
	Cellbion Lifesciences Private Limited	(39.95)	-
	Yellowstone Specialty Chemicals Private Limited (refer note (c) below)	-	(1.00)
		(46.76)	(1.00)
Total		**216.61**	**259.15**

Additional information:

Particulars	As at March 31, 2025	As at March 31, 2024
Aggregate value of unquoted investments - At cost	263.37	260.15
Aggregate amount of impairment in value of investments	46.76	1.00

Notes:

(a) Laxmi Organic Industries (Europe) B.V. had issued one cumulative preference share to Laxmi Organic Industries Limited @20,00,000 Euro redeemable on August 28, 2020. The term of the said preference share is further extended from time to time and current validity is expiring on August 28, 2026. On March 22, 2024 share has been split into 10 shares of Euro 2,00,000 each. The above preference shares carry dividend coupon rate of 4% per annum.

(b) During the year, the Company in its board meeting held on October 29, 2024 has passed a resolution to wind up its wholly owned subsidiary, Laxmi Italy SRL. Accordingly, the Company has made full provision against the investment value.

(c) During the previous year, the Company has received approval from the Ministry of Corporate Affairs dated September 21, 2023 confirming the striking-off of Yellowstone Specialty Chemicals Private Limited. In the current year, the Company has written off this investment against the provision made.

(d) Laxmi USA LLC was incorporated on August 31, 2021 by the Company, however capital infusion is not yet made in this entity.

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

4B INVESTMENTS - CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Investments in quoted mutual funds measured at fair value through Profit and Loss		
Mutual Funds	1,453.93	1,230.88
Total Investments in Mutual Funds	**1,453.93**	**1,230.88**

Additional information:

Particulars	As at March 31, 2025	As at March 31, 2024
Aggregate value of quoted investments		
Aggregate value of quoted investments- At cost	1,440.35	1,220.48
Aggregate value of quoted investments- Market value	1,453.93	1,230.88

5A OTHER FINANCIAL ASSETS- NON-CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
(Unsecured considered good unless otherwise stated)		
Security Deposits	83.78	61.44
Loan to staff	1.10	0.79
Fixed deposit with banks (having maturity more than 12 months as margin money with banks)	3.56	8.60
Total	**88.44**	**70.83**

5B OTHER FINANCIAL ASSETS- CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
(Unsecured considered good unless otherwise stated)		
Loan to staff	7.80	1.33
Interest accrued receivable from banks	37.58	22.39
Insurance claim receivable (refer note (a) below)	99.98	200.54
Discount and Incentives Receivable from Vendors	103.31	163.38
Other receivables	15.80	6.35
Total	**264.47**	**393.99**

Notes:

(a) Insurance claim receivable

The insurance claim receivable of ₹ 99.98 Mn is on account of Plant & Machinery amounting to ₹ 63.30 Mn ((March 31, 2024 - ₹ 163.86 Mn) and Project Materials amounting to ₹ 36.68 Mn (March 31, 2024 - ₹ 36.68 Mn)). The management has assessed that, the insurance claim receivable of ₹ 99.98 Mn as at March 31, 2025 is recoverable.

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

6 INCOME TAX ASSETS (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance Payment of Income Tax (net)	20.98	25.58
(net of provision for income tax ₹ 43.70 Mn (March 31, 2024- ₹ 681.02 Mn)		
Income Tax Assets (Net)	**20.98**	**25.58**

7A OTHER ASSETS- NON-CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances	500.94	82.16
Prepaid expenses	10.38	13.39
Balances with government authorities	39.01	50.62
Advance recoverable in cash or kind from related party	0.19	-
Total	**550.52**	**146.17**

7B OTHER ASSETS- CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	108.61	36.13
Balances with government authorities	1,782.32	1,059.24
Advances to suppliers		
- Considered good	139.58	166.77
- Considered doubtful	78.14	71.59
	217.72	**238.36**
Less: Allowance for doubtful advances	(78.14)	(71.59)
	139.58	**166.77**
Export incentives receivable	10.01	1.19
Advances recoverable in cash or kind from related party	37.05	85.70
Total	**2,077.57**	**1,349.03**

Notes:

No advances are due from directors or other officers of the Company or any of them either severally or jointly with any other person.

For details of advances due (if any) from firms or private companies in which any director is a partner, a director or a member, Refer note 39.

8 INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)

Particulars	As at March 31, 2025	As at March 31, 2024
Raw materials	2,311.24	1,531.85
(includes Raw materials-in-transit of ₹ 1.63 Mn (2023-24: ₹ Nil))		
Packing materials	18.14	17.82
Work-in-progress	110.21	57.18
Finished goods	784.63	628.71
Consumable stores and spares	259.77	210.57
Fuels and consumables	102.42	36.82
Total	**3,586.41**	**2,482.95**

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

Notes:

(a) The disclosure of inventories recognised as an expense in accordance with paragraph 36 of Ind AS 2 is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Amount of inventories recognised as an expense	22,077.35	21,736.01
(ii) Amount of write - down of inventories recognised as an expense	9.20	17.59
	22,086.55	**21,753.60**

9 TRADE RECEIVABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables - Unsecured		
- Considered good	5,407.18	6,026.97
- Considered doubtful	45.83	24.27
	5,453.01	**6,051.24**
Less: Allowance for Expected Credit Loss	(45.83)	(24.27)
Total	**5,407.18**	**6,026.97**

Notes:

(a) Expected Credit Loss

Allowance for Expected Credit Loss

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 or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115. 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. The Company estimates impairment under the simplified approach. The impairment amount represents lifetime expected credit loss.

(b) Movement in Allowance for Expected Credit Loss

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	24.27	40.53
Addition during the year	22.55	8.90
Reversal during the year	0.99	25.16
Provision at the end of the year	**45.83**	**24.27**

(c) Trade Receivable Ageing Schedule

(i) As at March 31, 2025

Outstanding for following periods from due date of payment	Undisputed		Total
	Considered Good	Considered doubtful	
Not Due	4,159.75	-	**4,159.75**
Less than 6 months	1,237.06	7.90	**1,244.96**
6 months - 1 year	3.44	20.47	**23.91**
1-2 years	6.93	2.44	**9.37**
2-3 years	-	1.52	**1.52**
More than 3 years	-	13.50	**13.50**
Total	**5,407.18**	**45.83**	**5,453.01**
Less: Allowance for Expected Credit Loss			**45.83**
Total			**5,407.18**

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(ii) As at March 31, 2024

Outstanding for following periods from due date of payment	Undisputed		Total
	Considered Good	Considered doubtful	
Not Due	4,970.50	-	**4,970.50**
Less than 6 months	1,040.65	7.43	**1,048.08**
6 months - 1 year	11.54	-	**11.54**
1-2 years	1.73	0.95	**2.68**
2-3 years	2.55	-	**2.55**
More than 3 years	-	15.89	**15.89**
Total	**6,026.97**	**24.27**	**6,051.24**
Less: Allowance for Expected Credit Loss			**24.27**
Total			**6,026.97**

(iii) There are no disputed trade receivable as at March 31, 2025 and as at March 31, 2024.

(d) Debts due by directors and other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any Director is partner or director or member.

Name of the related party	As at March 31, 2025	As at March 31, 2024
Maharashtra Aldehydes & Chemicals Ltd. (refer note 39)	13.66	8.75
Total	**13.66**	**8.75**

(e) There are no outstanding trade receivables from any directors or other officers of the Company or any of them either severally or jointly with any other person.

10A CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks-current accounts	173.12	239.52
Deposits with original maturity of less than 3 months	-	610.00
Cash on hand	1.93	2.48
Total	**175.05**	**852.00**

10B BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed deposit (from IPO proceeds)	245.27	377.41
Fixed deposit (from QIP proceeds)	500.00	1,488.76
Unspent CSR Bank Account	6.99	13.24
Fixed deposit against margin money*	13.90	179.33
Total	**766.16**	**2,058.74**
Total	**941.21**	**2,910.74**

*The Fixed Deposit against margin money are kept for non-fund based facility.

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

11 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2025	As at March 31, 2024
i) Authorised shares:		
63,00,00,000 equity shares of face value of ₹ 2/- each (Refer note below) (March 31, 2024: 38,00,00,000 equity share of face value of ₹ 2/- each)	1,260.00	760.00
	1,260.00	**760.00**

Note: As per of Scheme of amalgamation (Refer Note 44) and pursuant to NCLT Order filed by the Company with the Registrar of the Companies, Mumbai vide form INC-28, the Authorised Share Capital of the Company stand increased to ₹ 1,260 Mn made up of 63,00,00,000 Equity Shares of ₹ 2/- each.

Particulars	As at March 31, 2025	As at March 31, 2024
ii) Issued, subscribed and paid-up shares:		
27,70,23,813 equity shares of face value of ₹ 2/- each (March 31, 2024: 27,57,80,785 equity shares of face value of ₹ 2/- each)	554.05	551.56
	554.05	**551.56**

Notes:

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Balance as at the beginning of the year	27,57,80,785	551.56	26,51,76,208	530.35
Share application money	-	-	-	-
Fresh issue during the year	-	-	-	-
Shares issued on exercise of employee stock options during the year (refer note 38)	12,43,028	2.49	1,06,04,577	21.21
Balance as at the end of the year	**27,70,23,813**	**554.05**	**27,57,80,785**	**551.56**

All the shares are at face value of ₹ 2/- each in current and previous year.

(b) Initial Public Offer

In 2020-21, the Company had completed the Initial public offer ("The Offer/IPO") of 4,61,53,846 equity shares of face value of ₹ 2/- each at a price of ₹ 130/- per share (including a premium of ₹ 128/- per share) aggregating to ₹ 6,000.00 Mn.

The Offer comprised of a fresh issue of 2,30,76,923 equity shares aggregating to ₹ 3,000.00 Mn and an offer for sale of 2,30,76,923 equity shares aggregating to ₹ 3,000.00 Mn by Yellow Stone Trust.

The Company also did private placement of 1,55,03,875 equity shares of face value of ₹ 2/- each at a price of ₹ 129/- per share (including a premium of ₹ 127/- per share) aggregating to ₹ 2,000.00 Mn ("Pre-IPO Placement").

Total securities premium received from IPO and pre IPO placement is ₹ 4,922.84 Mn and was reduced by the Company's share of IPO related expenses of ₹ 156.99 Mn which resulted into net receipt of securities premium of ₹ 4,765.85 Mn.

Pursuant to the IPO, the equity shares of the Company got listed on BSE Limited and NSE limited on March 25, 2021.

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(i) Utilisation of IPO proceeds (gross of IPO expenses) as per the Prospectus are as follows as at March 31, 2025 and March 31, 2024

Particulars	Planned as per Prospectus	Spent upto 2023-24	Utilisation in 2023-24	Utilisation in 2024-25	Balance up to March 31, 2025 (*#)
i) Prepayment or repayment of all or a portion of certain outstanding borrowings availed by the Company and Viva Lifesciences Private Limited	1,729.25	1,729.25	-	-	-
ii) Funding working capital requirements of the Company	351.78	351.78	-	-	-
iii) Funding capital expenditure requirements for expansion of the Speciality Intermediates ("SI") Manufacturing Facility	910.63	910.63	-	-	-
iv) Purchase of plant and machinery for augmenting infrastructure development at the SI Manufacturing Facility	125.65	125.65	-	-	-
v) General corporate purposes (net of issue expenses)*	745.02	745.02	-	-	-
vi) Investment in Yellowstone Fine Chemical Private Limited ("YFCPL") for part-financing its capital expenditure requirements in relation to the setting up of the proposed facility	604.04	604.04	-	-	-
vii) Offer related expenses in relation to the Fresh Issue	156.22	156.22	-	-	-
viii) Investment in YFCPL for funding its working capital requirements	377.41	-	-	132.13	245.28
Total	**5,000.00**	**4,622.59**	**-**	**132.13**	**245.28**

*There had been a saving in the original estimate of IPO issue expenses (Company's share) of ₹ 43.58 Mn which has resulted in increase in total available fund net off expenses from ₹ 4,799.94 Mn to ₹ 4,843.52 Mn. This amount is adjusted in general corporate purposes.

Further the actual utilisation towards repayment of loan was lower by ₹ 63.94 Mn and in terms of our prospectus we are entitled to allocate such amount to general corporate purposes so long as the allocation does not result in general corporate purpose exceeding 25%. This has resulted in general corporate purpose increasing from ₹ 637.29 to ₹ 744.76 Mn.

*#Balance of IPO proceeds as at March 31, 2025 and as at March 31, 2024 which are kept in fixed deposit and bank balance are shown under Bank Balances other than cash and cash equivalents (refer note 10B).

(c) Qualified Institutional Placement

On October 10, 2023, the Company had completed the Qualified Institutional Placement offer ("QIP") of 96,25,579 equity shares of face value of ₹ 2/- each at a price of ₹ 269.20/- per share (including a premium of ₹ 267.20/- per share) aggregating to ₹ 2,591.21 Mn.

Total securities premium received from QIP placement is ₹ 2,571.95 Mn and was reduced by the Company's share of QIP related expenses of ₹ 105.37 Mn which resulted into net receipt of securities premium of ₹ 2,485.82 Mn.

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(i) Utilisation of QIP proceeds (Gross of QIP expenses) as per the Placement Document are as follows as at March 31, 2025 and March 31, 2024

	Particulars	Planned as per Placement Document	Actual bifurcation	Utilisation in 2023-24	Utilisation in 2024-25	Balance up to March 31, 2025
i)	Funding the capital expenditure requirements for setting up of the new innovation centre at plot bearing number A-309 located at Mahape, MIDC ("Mahape")	360.01	360.01	66.14	156.70	137.17
ii)	Funding the capital expenditure requirements of our Company for setting up of the new manufacturing facility at village Jolva and Vadadla, Bharuch, Gujarat ("Dahej")	1,619.66	1,619.66	9.51	906.82	703.33
iii)	General Corporate Purposes**	500.97	506.05	506.05	-	-
iv)	Offer related expenses in relation to the Fresh Issue	110.57	105.49	105.49	-	-
Total		**2,591.21**	**2,591.21**	**687.19**	**1,063.52**	**840.50**

**There had been a saving of ₹ 5.08 Mn in the original estimate of QIP issue expenses which has resulted in the increase in total available fund (net off expenses) from ₹ 2,480.64 Mn to ₹ 2,485.82 Mn. This amount is utilised for general corporate purposes, which has resulted in increase from ₹ 500.97 to ₹ 506.05 Mn.

(d) Terms/rights attached to equity shares

The Company has only one class of shares referred to as equity shares having par value of ₹ 2/- each. Holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(e) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	%	Number of shares	%
Ravi Goenka as a Trustee of Yellow Stone Trust	17,67,04,984	63.79%	17,67,04,984	64.07%

(f) Shares held by promoters as at March 31, 2025 and as at March 31, 2024 as defined in the Companies Act, 2013

Sr No	Particulars	As at March 31, 2025		As at March 31, 2024		% change during the year
	Name of the Promoter	No of Shares	% of total shares	No of Shares	% of total shares	
1	Ravi Goenka	18,09,179	0.65%	18,09,179	0.66%	0%
2	Ravi Vasudeo Goenka as a Trustee of Yellow Stone Trust	17,67,04,984	63.79%	17,67,04,984	64.07%	0%
3	Manisha Ravi Goenka	88,82,646	3.21%	88,82,646	3.22%	0%
4	Rajeev Vasudeo Goenka	1,09,437	0.04%	1,09,437	0.04%	0%
5	Prashant Vijaykumar Sarawgi HUF*	-	0.00%	56,310	0.02%	-100%
6	Harshvardhan Goenka	125	0.00%	125	0.00%	0%
7	Niharika Ravi Goenka	125	0.00%	125	0.00%	0%
8	Brady Investments Pvt Ltd	47,00,000	1.70%	47,00,000	1.70%	0%
	Total	**19,22,06,496**	**69.39%**	**19,22,62,806**	**69.71%**	
	Total No of Shares issued and Subscribed	**27,70,23,813**	**100.00%**	**27,57,80,785**	**100.00%**	

*Prashant Vijaykumar Sarawgi HUF is reclassified as a Public shareholder in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) as amended from time to time.

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(g) As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders, the above shareholding represents legal ownership of the shares.

(h) Shares reserved for issue under stock option plan to employees are detailed in note no 38.

(i) The Board of Directors, in its meeting held on May 20, 2025, has recommended a final dividend of ₹ 0.50 per equity share 25% on the face value of ₹ 2 per share of the Company for the financial year ended March 31, 2025, subject to the approval of the shareholders at the ensuing 36th Annual General Meeting.

12 OTHER EQUITY

Particulars	As at March 31, 2025	As at March 31, 2024
Capital reserve	5.50	5.50
Capital redemption reserve	50.29	50.29
Securities premium	7,889.25	7,719.93
Share application money pending allotment	3.43	-
Amalgamation Adjustment Deficit Account	(118.68)	(118.68)
Share based payment reserve (refer note 38)	180.39	260.48
General reserve	49.01	49.01
Retained earnings (Including Other Comprehensive Income)	10,506.06	9,485.53
Total	**18,565.25**	**17,452.05**

Notes:

Description of nature and purpose of each reserve:

(a) Capital Reserve:

It represents the gains of capital nature which mainly include the excess of value of net assets acquired over consideration paid by the Company for business amalgamation transactions in earlier years.

(b) Capital Redemption Reserve:

This reserve was created for issue of bonus shares. The bonus shares were issued in FY 2019-20.

(c) Securities Premium:

Securities premium includes the premium received on issue of equity shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

(d) Amalgamation Adjustment Deficit Account

The difference between the carrying values of net identifiable assets and liabilities of transferor companies transferred to the Company pursuant to schemes of amalgamation and the value of investments in the books of the Company has been disclosed as Amalgamation Adjustment Deficit Account as per the provisions of Appendix C of Ind AS 103.

(e) Share based payment reserve:

This represents the fair value of the stock options granted by the Company under the 2020 Plan accumulated over the vesting period. The reserve will be utilised on exercise of the options.

(f) General Reserve:

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

(g) Retained earnings (Including Other Comprehensive Income)

Retained earnings represent the amount of accumulated earnings.

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

13 BORROWINGS- NON-CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Secured- at amortised cost		
Term loan from banks (refer note a(i), a(ii) and b below)	500.00	1,303.40
	500.00	**1,303.40**
Less: Current Maturities disclosed under short term borrowings (refer note 17)	(75.00)	(331.16)
Total	**425.00**	**972.24**

Notes:

(a) **(i)** During the current year, the Company has prepaid its opening Term loans from banks amounting to ₹ 1,303.40 Mn which were availed from HDFC Bank and Axis Bank at interest rates of 9.45% and 9.20%, respectively.

(ii) During the current year, the Company has obtained terms loans from HDFC Bank with a maximum tenure of 60 months and is repayable in 20 equal quarterly instalments starting from June 28, 2025. The interest rate on this facility is linked to the prevailing Repo Rate currently in the range of 6.25 % to 8.25%.

(b) **Security of term loans**

a) Term loans from banks as at March 31, 2025 are secured by exclusive charge on all present and future movable property, plant and equipment of the Company situated at Unit 1 and 2 Mahad Industrial Area, District Raigad.

b) Term loans from banks as at March 31, 2024 are secured by First pari passu charge on all present and future movable assets, plant and equipment of the Company situated at Unit 1 and 2 Mahad Industrial Area, District Raigad.

(c) **Maturity profile of long term borrowings:**

Particulars	As at March 31, 2025	As at March 31, 2024
Less than 1 year	75.00	331.16
Between 1 - 2 years	100.00	331.16
Between 2 - 5 years	300.00	641.08
More than 5 years	25.00	-
Total	**500.00**	**1,303.40**

*No default in terms of repayment of principal and interest within the Company.

(d) **As per the Amendment to Ind AS 7 " Statement of Cash Flows "**

An entity shall disclose disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

Particulars	Non-current borrowings	Current borrowings & Current Liabilities	Total
As at April 01, 2023	**1,303.40**	**2,368.51**	**3,671.91**
Repayment of long term borrowings	-	(96.60)	(96.60)
Proceeds from/(repayment of) short term borrowings (net)	-	(2,217.93)	(2,217.93)
Other changes (transfer within categories)	(331.16)	331.16	-
As at March 31, 2024	**972.24**	**385.14**	**1,357.38**
Repayment of long term borrowings	(1,303.40)	-	(1,303.40)
Proceeds from long term borrowings	500.00	-	500.00
Proceeds from/(repayment of) short term borrowings (net)	-	1,977.73	1,977.73
Other changes (transfer within categories)	256.16	(256.16)	-
As at March 31, 2025	**425.00**	**2,106.71**	**2,531.71**

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(e) **Registration of charges or satisfaction with Registrar of Companies**

(i) In respect of term loan outstanding as on March 31, 2025, Charges as per the sanction letter are pending to be registered with Registrar of Companies as at March 31, 2025 in favour of the lenders for facilities availed by the Company.

(ii) In respect of term loan outstanding as on March 31, 2024, All the charges as per the sanction are duly registered with Registrar of Companies as at March 31, 2025 in favour of the lenders for facilities availed by the Company.

(f) The term loans taken in previous year have been utilised for the purposes for which they were taken.

14A LEASE LIABILITIES- NON-CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liabilities (refer note 36)	5.03	14.41
Total	**5.03**	**14.41**

14B LEASE LIABILITIES- CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liabilities (refer note 36)	9.38	19.59
Total	**9.38**	**19.59**

15A PROVISIONS - NON-CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits		
Provision for Leave encashment	62.20	61.19
Provision for Gratuity	14.73	-
Total	**76.93**	**61.19**

15B PROVISIONS - CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits		
Provision for Leave encashment	25.86	23.05
Provision for Gratuity	-	6.73
Provision for sales return (refer note (a) below)	17.16	17.88
Total	**43.02**	**47.66**

(a) **Disclosure under Ind AS 37 " Provisions, Contingent Liabilities and Contingent Assets"**

Movement in Provision for Sales Return

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	17.88	16.86
Additional provision made during the year	2.45	3.14
Utilisation during the year	(3.17)	(2.12)
Provision at the end of the year	**17.16**	**17.88**

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

16 DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liabilities (refer note (a) below)	347.56	289.40
Total	**347.56**	**289.40**

(a) The major components of Deferred Tax (Liabilities)/Assets Arising on Account of Timing Differences are as follows

(i) Deferred tax assets/(liabilities) in relation to:-

	Particulars	Opening	Effect of business combination	Recognised in profit and loss	Recognised in other comprehensive income	Closing
	Tax effect of items constituting deferred tax assets/(liabilities):					
(a)	**Deferred Tax Liability on account of:**					
	Allowances on property, plant & equipment and other intangible assets	(385.36)	0.42	(30.69)	-	(415.63)
	Share issue expenses	-	-	(7.36)	-	(7.36)
	Provision for expense allowed for tax purpose on payment basis (net)	0.38	-	(1.23)	-	(0.85)
	On Right-of-use asset	(18.57)	-	6.76	-	(11.81)
(b)	**Deferred tax asset on account of:**					
	Unabsorbed losses (refer note (b) below)	-	9.04	60.05	-	69.09
	Allowance for doubtful debts and advances	58.13	-	(24.64)	-	33.49
	Provision for Employees benefits	24.21	-	10.30	(2.72)	31.79
	On Lease Liabilities	15.67	-	(3.79)	-	11.88
	As at March 31, 2024	**(305.54)**	**9.46**	**9.40**	**(2.72)**	**(289.40)**
(a)	**Deferred Tax Liability on account of:**					
	Allowances on property, plant & equipment and other intangible assets	(415.63)	-	(85.13)	-	(500.76)
	Share issue expenses	(7.36)	-	7.36	-	-
	On Right-of-use asset	(11.81)	-	7.01	-	(4.80)
	Fair valuation of Investments	-	-	(4.68)	-	(4.68)
(b)	**Deferred tax asset on account of:**					
	Unabsorbed losses (refer note (b) below)	69.09	-	(69.09)	-	-
	Allowance for doubtful debts and advances	33.49	-	9.82	-	43.31
	Provision for expense allowed for tax purpose on payment basis (net)	(0.85)	-	79.26	-	78.41
	Provision for Employees benefits	31.79	-	7.50	(3.37)	35.92
	On Lease Liabilities	11.88	-	(6.84)	-	5.04
	As at March 31, 2025	**(289.40)**	**-**	**(54.79)**	**(3.37)**	**(347.56)**

(b) The Company has recognised net deferred tax asset on unabsorbed depreciation and unabsorbed losses considering that it is probable that future taxable profits will be available against which the unused tax losses can be utilised.

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

17 BORROWINGS- CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
Credit facilities including buyer's credit	2,031.71	53.98
Current Maturities of long term borrowings		
Term loan from banks (refer note 13)	75.00	331.16
Total	**2,106.71**	**385.14**

Notes:

(a) Borrowings from banks or financial institutions on the basis of security of current assets

The Company has availed buyers credit from HDFC Bank and Axis Bank which are secured by a first pari passu charge through hypothecation of its current assets.

(b) The quarterly returns or statements of current assets submitted by the Company to the banks for the financial year 2024–2025 are consistent with the books of accounts.

(c) Utilisation of Borrowings taken from Bank and Financial Institution

The Company has used the borrowings for the purposes for which they were taken.

18 TRADE PAYABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	230.28	93.54
Total outstanding dues other than micro enterprises and small enterprises	6,741.96	7,452.93
Total	**6,972.24**	**7,546.47**

Notes:

(a) Amounts Due to micro enterprises and small enterprises

The information given below regarding Micro and Small Enterprises have been determined to the extent such parties have been identified by the Company.

Particulars	As at March 31, 2025	As at March 31, 2024
Material and Service Vendor	230.28	93.54
Capital Vendor	92.82	93.74
Principal amount due	**323.10**	**187.28**

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) ("MSMED Act, 2006"):

	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
	-Principal	323.10	187.28
	-Interest	7.65	0.28
(ii)	the amount of interest paid by the buyer in terms of section 16 of MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	487.97	3.50
(iii)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	13.35	4.42

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	22.72	9.37
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006.	-	-

(b) Trade Payable Ageing Schedule

(i) As at March 31, 2025

Outstanding for following periods from due date of payment	Micro and Small Enterprises		Others		Total
	Undisputed	Disputed	Undisputed	Disputed	
Unbilled	-	-	1,388.59	-	1,388.59
Not Due	159.29	-	4,837.47	-	4,996.76
Less than 1 year	66.52	-	483.43	-	549.95
1-2 years	1.70	-	7.01	-	8.71
2-3 years	1.38	-	4.76	-	6.14
More than 3 years	1.39	-	20.70	-	22.09
Total	**230.28**	**-**	**6,741.96**	**-**	**6,972.24**

(i) As at March 31, 2024

Outstanding for following periods from due date of payment	Micro and Small Enterprises		Others		Total
	Undisputed	Disputed	Undisputed	Disputed	
Unbilled	15.24	-	1,508.62	-	1,523.86
Not Due	61.37	-	5,644.18	-	5,705.55
Less than 1 year	16.42	-	264.41	-	280.83
1-2 years	0.51	-	14.97	-	15.48
2-3 years	-	-	3.23	-	3.23
More than 3 years	-	-	17.52	-	17.52
Total	**93.54**	**-**	**7,452.93**	**-**	**7,546.47**

19 OTHER FINANCIAL LIABILITIES - CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Creditors for capital goods & services (Including payable to MSME ₹ 92.82 Mn, March 31, 2024: ₹ 93.74 Mn) (refer note 18(a))	516.29	309.71
Interest Accrued	38.30	15.73
Security Deposits	12.87	11.77
Employee payables	213.63	221.30
Derivative Financial Liabilities	81.65	3.16
Amount payable to related party	-	22.65
Total	**862.74**	**584.33**

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

20 INCOME TAX LIABILITIES (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Tax	348.31	179.43
(net of Advance Income Tax of ₹ 2,222.50 Mn (March 31, 2024 – ₹ 1,324.74 Mn))		
Total	**348.31**	**179.43**

21 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	57.67	77.45
Advances received from customers (refer note 22(a)(iii))	15.46	15.71
Others	13.92	0.22
Total	**87.05**	**93.38**

22 REVENUE FROM OPERATIONS

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Revenue from contracts with customers:		
Sale of goods	29,252.38	27,812.48
Sale of services	109.59	140.06
	29,361.97	**27,952.54**
(ii) Other operating revenue:		
Export incentives	80.26	58.08
Insurance claim (refer note (b) below)	3.83	231.24
	84.09	**289.32**
Total	**29,446.06**	**28,241.86**

Notes:

(a) Disclosure in accordance with Ind AS 115 "Revenue from Contracts with Customers", of the Companies (Indian Accounting Standards) Rules, 2015

(i) Revenue disaggregation based on:

(a) Category of goods and services	Year 2024-25	Year 2023-24
Chemicals	29,252.38	27,812.48
Jobwork and other services	109.59	140.06
Other operating revenue	84.09	289.32
Total	**29,446.06**	**28,241.86**

(b) Geographical region	Year 2024-25	Year 2023-24
India	18,509.43	19,758.56
International	10,936.63	8,483.30
Total	**29,446.06**	**28,241.86**

(c) Timing of Revenue Recognition	Year 2024-25	Year 2023-24
At a point in time	29,446.06	28,241.86
Total	**29,446.06**	**28,241.86**

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(ii) Reconciliation of Gross Revenue with the Revenue from Contracts with Customers:

Particulars	Year 2024-25	Year 2023-24
Gross Revenue	29,450.51	28,371.49
Less: Discounts (net of reversals)	4.45	129.63
Net Revenue recognised from Contracts with Customers	**29,446.06**	**28,241.86**

(iii) Movement in contract balances

Particulars	Opening	Additional receipt during the year	Billed for the Financial Year	Closing
Contract Liabilities (Advance received from customer)				
March 31, 2025	15.71	15.36	(15.61)	15.46
March 31, 2024	64.31	14.64	(63.24)	15.71

(b) The specialty intermediates unit at Mahad suffered unprecedented flooding in July 2021. On Account of this event, during the previous year, the Company has on receipt basis accounted for Loss of Profit of ₹ 190 Mn on account of Loss of production and consequent loss of revenue and disclosed under "Other operating revenue".

23 OTHER INCOME

Particulars	Year 2024-25	Year 2023-24
Interest Income on financial asset:		
- On bank deposits	78.28	104.10
- On Others	6.34	37.84
Provisions/Liabilities no longer required written back	13.30	42.32
Sale of scrap	31.19	30.01
Gain on disposal/retirement of property, plant and equipment (net)	-	10.72
Gain on sale/fair value of investments mandatorily measured at Fair Value Through Profit and Loss (net)	119.68	43.26
Miscellaneous income*	4.14	19.52
Total	**252.93**	**287.77**

* Miscellaneous income includes amount reimbursed from related party for the year ended March 31, 2025 ₹ 0.21 Mn (March 31, 2024 - ₹ Nil)

24A COST OF RAW MATERIALS CONSUMED

Particulars	Year 2024-25	Year 2023-24
Opening stock of raw material	1,531.85	1,906.03
Add: Purchases	19,939.37	18,167.50
	21,471.22	**20,073.53**
Less: Closing stock of raw material	(2,311.24)	(1,531.85)
Total	**19,159.98**	**18,541.68**

24B PURCHASE OF STOCK-IN-TRADE

Particulars	Year 2024-25	Year 2023-24
Chemicals and other purchases	211.88	356.30
Total	**211.88**	**356.30**

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

24C CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK IN PROGRESS

Particulars	Year 2024-25	Year 2023-24
Inventory of Finished goods at the beginning of the year	628.71	674.47
Less: Inventory of Finished goods at the end of the year	(784.63)	(628.71)
	(155.92)	**45.76**
Inventory of Work-in-progress at the beginning of the year	57.18	37.83
Less: Inventory of Work-in-progress at the end of the year	(110.21)	(57.18)
	(53.03)	**(19.35)**
Total	**(208.94)**	**26.41**

25 POWER & FUEL

Particulars	Year 2024-25	Year 2023-24
Power & fuel	2,324.16	2,285.48
Total	**2,324.16**	**2,285.48**

26 EMPLOYEE BENEFIT EXPENSES

Particulars	Year 2024-25	Year 2023-24
Salaries and wages, including bonus	1,259.29	1,124.22
Contribution to provident and other funds (refer note 37 (a) (i))	79.02	87.07
Contributions to gratuity fund	39.25	15.34
Share-based payments expenses/(reversal) (net) (refer note 38)	(5.26)	168.43
Staff welfare expenses	32.89	33.35
Total	**1,405.19**	**1,428.41**

27 FINANCE COST

Particulars	Year 2024-25	Year 2023-24
Interest on financial liabilities at amortised cost	126.96	47.36
Interest on lease liabilities	1.61	2.24
Interest on direct taxes	0.23	0.14
Interest on indirect taxes	66.54	2.83
Other borrowing costs	1.98	4.73
Total	**197.32**	**57.30**

28 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	Year 2024-25	Year 2023-24
Depreciation of Property, Plant and Equipment (refer note 1A)	1,198.42	1,038.80
Less: Transfer to Capital work in progress	-	(10.32)
Amortisation of right of use assets (refer note 1B)	20.06	19.70
Amortisation of other intangible assets (refer note 3)	6.46	2.78
Total	**1,224.94**	**1,050.96**

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

29 OTHER EXPENSES

Particulars	Year 2024-25	Year 2023-24
Consumption of consumables stores and spares	194.66	194.13
Consumption of packing materials	404.81	349.61
Water charges	63.13	64.09
Labour charges	147.49	127.62
Inward freight charges	68.41	57.51
Freight Charges	936.35	479.75
Repairs and maintenance		
Buildings	24.62	22.53
Machineries	145.73	117.10
Others	70.25	51.00
Transportation charges	586.68	487.38
Commission on sales	47.18	33.00
Director's sitting fees	5.11	3.22
Business promotion expenses	13.40	20.38
Commission to non-executive director	11.84	10.30
Corporate social responsibility expenditure (refer note 34)	46.59	43.59
Insurance charges	125.27	129.31
Legal & Professional expenses	243.03	388.54
Rent	19.26	9.44
Rates & taxes	47.26	33.94
Travelling expenses	90.49	93.47
Communication Expenses	5.52	5.29
Auditors' remuneration (refer note (a) below)	10.35	6.10
Allowance for Expected credit loss (net)	21.56	39.54
Foreign Exchange loss#	63.84	35.18
Provision for diminution in value of investments	46.76	-
Insurance Provision written off (refer note (b) below)	20.00	71.83
Loss on disposal/retirement of property, plant and equipment (net)	67.61	-
Miscellaneous expenses	202.35	149.33
Total	**3,729.55**	**3,023.18**

#Includes net realised and unrealised loss on all foreign currency financial instruments.

Notes:

(a) Auditors' remuneration comprises (excluding GST)

Particulars	Year 2024-25	Year 2023-24
As Auditor:		
Audit fees	8.60	5.87
Certification matters	1.32	0.13
Reimbursement of expenses	0.43	0.10
Total	**10.35**	**6.10**

(b) Charged off due to unrecoverable insurance on Plant and Machinery and Project materials.

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(c) Details of research and development expenditure

Particulars	Year 2024-25	Year 2023-24
(i) Revenue Expenses		
Employee benefits expense	91.08	86.04
Legal and professional fees	10.41	16.69
Utility expenses	4.32	4.80
Travelling expenses	3.12	3.43
Contract labour and security service charge	6.37	5.91
Subscription fees	2.94	5.30
Information technology fees	0.27	1.11
Training expenses	-	0.11
Repairs & maintenance	24.60	23.52
Depreciation	17.33	13.09
Other expenses*	8.60	5.12
(ii) Capital Expenses		
Capital expenditure (refer note 1A(f))	355.06	36.70
Total	**524.10**	**201.82**

*Other Expenses includes Rent, Testing Fees, Printing & Stationary, Postage & Courier Charges, Rates & Taxes, Telephone and General Expenses.

30 TAX EXPENSE

Particulars	Year 2024-25	Year 2023-24
(a) Income tax recognised in Profit or Loss		
Current tax expense:		
In respect of current year	419.91	495.61
Deferred tax expense/(income):		
In respect of current year	54.79	(9.40)
Total	**474.70**	**486.21**
(b) Income tax recognised in OCI		
Deferred tax:		
Income Tax (expense)/income on remeasurement of the defined benefit plans	(3.37)	(2.72)
Total	**(3.37)**	**(2.72)**
(c) Reconciliation of Tax Expense and Effective Tax Rate		
Profit before tax	**1,654.91**	**1,759.91**
Indian corporation tax rate (%)	34.94%	34.94%
Income tax expense calculated at corporate tax rate*	578.23	679.47
Tax effect of:		
Expenses deductible	(42.11)	(7.38)
Non-deductible expenses	27.48	102.38
Tax reversals of earlier year	(11.86)	-
Incentive tax credits	(61.16)	(288.26)
Income taxed at special rates	(15.88)	-
Income tax expense reported in the Statement of Profit and Loss	**474.70**	**486.21**

*Includes tax at 17.16% on YFCPL's loss of ₹ 327.63 Mn and at 34.94% on LOIL's profit of ₹ 2,105.60 Mn for 2023–24

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

31 DISCLOSURE AS REQUIRED BY ACCOUNTING STANDARD – IND AS 33 "EARNING PER SHARE" OF THE COMPANIES (INDIAN ACCOUNTING STANDARDS) RULES 2015.

Net profit attributable to equity shareholders and the weighted average number of shares outstanding for basic and diluted earnings per share are as summarised below:

Particulars	Year 2024-25	Year 2023-24
Profit for the year	1,180.21	1,273.70
Outstanding equity shares at period end (face value of ₹ 2/-)	27,70,23,813	27,57,80,785
Weighted average no. of ordinary equity shares used in computing basic EPS	27,66,06,606	27,01,86,276
Add: Employee stock options granted to Employees	23,69,178	19,85,854
Weighted average no. of ordinary equity shares used in computing diluted EPS	27,89,75,783	27,21,72,130
Earnings per equity share - Basic (₹)	4.27	4.71
Earnings per equity share - Diluted (₹)	4.23	4.68

Reconciliation of weighted average number of equity shares

Particulars	Year 2024-25	Year 2023-24
Face value of equity shares (₹ per share)	2.00	2.00
For Basic EPS:		
Total number of equity shares outstanding at the beginning of the year	27,57,80,785	26,51,76,208
Add: Issue of equity shares	12,43,028	1,06,04,577
Total number of equity shares outstanding at the end of the year	**27,70,23,813**	**27,57,80,785**
For Basic EPS:		
Weighted average number of equity shares at the end of the year	27,66,06,606	27,01,86,276
For Dilutive EPS:		
Weighted average number of equity shares at the end of the year	27,89,75,783	27,21,72,130

32 CONTINGENT LIABILITIES AND COMMITMENTS

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	**Contingent liabilities**		
	(i) Tax matters in dispute under appeal:		
	- Indirect Tax	404.44	170.18
	- Direct Tax	-	73.78
	(ii) Guarantees:		
	- Furnished by banks on behalf of the Company	239.65	261.46
	- Given on behalf of wholly owned subsidiaries to their Lenders	-	500.00
	Total	**644.09**	**1,005.42**

		As at March 31, 2025	As at March 31, 2024
(b)	**Commitments (to the extent not provided for)**		
	(i) Commitments:		
	- Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	2,417.40	609.63
	- Export obligation - under Advance License Scheme on duty free import of specific raw materials remaining outstanding	30.49	0.04
	(ii) Letters of Credit	5,464.85	6,314.55

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(c) Other tax proceedings

(i) The Senior Intelligence Officer, Directorate of Revenue Intelligence of the Bangalore Zonal Unit conducted a search at the Acetyl Intermediates Manufacturing Facility on February 11, 2021 (the "Search") on the grounds that the Company was availing a lower rate of basic customs duty at the rate of 2.5% for importing denatured ethyl alcohol and claimed that the Company was liable to pay 5% as basic customs duty. Officials of the Company were questioned and certain documents were recovered. Pursuant to the Search, the Company, had paid an amount of ₹ 35.00 Mn under protest. Earlier, the Company on January 24, 2021 had also filed a writ petition before the High Court of Bombay challenging the above matter. The matter is currently pending. Accordingly, the total amount is neither quantifiable nor demanded.

(ii) The Income Tax department conducted the survey under the Income Tax Act, 1961 at the registered office of the Company from August 9, 2024 till August 10, 2024. There has been no demand raised by the Income Tax department pursuant to the survey. Accordingly, there is no impact on the standalone financial statements of the Company for the year ended March 31, 2025.

33 DISCLOSURE IN ACCORDANCE WITH IND AS 108 "OPERATING SEGMENTS", OF THE COMPANIES (INDIAN ACCOUNTING STANDARDS) RULES, 2015.

The Company is engaged in chemicals business and is of the view that it is a single business segment in accordance with Ind AS 108 'Operating Segments' notified pursuant to Companies (Accounting Standards) Rules, 2015. There is no single customer or customer group which constitutes more than 10% of the total revenue of the Company.

Geographical Information:

Particulars	Year 2024-25	Year 2023-24
Segment Revenue		
India	18,509.43	19,758.56
International	10,936.63	8,483.30
Total	**29,446.06**	**28,241.86**
Carrying Value of Non-current assets*		
India	16,396.18	13,543.14
International	59.71	-
Total	**16,455.89**	**13,543.14**

*excluding Investments made

34 DISCLOSURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENSES

The Company is covered under section 135 of the Companies Act, 2013 the following is disclosed with regard to CSR activities:-

	Particulars	Year 2024-25	Year 2023-24
1	Amount required to be spent by the Company during the year	46.78	43.39
2	Amount approved by the Board to be spent during the year:		
	- Ongoing	8.46	-
	- Other than ongoing	38.32	43.39
		46.78	**43.39**
3	Amount spent during the year on:		
(i)	- Construction/acquisition of any asset	-	-
(ii)	- On purposes other than (i) above	43.33	43.59
	Total	**43.33**	**43.59**
	Excess Spent of previous year	0.20	
4	(Excess)/Shortfall at the end of the year	3.26	(0.20)
5	Total of previous years shortfall/(Excess)	-	-
6	Reason for shortfall- Nil		

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

7 Nature of CSR activities-	Year 2024-25		Year 2023-24	
Particulars	**Ongoing**	**Non Ongoing**	**Ongoing**	**Non Ongoing**
Education Support	4.32	6.37	1.29	5.45
Welfare measures	-	0.05	-	0.15
Animal Welfare	-	-	-	0.02
Community Development	-	1.05	2.40	-
Environmental Sustainability	-	2.21	-	10.53
Health Care Support	-	0.66	-	0.50
Promoting Sports	-	0.29	-	0.17
Safe Drinking Water	-	0.47	0.09	1.00
Skill Development (NAPS)	-	27.91	-	21.98
Total	**4.32**	**39.01**	**3.78**	**39.80**

8 There are no CSR transactions with Related party

9 There is no amount unspent against other than ongoing project as per section 135 (5)

10 Unspent amount as per section 135(6) is paid since the balance sheet date:

2024-25: ₹ 3.67 Mn: Deposited in unspent CSR Bank account on April 25, 2025.

2022-23: ₹ 10.07 Mn: Deposited in unspent CSR Bank account on April 27, 2023.

2021-22: ₹ 10.77 Mn: Deposited in unspent CSR Bank account on March 31, 2022.

As on March 31, 2025 there was an unspent amount of ₹ 3.01 Mn which was deposited in the Prime Minister's National Relief Fund (PMNRF) on April 29, 2025 in accordance with the provisions of Companies Act, 2013.

35 DERIVATIVE INSTRUMENTS AND UNHEDGED/HEDGE/SWAP FOREIGN CURRENCY EXPOSURE

Particulars	**As at March 31, 2025**		**As at March 31, 2024**	
Details on foreign currency exposures	**Foreign Currency (In absolute)**	**(₹ in Mn)**	**Foreign Currency (In absolute)**	**(₹ in Mn)**
Trade receivable (USD)	1,56,60,063	1,340.21	1,40,07,325	1,167.85
Trade receivable (EURO)	42,16,973	389.33	58,19,140	524.99
Trade receivable (CNY)	18,83,506	22.14	35,41,001	40.66
Advance from customers (USD)	92,669	7.93	1,09,177	9.10
Advance from customer (EURO)	253	0.02	-	-
Advances to suppliers (USD)	-	-	200	0.02
Trade payable (USD)	5,22,13,153	4,468.47	5,98,76,934	4,992.17
Trade payable (EURO)	22,045	2.04	1,231	0.11
Capital Advances (CNY)	46,50,000	54.65	-	-
Investment in preference shares (EURO)	20,00,000	184.65	20,00,000	180.43
Credit facilities including Buyer's Credit (USD)	2,38,73,138	2,043.10	-	-

Particulars	**As at March 31, 2025**		**As at March 31, 2024**	
Details on hedged foreign currency exposures	**Foreign Currency (In absolute)**	**(₹ in Mn)**	**Foreign Currency (In absolute)**	**(₹ in Mn)**
Forwards - USD - Sales	1,50,89,697	1,291.40	1,21,19,598	1,010.46
Forwards - EURO - Sales	45,18,458	417.16	46,18,587	416.68
Forwards - CNY - Sales	19,59,975	23.03	29,38,001	33.74
Forwards - USD Purchase	7,38,43,395	6,319.62	5,94,20,992	4,954.16

Notes to Standalone Financial Statements
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(All figures are rupees in Mn unless otherwise stated)

36 IND AS 116 "LEASES"

(a) Movement in Right of use assets - (refer note 1B)

(b) Movement in lease liabilities:

Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Balance at the beginning	34.00	44.85
Addition during the year	-	7.84
Interest on lease liabilities (refer note 27)	1.61	2.24
Payment of lease liabilities	(21.21)	(20.93)
Total	**14.41**	**34.00**

c) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(d) Undiscounted contractual maturities of lease liabilities:

Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Less than one year	9.97	21.20
2 - 5 years	1.81	9.97
More than five years	3.18	5.68
Total	**14.96**	**36.85**

(e) The following is the break-up of current and non-current lease liabilities as at March 31, 2025

Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Current lease liabilities	9.38	19.59
Non-current lease liabilities	5.03	14.41
Closing balance	**14.41**	**34.00**

37 EMPLOYEE BENEFIT EXPENSES

(a) Disclosures as required by Ind AS 19 "Employee Benefits"

(i) Defined contribution plan:

The Company's state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the service.

Charge to the Statement of Profit and Loss based on contributions:

Particulars	**Year 2024-25**	**Year 2023-24**
Contributions towards Provident Fund, Employee's State Insurance Corporation (ESIC)	79.02	87.07
Total	**79.02**	**87.07**

(ii) Defined benefit plan:

The Company has carried out the actuarial valuation of gratuity and leave encashment liability under actuarial principle, in accordance with Ind AS 19 - Employee Benefits.

Gratuity is a defined benefit plan under which employees who have completed five years or more of service are entitled to gratuity on departure from employment at an amount equivalent to 15 days salary (based on last salary drawn) for each completed year of service restricted to ₹ 2.00 Mn (March 31, 2024: ₹ 2.00 Mn) The Company's gratuity liability is entirely funded and leave encashment is non-funded.

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(b) The amount recognised in the balance sheet and the movements in the net defined benefit obligation of gratuity over the year is as under:

	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	**Reconciliation of opening and closing balances of defined benefit obligation**		
	Defined benefit obligation at the beginning of the year	119.07	98.65
	Current service cost	18.49	15.02
	Interest cost	8.51	7.17
	Benefits paid	(13.23)	-
	Re-measurement (or Actuarial) (gain)/loss arising from:		
	- change in demographic assumptions	0.05	3.45
	- change in financial assumptions	(11.74)	0.48
	- experience variance (i.e. Actual experiencevs assumptions)	0.05	(5.70)
	Defined benefit obligation at the year end	**121.20**	**119.07**
(ii)	**Reconciliation of opening and closing balances of fair value of plan assets**		
	Fair value of plan assets at the beginning of the year	112.34	94.34
	Interest income	8.03	6.85
	Employer contribution (net)	1.33	18.00
	Benefits paid	(13.23)	-
	Return on plan assets , excluding amount recognised in net interest expense	(2.00)	(6.85)
	Fair value of plan assets at the year end	**106.47**	**112.34**
Plan assets represents contribution by the Company to Insurance company i.e. Life Insurance Corporation (LIC) of India.			
(iii)	**Reconciliation of fair value of assets and obligations**		
	Present value of defined benefit obligation	121.20	119.07
	Fair value of plan assets	106.47	112.34
	Net asset/(liability)	**(14.73)**	**(6.73)**
	Amounts recognised in the Balance Sheet as below		
	Provisions - Non-current	14.73	-
	Provisions - Current	-	6.73
The Company expects to contribute ₹ 31.77 Mn (PY ₹ 22.27 Mn) to its gratuity plan for the next year.			
(iv)	**Components of defined benefit costs recognised in the Statement of Profit and Loss**		
	Interest on Net Defined Benefit Liability/(Asset)	8.51	7.17
	Current Service cost	18.49	15.02
	Past Service Cost	20.28	-
	Interest Income on Plan Assets for Year	(8.03)	(6.85)
	Expenses recognised in Statement of Profit and Loss	**39.25**	**15.34**
(v)	**Actuarial (gain)/loss- Other comprehensive income**		
	Actual return on Plan Assets less Interest on Plan Assets	(2.00)	6.85
	Remeasurements - changes in financial assumptions	11.74	0.48
	Remeasurements - changes in demographic assumptions	(0.05)	6.16
	Remeasurements - changes in Experience adjustments	(0.05)	(5.70)
	Expense recognised in Other Comprehensive Income	**9.64**	**7.79**

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(c) Actuarial assumptions

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate	6.50%	7.15%
Salary growth rate	8.00%	11.00%
Attrition rate	15.85%	15.94%
Weighted Average duration of defined benefit obligation	4 years	5 years
Mortality	100% of IALM 2012-14	100% of IALM 2012-14

Notes:

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields/rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

(d) Maturity Analysis of the Benefit Payments (Undiscounted value)

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2025	As at March 31, 2024
1 year	28.15	25.22
2 to 5 years	66.50	67.14
6 to 10 years	42.59	45.67
More than 10 years	36.02	44.17
Total	**173.26**	**182.20**

(e) Sensitivity analysis

A quantitative sensitivity analysis for significant assumption

Particulars	Discount Rate	Salary growth rate	Attrition rate	Mortality rate
Changes in assumption				
As at March 31, 2025	1%	1%	50%	10%
As at March 31, 2024	1%	1%	50%	10%
Increase in assumption				
As at March 31, 2025	115.74	126.30	117.38	121.19
As at March 31, 2024	113.43	124.00	112.88	119.05
Decrease in assumption				
As at March 31, 2025	127.17	116.37	126.99	121.19
As at March 31, 2024	125.27	114.38	130.51	119.08

Description of risk exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

(i) Interest rate risk:

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

(ii) Liquidity risk:

This is the risk that the Company is not able to meet the short-term gratuity pay-outs. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(iii) Salary escalation risk:

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(iv) Demographic risk:

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

(v) Regulatory risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs (e.g. Increase in the maximum limit of gratuity of ₹ 2.00 Mn)

(vi) Asset liability mismatching or market risk:

The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.

(vii) Investment risk:

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

38 EMPLOYEE STOCK OPTION PLAN

(a) Employee Stock Option Plan 2020:

Pursuant to the resolutions passed by the Board on October 30, 2020 and by the shareholders on November 24, 2020, the Company has approved the Laxmi – Employee Stock Option Plan 2020 ("ESOP-2020") for issue of employee stock options ("ESOPs"). The primary objective of ESOP-2020 is to reward the employees and to retain and motivate the employees of the Company and its Subsidiaries, as the case may be, by way of rewarding their high performance and motivate them to contribute to the overall corporate growth and profitability.

The eligibility of the Employees will be based on designation, period of service, performance linked parameters such as work performance and such other criteria as may be determined by the Nomination and Remuneration Committee at its sole discretion, from time to time.

Options granted under Plan shall vest not earlier than 1 (One) year and not later than maximum Vesting Period of 3 (Three) years from the date of Grant.

During the year, additional 6,33,251 equity shares were granted under Laxmi – Employee Stock Option Plan 2020 ("ESOP-2020").

(i) Summary of options granted under plan:

Particulars	ESOP-6	ESOP-5	ESOP-4	ESOP-3	ESOP-2	ESOP-1	RSU
Number of options granted	4,53,251	1,00,000	80,000	14,06,250	2,76,855	42,45,540	11,43,266
Grant date	September 03, 2024	May 20, 2024	May 20, 2024	April 03, 2023	May 04, 2022	January 27, 2021	January 27, 2021
Exercise price ₹ per options	184.00	181.00	176.00	100.00	100.00	100.00	2.00
Fair value on the date of grant of option (₹ per options)	173.57	147.53	150.00	162.22	373.35	73.12	121.48
Methods of valuation	Black-Scholes						
Method of settlement	Equity						
Method of accounting	Fair value						
Vesting period	September 03, 2025: 15% March 31, 2026: 15% March 31, 2027: 20% March 31, 2028: 20% March 31, 2029: 30%	May 20, 2025: 15% March 31, 2026: 15% March 31, 2027: 20% March 31, 2028: 20% March 31, 2029: 30%	May 20, 2025: 15% March 31, 2026: 15% March 31, 2027: 20% March 31, 2028: 20% March 31, 2029: 30%	April 02,2024: 20%; March 31,2025: 20%; March 31,2026: 20%; March 31,2027: 20%; March 31,2028: 20%;	May 05,2023: 15%; March 31,2024: 15%; March 31,2025: 20%; March 31,2026: 20%; March 31,2027: 30%;	April 01, 2022: 30%; April 01, 2023: 30%; April 01, 2024: 40%	April 01, 2022: 30%; April 01, 2023: 30%; April 01, 2024: 40%
Exercise period	7 years						

During the year 12,85,720 (PY: 9,78,998) options were exercised.

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(ii) Movement in Share Options:

Particulars	As at March 31, 2025	As at March 31, 2024
Outstanding at the beginning of the year	31,99,458	33,37,255
Granted during the year	6,33,251	14,06,250
Number of options vested during the Period	4,21,876	11,48,504
Exercised during the year	12,85,720	9,78,998
Forfeited/lapsed during the year	1,93,799	5,65,049
Outstanding at the end of the year	23,53,190	31,99,458
Options exercisable at the end of the year	7,35,565	15,99,409

(iii) Share options outstanding at the end of period have following exercise prices.

Nature of options	Exercise Price	As at March 31, 2025	As at March 31, 2024
ESOP-6	184.00	4,53,251	-
ESOP-5	181.00	1,00,000	-
ESOP-4	176.00	80,000	-
ESOP-3	100.00	14,06,250	14,06,250
ESOP-2	100.00	-	2,76,855
ESOP-1	100.00	2,47,649	11,64,242
RSU	2.00	66,040	3,52,111
Total		**23,53,190**	**31,99,458**

(iv) The fair value of the options is determined on the date of grant using the Black-Scholes option pricing model, with the following assumptions:

Particulars	ESOP-6	ESOP-5	ESOP-4	ESOP-3	ESOP-2	ESOP-1	RSU
Expected dividend yield	0.19%	0.22%	0.22%	0.30%	0.30%	0.30%	0.30%
Years to expiration	6	6	6	6	6	7	7
Risk free rates	6.81%	7.09%	7.09%	6.96%	6.96%	6.12%	6.12%
Expected volatility	31.86%	29.71%	29.71%	46.22%	46.22%	41%	41%

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time which is considered as equivalent to the life to expiration. In the instinct case, the volatility of the Company is computed based on the average volatility of the comparable companies listed on stock exchange.

(b) Expense arising from share-based payment transactions

Particulars	Year 2024-25	Year 2023-24
Share-based payments expenses/(reversal) (net) *	(5.26)	168.43
Total Expenses	(5.26)	168.43

*Includes a reversal of ₹ 92.68 Mn, representing the net impact of attrition and valuation changes.

Notes to Standalone Financial Statements
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39 RELATED PARTY DISCLOSURES:

Related party disclosures, as required by Ind AS 24, "Related Party Disclosures", notified under Section 133 of the Companies Act, 2013 are given below:

A) Parties where control exists

(i) Ultimate Holding entity

Yellowstone Trust (Through It's Managing Trustee Mr. Ravi Goenka)

B) Other related parties with whom transactions have taken place during the year:

(i) Subsidiaries:

1. Cellbion Lifesciences Pvt. Ltd.
2. Laxmi Organic Industries (Europe) B.V.
3. Viva Lifesciences Pvt Ltd.
4. Laxmi Speciality Chemicals (Shanghai) Co. Ltd.
5. Yellowstone Fine Chemicals Pvt. Ltd. (merged with the Company w.e.f. April 01, 2024)
6. Laxmi Italy S.R.L (Wholly owned subsidiary of Yellowstone Fine Chemicals Pvt Ltd.)
7. Laxmi USA LLC (Formation is done, Capital infusion is not yet done)

(ii) Step down partnership firm of subsidiary

Saideep Traders (Partnership of Cellbion Lifesciences Pvt. Ltd.)

(iii) Associates of the Reporting Enterprise

1. Cleanwin Energy One LLP
2. Radiance MH Sunrise Seven Private Ltd.

C) Key management personnel and Independent director:

1	Executive Chairman	Ravi Goenka (w.e.f April 03, 2023)
2	Executive Chairman & Managing Director	Ravi Goenka (up to April 03, 2023)
3	Managing Director & CEO	Dr. Rajan Venkatesh (w.e.f. April 03, 2023)
4	CEO & Executive Director	Satej Naber (up to April 02, 2023)
5	Executive Director	Harshvardhan Goenka
6	Non-Executive Director	Rajeev Goenka
7	Independent Director	Rajiv Banavali
8	Independent Director	Omprakash Bundellu (up to July 30, 2024)
9	Independent Director	Vijay Ratnaparkhe (w.e.f. July 01, 2024)
10	Independent Director & Non-Executive Director	Arun Lalchand Todarwal (w.e.f. April 01, 2024)
11	Non-Executive Director	Manish Chokhani (w.e.f. July 31, 2024)
11	Independent Director	Manish Chokhani (up to July 30, 2024)
12	Independent Woman Director	Sangeeta Singh
13	Independent Director	Rajeev Vaidya
14	Chief Financial Officer	Tanushree Bagrodia (up to September 02, 2024)
15	Chief Financial Officer	Mahadeo P Karnik (w.e.f. September 03, 2024)
16	Company Secretary	Aniket Hirpara

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

D) Relatives of Key Management Personnel

1. Aditi Goenka
2. Aryavrat Goenka
3. Avantika Goenka
4. Manisha Goenka
5. Niharika Goenka

E) Enterprises over which any person described in (C) is able to exercise control

1. Brady Investments Pvt. Ltd.
2. Maharashtra Aldehydes & Chemicals Ltd.
3. Pedestal Finance & Trading Pvt. Ltd.
4. R.R.Investments & Estates Pvt Ltd.
5. Rajeev Goenka HUF
6. Ravi Goenka HUF
7. Laxmi Foundation
8. Yellowstone Clean Energy LLP

F) Other entities where significant influence exist

1. Laxmi Organic Industries Limited Employees Gratuity Fund

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G) The related party transactions are as under:

	Related Parties Transactions	(A) Entities where control exists		(B) Associate & Joint Ventures		(C) Key Management Personnel		(D) Relatives of Key Management Personnel		(E) Enterprises over which any person described in (C) is able to exercise control		Total	
		2024-25	**2023-24**	**2024-25**	**2023-24**	**2024-25**	**2023-24**	**2024-25**	**2023-24**	**2024-25**	**2023-24**	**2024-25**	**2023-24**
I	Transactions during the year:												
i)	**Sales**												
	Laxmi Organic Industries (Europe) B.V.	1,045.29	881.86	-	-	-	-	-	-	-	-	1,045.29	881.86
	Laxmi Speciality Chemicals (Shangai) Co. Ltd.	104.41	97.98	-	-	-	-	-	-	-	-	104.41	97.98
	Saideep Traders	-	6.56	-	-	-	-	-	-	-	-	-	6.56
	Maharashtra Aldehydes & Chemicals Ltd.	-	-	-	-	-	-	-	-	28.24	24.55	28.24	24.55
	Total	**1,149.70**	**986.40**	**-**	**-**	**-**	**-**	**-**	**-**	**28.24**	**24.55**	**1,177.94**	**1,010.95**
ii)	**Purchases**												
	Cleanwin Energy One LLP	-	-	27.13	30.60	-	-	-	-	-	-	27.13	30.60
	Maharashtra Aldehydes & Chemicals Ltd.	-	-	-	-	-	-	-	-	0.66	0.02	0.66	0.02
	Radiance MH Sunrise Seven Private Ltd	-	-	22.23	19.86	-	-	-	-	-	-	22.23	19.86
	Saideep Traders	12.86	72.38	-	-	-	-	-	-	-	-	12.86	72.38
	Viva Lifescience Private Limited	56.35	74.51	-	-	-	-	-	-	-	-	56.35	74.51
	Total	**69.21**	**146.89**	**49.36**	**50.46**	**-**	**-**	**-**	**-**	**0.66**	**0.02**	**119.23**	**197.37**
iii)	**Purchase of Property, Plant and Equipment**												
	Pedestal Finance & Trading Pvt. Ltd.	-	-	-	-	-	-	-	-	2.21	-	2.21	-
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.21**	**-**	**2.21**	**-**
iv)	**Commission to Non-Executive Directors**												
	Omprakash Bundellu	-	-	-	-	-	2.06	-	-	-	-	-	2.06
	Arun Lalchand Todarwal	-	-	-	-	2.06	-	-	-	-	-	2.06	-
	Manish Chokhani	-	-	-	-	2.06	2.06	-	-	-	-	2.06	2.06
	Sangeeta Singh	-	-	-	-	2.06	2.06	-	-	-	-	2.06	2.06
	Rajeev Vaidya	-	-	-	-	2.06	2.06	-	-	-	-	2.06	2.06
	Vijay Ratnaparkhe	-	-	-	-	1.54	-	-	-	-	-	1.54	-
	Rajiv Banavali	-	-	-	-	2.06	2.06	-	-	-	-	2.06	2.06
	Total	**-**	**-**	**-**	**-**	**11.84**	**10.30**	**-**	**-**	**-**	**-**	**11.84**	**10.30**

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	Related Parties Transactions	(A) Entities where control exists		(B) Associate & Joint Ventures		(C) Key Management Personnel		(D) Relatives of Key Management Personnel		(E) Enterprises over which any person described in (C) is able to exercise control		Total	
		2024-25	**2023-24**	**2024-25**	**2023-24**	**2024-25**	**2023-24**	**2024-25**	**2023-24**	**2024-25**	**2023-24**	**2024-25**	**2023-24**
v)	**Miscellaneous income**												
	Laxmi Organic Industries (Europe) B.V.	0.19	-	-	-	-	-	-	-	-	-	0.19	-
	Viva Lifescience Private Limited	0.01	-	-	-	-	-	-	-	-	-	0.01	-
	Laxmi Speciality Chemicals (Shangai) Co. Ltd.	0.01	-	-	-	-	-	-	-	-	-	0.01	-
	Total	**0.21**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.21**	**-**
vi)	**Other expenses**												
	Brady Investments Pvt. Ltd.	-	-	-	-	-	-	-	-	0.85	0.86	0.85	0.86
	R.R.Investments & Estates Pvt Ltd	-	-	-	-	-	-	-	-	1.82	1.82	1.82	1.82
	Laxmi Speciality Chemicals (Shangai) Co. Ltd.	0.54	0.32	-	-	-	-	-	-	-	-	0.54	0.32
	Total	**0.54**	**0.32**	**-**	**-**	**-**	**-**	**-**	**-**	**2.67**	**2.68**	**3.21**	**3.00**
vii)	**Miscellaneous expenses**												
	Laxmi Italy S.R.L.	1.08	1.27	-	-	-	-	-	-	-	-	1.08	1.27
	Total	**1.08**	**1.27**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.08**	**1.27**
viii)	**Reimbursement of payment made on behalf of related party**												
	Viva Lifescience Private Limited	8.53	17.78	-	-	-	-	-	-	-	-	8.53	17.78
	Maharashtra Aldehydes & Chemicals Ltd.	-	-	-	-	-	-	-	-	0.18	0.15	0.18	0.15
	Total	**8.53**	**17.78**	**-**	**-**	**-**	**-**	**-**	**-**	**0.18**	**0.15**	**8.71**	**17.93**
ix)	**Travel expenses**												
	Rajeev Vaidya	-	-	-	-	0.40	-	-	-	-	-	0.40	-
	Rajiv Banavali	-	-	-	-	0.20	-	-	-	-	-	0.20	-
	Total	**-**	**-**	**-**	**-**	**0.60**	**-**	**-**	**-**	**-**	**-**	**0.60**	**-**
x)	**Sitting Fees**												
	Rajeev Goenka	-	-	-	-	0.49	0.38	-	-	-	-	0.49	0.38
	Rajiv Banavali	-	-	-	-	0.55	0.58	-	-	-	-	0.55	0.58
	Omprakash Bundellu	-	-	-	-	0.52	0.54	-	-	-	-	0.52	0.54
	Manish Chokhani	-	-	-	-	0.68	0.45	-	-	-	-	0.68	0.45

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	Related Parties Transactions	(A) Entities where control exists		(B) Associate & Joint Ventures		(C) Key Management Personnel		(D) Relatives of Key Management Personnel		(E) Enterprises over which any person described in (C) is able to exercise control		Total	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
	Arun Lalchand Todarwal	-	-	-	-	1.09	-	-	-	-	-	1.09	-
	Rajeev Vaidya	-	-	-	-	0.72	0.60	-	-	-	-	0.72	0.60
	Sangeeta Singh	-	-	-	-	1.06	0.67	-	-	-	-	1.06	0.67
	Total	**-**	**-**	**-**	**-**	**5.11**	**3.22**	**-**	**-**	**-**	**-**	**5.11**	**3.22**
xi)	**Directors Remuneration**												
	Ravi Goenka	-	-	-	-	96.79	99.63	-	-	-	-	96.79	99.63
	Harshvardhan Goenka	-	-	-	-	26.23	29.21	-	-	-	-	26.23	29.21
	Dr. Rajan Venkatesh	-	-	-	-	89.72	86.58	-	-	-	-	89.72	86.58
	Total	**-**	**-**	**-**	**-**	**212.74**	**215.42**	**-**	**-**	**-**	**-**	**212.74**	**215.42**
xii)	**Remuneration to Other KMPs**												
	Other KMPs	-	-	-	-	60.59	32.99	-	-	-	-	60.59	32.99
	Total	**-**	**-**	**-**	**-**	**60.59**	**32.99**	**-**	**-**	**-**	**-**	**60.59**	**32.99**
xiii)	**Advance Given Against Service Agreement**												
	Viva Lifesciences Private Limited	-	42.20	-	-	-	-	-	-	-	-	-	42.20
	Total	**-**	**42.20**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**42.20**
xiv)	**Dividend Paid**												
	Ravi Goenka	-	-	-	-	1.09	0.90	-	-	-	-	1.09	0.90
	Rajeev Goenka	-	-	-	-	0.07	0.05	-	-	-	-	0.07	0.05
	Manisha Goenka	-	-	-	-	-	-	5.33	4.44	-	-	5.33	4.44
	Aryavrat Goenka	-	-	-	-	-	-	0.46	0.38	-	-	0.46	0.38
	Omprakash Bundellu	-	-	-	-	0.03	0.03	-	-	-	-	0.03	0.03
	Ravi Goenka Trustee of Yellowstone Trust	106.02	88.35	-	-	-	-	-	-	-	-	106.02	88.35
	Satej Naber	-	-	-	-	-	0.21	-	-	-	-	-	0.21
	Brady Investments Pvt. Ltd.	-	-	-	-	-	-	-	-	2.82	2.35	2.82	2.35
	Total	**106.02**	**88.35**	**-**	**-**	**1.19**	**1.19**	**5.79**	**4.82**	**2.82**	**2.35**	**115.82**	**96.71**

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

	Related Parties Transactions	(A) Entities where control exists		(B) Associate & Joint Ventures		(C) Key Management Personnel		(D) Relatives of Key Management Personnel		(E) Enterprises over which any person described in (C) is able to exercise control		Total	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
II	**Outstanding as at the end of reporting period**												
i)	**Trade and other Payable**												
	Radiance MH Sunrise Seven Private Ltd.	-	-	-	3.25	-	-	-	-	-	-	-	3.25
	Viva Lifescience Private Limited	-	22.30	-	-	-	-	-	-	-	-	-	22.30
	Brady Investments Pvt. Ltd.	-	-	-	-	-	-	-	-	0.17	0.16	0.17	0.16
	Total	**-**	**22.30**	**-**	**3.25**	**-**	**-**	**-**	**-**	**0.17**	**0.16**	**0.17**	**25.71**
ii)	**Commission Payable to Non-Executive Directors**												
	Omprakash Bundellu	-	-	-	-	-	2.06	-	-	-	-	-	2.06
	Manish Chokhani	-	-	-	-	2.06	2.06	-	-	-	-	2.06	2.06
	Arun Lalchand Todarwal	-	-	-	-	2.06	-	-	-	-	-	2.06	-
	Sangeeta Singh	-	-	-	-	2.06	2.06	-	-	-	-	2.06	2.06
	Rajeev Vaidya	-	-	-	-	2.06	2.06	-	-	-	-	2.06	2.06
	Mr. Vijay Ratnaparkhe	-	-	-	-	1.54	-	-	-	-	-	1.54	-
	Rajiv Banavali	-	-	-	-	2.06	2.06	-	-	-	-	2.06	2.06
	Total	**-**	**-**	**-**	**-**	**11.84**	**10.30**	**-**	**-**	**-**	**-**	**11.84**	**10.30**
iii)	**Trade and other Receivable**												
	Viva Lifescience Private Limited	37.43	85.73	-	-	-	-	-	-	-	-	37.43	85.73
	Laxmi Speciality Chemicals (Shangai) Co. Ltd.	15.15	40.30	-	-	-	-	-	-	-	-	15.15	40.30
	Laxmi Organic Industries (Europe) B.V.	281.87	420.81	-	-	-	-	-	-	-	-	281.87	420.81
	Saideep Traders	59.56	59.09	-	-	-	-	-	-	-	-	59.56	59.09
	Maharashtra Aldehydes & Chemicals Ltd.	-	-	-	-	-	-	-	-	13.75	8.80	13.75	8.80
	Pedestal Finance & Trading Pvt. Ltd.	-	-	-	-	-	-	-	-	-	2.20	-	2.20
	Total	**394.01**	**605.93**	**-**	**-**	**-**	**-**	**-**	**-**	**13.75**	**11.00**	**407.76**	**616.93**

Notes:

a Commission to non-executive directors as disclosed above is on provisional basis.

b Provision for contribution to gratuity fund and leave encashment which are made based on actuarial valuation on an overall Company basis are not included in remuneration with KMP.

c Directors' remuneration and remuneration to other KMPs (Chief Financial Officer and Company Secretary) includes performance incentive on payment basis.

d Refer note 4A for provision for diminuition in value and write off of investments in subsidiaries. x

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

40 FINANCIAL INSTRUMENTS

(a) The carrying value and fair value of financial instruments by categories as at March 31, 2025 and March 31, 2024 is as follows:

	Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
(i)	**Financial assets**	**Non-current**		**Current**	
	Financial assets measured at amortised cost				
	Others	88.44	70.83	264.47	393.99
	Trade receivables	-	-	5,407.18	6,026.97
	Cash and cash equivalents	-	-	175.05	852.00
	Other bank balances	-	-	766.16	2,058.74
	Financial assets measured at FVTPL				
	Investments	-	-	1,453.93	1,230.88
	Total financial assets	**88.44**	**70.83**	**8,066.79**	**10,562.58**
(ii)	**Financial liabilities**				
	Financial liabilities measured at amortised cost				
	Borrowings	425.00	972.24	2,106.71	385.14
	Trade payables	-	-	6,972.24	7,546.47
	Lease Liability	5.03	14.41	9.38	19.59
	Others	-	-	862.74	584.33
	Total financial liabilities	**430.03**	**986.65**	**9,951.07**	**8,535.53**

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, book overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

41 FAIR VALUE HIERARCHY

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table."

Level 1 - quoted prices (unadjusted) in active markets for identical 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 to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2025 and March 31, 2024.

Particulars	Fair value hierarchy			
	Fair value as at	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial liabilities measured at FVTPL				
Forward contracts	March 31, 2025	-	81.65	-
Forward contracts	March 31, 2024	-	3.16	-
Financial assets measured at FVTPL				
Mutual funds	March 31, 2025	1,453.93	-	-
Mutual funds	March 31, 2024	1,230.88	-	-

42 FINANCIAL RISK MANAGEMENT

The Company is exposed to various financial risks arising from its underlying operations and financial activities. The Company is primarily exposed to market risk (i.e. interest rate and foreign currency risk), credit risk and liquidity risk. The Company's treasury function plays the role of monitoring financial risk arising from business operations and financing activities.

Financial risk management, which includes foreign currency risk, interest rate risk, credit and liquidity risk are very closely monitored by the senior management, the Finance Committee and the Board of Directors. The Company has a Forex Risk Management policy under which all the forex hedging operations are done. The Company's policies and guidelines also cover areas such as cash management, investment of excess funds and the raising of short and long term debt. Compliance with the policies and guidelines is managed by the Corporate Treasury function. The objective of financial risk management is to manage and control financial risk exposures within acceptable parameters, while optimising the return.

The Company manages its market risk exposures by using specific type of financial instruments duly approved by the Board of Directors as and when deemed appropriate. The Company reviews and approves policies for managing each of the above risk.

(a) Market risk

Market risk is the risk arising out of the fluctuations in fair value of future cash flows of a financial instrument because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes loans and borrowings, deposits, investments and derivative financial instruments. The Company enters into the derivative contracts as approved by the Board to manage its exposure to interest rate risk and foreign currency risk, from time to time.

(i) Foreign currency risk

Foreign currency risk also known as Exchange Currency Risk is the risk arising out of fluctuation in the fair value or future cash flows of an exposure because of changes in foreign exchange rates. Foreign currency risk in the Company is attributable to company's operating activities and financing activities. In the operating activities, the Company's exchange rate risk primarily arises when revenue/costs are generated in a currency that is different from the functional currency (transaction risk). The Company manages the exposure based on a duly approved policy by the Board, which is reviewed by Board of Directors on periodic basis. This foreign currency risk exposure of the Company is mainly in U.S. Dollar (US$), Euro (EUR) and Chinese Yuan Renminbi (CNY).

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

The carrying amount of the Company's foreign currency exposure at the end of the reporting periods are as follows:

Currency	**Assets**		**Liabilities**	
	As at March 31, 2025	**As at March 31, 2024**	**As at March 31, 2025**	**As at March 31, 2024**
USD	5,70,365	18,87,927	23,35,565	5,65,119
EUR	16,98,516	32,00,553	22,298	1,231
CNY	45,73,531	6,03,000	-	-

Foreign currency sensitivity analysis:

The following table details the Company's sensitivity to a 1% increase and decrease in the Rupee against the relevant foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number below indicates an increase in profit before tax or vice-versa.

Particulars	**As at March 31, 2025**		**As at March 31, 2024**	
Impact on profit/(loss) for the year	**Rupee Strengthens by 1%**	**Rupee weakens by 1%**	**Rupee Strengthens by 1%**	**Rupee weakens by 1%**
USD	(1.50)	1.50	1.09	(1.09)
EUR	1.53	(1.53)	2.86	(2.86)
CNY	0.53	(0.53)	0.07	(0.07)

Foreign exchange derivative contracts

The Company enters into derivative contracts with an intention to hedge its foreign exchange price risk and interest risk. Derivative contracts which are linked to the underlying transactions are recognised in accordance with the contract terms. 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. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit & Loss.

(b) Interest rate risk

Interest rate risk arises from the movements in interest rates which could have effects on the Company's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowing obligations with floating interest rates.

The Company manages its interest rate risk by having an agreed portfolio of fixed and variable rate borrowings. Out of the total borrowings, the amount of floating interest loan is ₹ 500.00 Mn (March 31, 2024: ₹ 1303.40 Mn). With all the other variables remaining constant, the following table demonstrates the sensitivity to a reasonable change in interest rates on the borrowings:

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

Particulars	**As at March 31, 2025**	**As at March 31, 2024**
	Rupee loans interest rate (increases)/ decreases by 1%	**Rupee loans interest rate (increases)/ decreases by 1%**
Increase in profit	5.00	13.03
Decrease in profit	(5.00)	(13.03)

(C) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables are typically unsecured and are derived from revenue earned from customer. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account a continuing credit evaluation of the Company customers' financial condition; ageing of trade accounts receivable and the Company's historical loss experience.

Credit risk from balances with banks and financial institutions is managed by the Company's Corporate Treasury function in accordance with the Company's policy. Investments of surplus funds are made only with counter parties who meet the parameters specified in Investment Policy of the Company. The investment policy is reviewed by the Company's Board of Directors on periodic basis and if required, the same may be updated during the year. The investment policy specifies the limits of investment in various categories of products so as the minimise the concentration of risks and therefore mitigate financial loss due to counter party's potential failure.

Financial assets for which loss allowance is measured:

Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Trade receivables (net)	5,407.18	6,026.97
(refer note 9)		
Allowance for Expected Credit Loss	(45.83)	(24.27)
(refer note 9(b))		

(d) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the years ended March 31, 2025 and March 31, 2024. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable liquid debt investments with appropriate maturities to optimise the returns on investments while ensuring sufficient liquidity to meet its liabilities.

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

The table below analyse the Company's financial liabilities into relevant maturity based on their contractual maturities:

Particulars	Less than 1 year	Between 1 - 2 years	Between 2 - 5 years	More than 5 years	Total
As at March 31, 2025					
Borrowings	2,106.71	100.00	300.00	25.00	2,531.71
Trade payables	6,972.24	-	-	-	6,972.24
Other financial liabilities	862.74	-	-	-	862.74
Total	**9,941.69**	**100.00**	**300.00**	**25.00**	**10,366.69**
As at March 31, 2024					
Borrowings	385.14	331.16	641.08	-	1,357.38
Trade payables	7,546.47	-	-	-	7,546.47
Other financial liabilities	584.33	-	-	-	584.33
Total	**8,515.94**	**331.16**	**641.08**	**-**	**9,488.18**

Note - The above maturity profile does not includes contractual maturities of lease liabilities and the same is given in Note 36(d).

43 CAPITAL MANAGEMENT

The Company continues its policy of a conservative capital structure which has ensured that it retains the highest credit rating even amidst an adverse economic environment. Low gearing levels also equip the Company with the ability to navigate business stresses on one hand and raise growth capital on the other. This policy also provides flexibility of fund raising options for future, which is especially important in times of global economic volatility.

Particulars	As at March 31, 2025	As at March 31, 2024
Gross debt	2,531.71	1,357.38
Less: Cash and cash equivalent	(175.05)	(852.00)
Less: Other Bank Balances and FD kept as margin money*	(17.46)	(187.93)
Net debt (A)	**2,339.20**	**317.45**
Total equity (B)	**19,119.30**	**18,003.61**
Net debt to equity ratio (A/B)	**12.23%**	**1.76%**

*Includes Fixed deposit against margin money and Fixed deposit with banks (having maturity more than 12 months as margin money with banks).

44 BUSINESS COMBINATION UNDER COMMON CONTROL

(i) Amalgamation of Yellowstone Fine Chemicals Private Limited (YFCPL) ('Amalgamating Company') with the Company

The Board of Directors of the Company, in its meeting held on May 21, 2024, had approved the Scheme of Amalgamation (""the Scheme"") under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 between Yellowstone Fine Chemicals Private Limited (YFCPL), a wholly owned subsidiary of the Company and the Company.

The aforesaid Scheme was sanctioned by Hon'ble National Company Law Tribunal (NCLT) Mumbai Bench vide order dated February 27, 2025. The Scheme has become effective from March 30, 2025 upon filing of the certified copy of the order passed by NCLT with the relevant Registrar of Companies on March 30, 2025. The Appointed Date of the Scheme is April 1, 2024. The transferor company, YFCPL is a wholly owned subsidiary of the Company. No shares have been issued as a consideration. All the assets, liabilities, reserves and surplus of YFCPL have been transferred to and vested in the Company.

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

Accounting Treatment

The amalgamation has been accounted in accordance with "Pooling of interest method" as laid down in Appendix C - 'Business combinations of entities under common control' of Ind AS 103 notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards)

Rules, 2015, as specified in the scheme, such that:"

(a) All assets and liabilities of the Amalgamating Company are stated at the carrying values as appearing in the standalone financial statements of the Amalgamating Company.

(b) The identity of the reserves have been preserved and are recorded in the same form and at the carrying amount as appearing in the standalone financial statements of Amalgamating Company.

(c) The inter-company balances between both the companies have been eliminated.

(d) Comparative financial information in the financial statements of the Company has been restated for the accounting impact of merger, as stated above, as if the merger had occurred from the beginning of the comparative period.

The difference, if any, between the amount recorded as share capital issued and the amount of share capital of the Amalgamating Company has been transferred to capital reserve and presented separately from other capital reserves.

In addition, pursuant to the scheme, the authorised equity share capital of the Company stands increased, by ₹ 500 Mn, being the authorised equity share capital of YFCPL.

Details of assets and liabilities of Erstwhile YFCPL added to the opening balances of the Company (i.e., April 1, 2023):

Particulars	Amount	Amount
Assets Recognised		
PPE including CWIP & Intangible assets		3,780.11
Deferred tax asset (net)		9.46
Other Financial Assets (Non-Current)		10.81
Other Non-Current Assets		21.90
Inventory		18.99
Cash and Cash Equivalents		16.15
Other Bank balances		10.59
Other Financial Assets (Current)		0.62
Other Current Assets		648.03
Total Assets (A)		**4,516.66**
Liabilities Recognised		
Borrowings		1,219.60
Trade Payables including MSME balances		19.74
Other Financial Liabilities		932.97
Retained earnings		(79.15)
Total Liabilities (B)		**2,093.16**
Net assets Taken over (C)= (A)-(B)		**2,423.50**
Investment cancellation on account of business combination (D)		
Investments held by Company in YFCPL as on April 1, 2023		
Equity Share capital	51.00	
Preference Share Capital	2,372.50	
		2,423.50
Goodwill/Capital reserve on account of Business Combination (C-D)		**-**

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

45 THE FOLLOWING ARE ANALYTICAL RATIOS FOR THE YEAR ENDED MARCH 31, 2025 AND MARCH 31, 2024:

Sr. No.	Ratios	Numerator	Denominator	Year 2024-25	Year 2023-24	% Variance
1	Current ratio	Current assets	Current liabilities	1.32	1.63	(19.00)
2	Debt-equity ratio^	Total Debts	Shareholder's Equity	0.13	0.08	75.63
3	Debt service coverage ratio^^	Earnings available for debt service*	Debt Service**	1.89	14.48	(86.92)
4	Return on Equity	Net Profits after taxes	Average Shareholder's Equity	6.36%	7.93%	(19.82)
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	6.31	7.68	(17.83)
6	Trade receivables turnover ratio	Revenue	Average Accounts Receivable	5.14	4.91	4.67
7	Trade payables turnover ratio	Purchases	Average Trade Payables	2.78	3.07	(9.60)
8	Net capital turnover ratio	Revenue	Average working capital	6.64	5.98	11.06
9	Net profit ratio	Net Profit after Tax	Revenue	4.02%	4.56%	(11.79)
10	Return on capital employed	Earning before interest and taxes	Capital Employed***	8.41%	9.22%	(8.81)
11	Return on investment	Income generated from Investments	"Time weighted average investments"	7.43%	7.75%	(4.13)

Reasons for Variance above 25%:

^Variance is due to increase in borrowings.

^^Lower profitability and cash profit coupled with higher overall repayment of debt.

Definitions:

*Net Profit after taxes + Non-cash operating expenses + Interest + Other adjustments like loss on sale of Fixed assets etc.

**Consists of Interest and Lease Payments made during the period

***Tangible net worth + Deferred tax liabilities + Lease Liabilities

46 RELATIONSHIP WITH STRUCK OFF COMPANIES

The information about transaction with struck off Companies (defined under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956) has been determined to the extent such parties have been identified on the basis of the information available with the Company.

47 MAINTENANCE OF BOOKS OF ACCOUNTS AND BACK-UP

As per the MCA notification dated 05 August 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain back-up on daily basis of books of account and other relevant books and papers maintained in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of books of account on servers physically located in India on a daily basis. The books of account of the Company are maintained in electronic mode and these are readily accessible in India at all times. Currently, the Company is maintaining back-up of books of account on server physically located in India on daily basis.

Audit Trail

The Company has been maintaining its books of account in the SAP S4 HANA which has feature of recording audit trail, an edit log facility and that has been operative throughout the financial year for all relevant transactions recorded in the software impacting books of account, throughout the year as required by Companies (Accounts) Amendment Rules, 2021. Additionally the audit trail of has been preserved by the Company as per the Statutory requirement for record retention.

Notes to Standalone Financial Statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

48 SUBSEQUENT EVENT

There are no subsequent events after the year ended March 31, 2025 till the date of signing of this standalone financial statement.

49 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III TO THE COMPANIES ACT, 2013

(a) The Company does not have any Benami property, where any proceedings have been initiated or pending against the Company for holding any Benami property.

(b) The Company do not have any charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(c) The Company has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or any other lender or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

(d) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(e) Utilisation of Borrowed funds and share premium:

I The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

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

II The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(f) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

50 THE STANDALONE FINANCIAL STATEMENT WERE AUTHORISED FOR ISSUE IN ACCORDANCE WITH A RESOLUTION OF THE BOARD OF DIRECTORS IN ITS MEETING HELD ON MAY 20, 2025.

51 PREVIOUS YEAR'S FIGURES HAVE BEEN REGROUPED / RECLASSIFIED WHEREVER NECESSARY.

For and on behalf of the Board of Directors
Laxmi Organic Industries Limited
CIN: L24200MH1989PLC051736

Ravi Goenka
Executive Chairman
DIN: 00059267

Dr. Rajan Venkatesh
Managing Director & CEO
DIN: 10057058

Mahadeo Karnik
Chief Financial Officer

Aniket Hirpara
Company Secretary
M. No. ACS18805

Mumbai
May 20, 2025

Independent Auditor's Report

To The

Members of

Laxmi Organic Industries Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Laxmi Organic Industries Limited (the "Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as the "Group") which includes Group's share of profit in its associates, which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the 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, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries and associates referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated 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") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, 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 of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Impairment assessment of certain tangible assets, intangible assets and capital work-in-progress (CWIP) related to Electro Chemical Fluorination (ECF) used for manufacturing chemicals: (Refer Note 1A(c) of the consolidated financial statements) As at March 31, 2025, the Group has carried out a review of recoverable amount in respect of certain tangible assets, intangible assets and capital work-in-progress (CWIP) which aggregates ₹ 5,215.31 Mn considering decline in performance, among other internal factors.	**Principal audit procedures performed included the following:** • Tested the design, implementation and operating effectiveness of key controls in respect of the Group's impairment assessment process, including the approval of forecasts and valuation model. • Evaluated the reasonableness of key assumptions and inputs in the cash flow forecasts considering the current economic scenario and understanding of the business. • Engaged the internal valuation expert to challenge Management's underlying assumptions and appropriateness of the valuation model.

Independent Auditor's Report (Contd.)

Key Audit Matter	Auditor's Response
The estimation of value-in-use for impairment assessment involves significant judgements, assumptions and estimates such as future expected level of operations, related forecast of cash flows, terminal growth and discount rates. Considering the significance of aforesaid balances to the overall financial statements and significant management efforts and judgments involved, we have considered assessment of carrying value of above assets as a key audit matter.	• Considered historical forecasting accuracy, by comparing previously forecasted cash flows to actual results achieved. • Assessed the sensitivity analysis in relation to the key assumptions. • Evaluated the chartered engineer's report for the assessment of useful life of tangible assets. • Evaluated the appropriateness and adequacy of disclosures given in the consolidated financial statements in accordance with applicable accounting standards.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis Report, Business Responsibility and Sustainability Report, Director's Report including annexures to the Director's Report and Corporate Governance 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, compare with the financial statements of the subsidiaries and associates audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and associates, is traced from their financial statements audited by the other auditors.
- 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 BOARD OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associates in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

AUDITOR'S RESPONSIBILITY 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated 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 the 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 associates 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 associates 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 associates 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 or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the 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 financial controls that we identify during our audit.

Independent Auditor's Report (Contd.)

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

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

OTHER MATTERS

(a) We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of ₹ 108.85 Mn as at March 31, 2025, total revenues of ₹ 199.15 Mn and net cash inflows amounting to ₹ 25.55 Mn for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and 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 subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) We did not audit the financial information of two subsidiaries whose financial information reflect total assets of ₹ 82.01 Mn as at March 31, 2025, total revenues of ₹14.42 Mn and net cash outflows amounting to ₹ 0.91 Mn for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ Nil for the year ended March 31, 2025, as considered in the consolidated financial statements, in respect of two associates, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management and 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 associates, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements information are not material to the Group.

Our opinion on the consolidated financial statements above 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 information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries and associates referred to in the Other Matters section above we report, to the extent applicable that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group and its associates including relevant records so far as it appears from our examination of those books, and the reports of the other auditors.

    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of subsidiary companies and associate companies incorporated in India, none

Independent Auditor's Report (Contd.)

of the directors of the Group companies and its associate companies incorporated in India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Holding company, subsidiary companies and associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies and associate companies incorporated in India, the remuneration paid by the Holding Company, such subsidiary companies and associate companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

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

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates - Refer Note 32 to the consolidated financial statements;

ii) The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and associate companies.

iv) (a) The respective Managements of the Holding Company, its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, as disclosed in the note 44 (i)(a) 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 and associates to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries and associates ("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 and associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, as disclosed in the Note 44(i)(b) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries and associates 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 and associates shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associates 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 11(i) to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the Holding Company at the ensuing Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination which included test checks and based on the other auditor's reports of its subsidiary companies, incorporated in India whose financial statements have been audited under the Act, the Holding Company and its subsidiary companies incorporated in India have used accounting software systems for maintaining their respective books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Holding Company, have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Holding Company and above referred subsidiary companies incorporated in India as per the statutory requirements for record retention.

In respect of two associates where the accounts are unaudited, we are unable to comment on the reporting requirement under Rule 11(g).

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent/ Holding Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

Name of the Company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remarks
Cellbion Lifesciences Private Limited	U24233MH2007PTC170041	Subsidiary	3(xvii)
Viva Lifescinces Private Limtied	U24100MH2013PTC245226	Subsidiary	3(xvii)

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Falguni Bhor
(Partner)
(Membership No. 111787)
(UDIN: 25111787BMONRP4918)

Place: Mumbai
Date: May 20, 2025

Annexure "A" To The Independent Auditor's Report

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

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of Laxmi Organic Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which includes internal financial controls with reference to consolidated financial statements, of its subsidiaries and its associate companies which are companies incorporated in India, as of that date.

MANAGEMENT'S AND BOARD OF DIRECTOR'S RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and Board of Directors of the Holding company, its subsidiary companies and its associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 of the subsidiary companies, which are companies incorporated in India, 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 of the Holding Company and its subsidiary companies, which are companies incorporated in India.

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 control 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 to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an 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, 2025, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

Our aforesaid 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 insofar as it relates to two subsidiary companies, which are companies incorporated in India which states that these companies are exempted from getting an audit opinion with respect to the adequacy and operating effectiveness of the internal financial controls with reference to its financial statements.

Our opinion is not modified in respect of the above matters.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Falguni Bhor
Partner
Place: Mumbai Membership No. 111787
Date: May 20, 2025 UDIN: 25111787BMONRP4918

Consolidated Balance Sheet

as at March 31, 2025

(All figures are rupees in Mn unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	1A	11,617.14	8,707.96
(b) Right of use assets	1B	39.21	66.27
(c) Capital work-in-progress	2	3,984.37	4,441.59
(d) Other intangible assets	3	8.47	13.18
(e) Financial assets			
(i) Investments	4A	27.62	27.62
(ii) Other financial assets	5A	90.33	71.29
(f) Income Tax Assets (Net)	6	20.98	25.60
(g) Other non-current assets	7A	550.48	146.34
Total Non-Current Assets		**16,338.60**	**13,499.85**
(2) Current assets			
(a) Inventories	8	3,779.88	2,833.36
(b) Financial assets			
(i) Investments	4B	1,453.93	1,230.88
(ii) Trade receivables	9	5,379.49	5,834.36
(iii) Cash and cash equivalents	10A	416.37	1,111.39
(iv) Bank balance other than (iii) above	10B	766.21	2,059.37
(v) Other financial assets	5B	265.33	440.78
(c) Other current assets	7B	2,046.01	1,262.21
Total Current Assets		**14,107.23**	**14,772.36**
Total Assets		**30,445.83**	**28,272.21**
EQUITY & LIABILITIES			
Equity			
(a) Equity share capital	11	554.05	551.56
(b) Other Equity	12	18,512.70	17,424.65
		19,066.75	17,976.21
(c) Non-controlling interest		3.41	3.71
Total Equity		**19,070.16**	**17,979.92**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	425.00	972.24
(ii) Lease liabilities	14A	27.05	64.12
(b) Provisions	15A	62.20	61.19
(c) Deferred tax liabilities (net)	16	337.20	283.46
Total Non-Current Liabiities		**851.45**	**1,381.01**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	2,106.71	385.22
(ii) Lease liabilities	14B	16.82	6.26
(iii) Trade payables	18		
A) Total outstanding dues of micro enterprises and small enterprises		230.28	93.53
B) Total outstanding dues of creditors other than micro enterprises and small enterprises		6,741.37	7,527.72
(iv) Other financial liabilities	19	863.14	567.24
(b) Provisions	15B	59.86	49.77
(c) Income Tax Liabilities (Net)	20	348.31	187.36
(d) Other current liabilities	21	157.73	94.18
Total Current Liabilities		**10,524.22**	**8,911.28**
Total Equity and Liabilities		**30,445.83**	**28,272.21**

The accompanying notes form an integral part of the consolidated financial statements 1 to 51

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. 117366W/W-100018

For and on behalf of the Board of Directors
Laxmi Organic Industries Limited
CIN: L24200MH1989PLC051736

Falguni Bhor
Partner
Membership No: 111787

Ravi Goenka
Executive Chairman
DIN: 00059267

Dr. Rajan Venkatesh
Managing Director & CEO
DIN: 10057058

Mahadeo Karnik
Chief Financial Officer

Aniket Hirpara
Company Secretary
M. No. ACS18805

Mumbai
May 20, 2025

Mumbai
May 20, 2025

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

(All figures are rupees in Mn unless otherwise stated)

Particulars	Note No.	Year 2024-25	Year 2023-24
INCOME:			
Revenue from operations	22	29,854.42	28,650.07
Other income	23	253.58	282.29
Total income		**30,108.00**	**28,932.36**
EXPENSES:			
Cost of raw materials consumed	24A	19,154.46	18,492.51
Purchase of stock-in-trade	24B	405.73	609.16
Changes in inventories of finished goods, stock-in-trade and work-in-progress	24C	(83.79)	145.83
Power and Fuel	25	2,325.71	2,287.32
Employee Benefits Expenses	26	1,464.61	1,478.51
Finance cost	27	204.52	65.48
Depreciation and amortisation expenses	28	1,240.25	1,065.92
Other expenses	29	3,791.28	3,079.68
Total expenses		**28,502.77**	**27,224.41**
Profit before share of profit/(loss) of associates and exceptional items		**1,605.23**	**1,707.95**
Share of profit/(loss) of associates		-	-
Profit before exceptional items and tax		**1,605.23**	**1,707.95**
Exceptional items		**-**	**-**
Profit before tax		**1,605.23**	**1,707.95**
1. Current tax		420.51	490.80
2. Deferred tax		50.37	11.80
3. Income tax (excess)/short provision of previous year		(0.69)	-
Total Tax expenses	30	**470.19**	**502.60**
Profit for the year		**1,135.04**	**1,205.35**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans		6.49	6.84
(ii) Income Tax (expense)/benefit on remeasurement of the defined benefit plans		(3.37)	(1.77)
B (i) Items that will be reclassified to profit or loss		-	-
Total Other comprehensive income		**3.12**	**5.07**
Total comprehensive income for the year		**1,138.16**	**1,210.42**
Profit attributable to:			
Owners of the Company		1,135.04	1,205.35
Non-controlling interest		-	-
Other comprehensive income attributable to:			
Owners of the Company		3.12	5.07
Non-controlling interest		-	-
Earnings per equity share (face value of share ₹ 2/- each)			
Basic (₹)	31	4.10	4.46
Diluted (₹)	31	4.07	4.43

The accompanying notes form an integral part of the consolidated financial statements 1 to 51

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. 117366W/W-100018

For and on behalf of the Board of Directors
Laxmi Organic Industries Limited
CIN: L24200MH1989PLC051736

Falguni Bhor
Partner
Membership No: 111787

Ravi Goenka
Executive Chairman
DIN: 00059267

Dr. Rajan Venkatesh
Managing Director & CEO
DIN: 10057058

Mahadeo Karnik
Chief Financial Officer

Aniket Hirpara
Company Secretary
M. No. ACS18805

Mumbai
May 20, 2025

Mumbai
May 20, 2025

Consolidated Statement of Cash flows

for the year ended March 31, 2025

(All figures are rupees in Mn unless otherwise stated)

Particulars	Year 2024-25	Year 2023-24
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax for the year	1,605.23	1,707.95
Adjustments for:		
Depreciation and amortisation expense	1,240.25	1,065.92
Finance Cost	204.52	65.48
Interest income	(84.79)	(142.58)
(Gain)/Loss on disposal/retirement of property, plant and equipment	67.62	(1.87)
Net (gain)/loss on sale/fair value of investments mandatorily measured at Fair Value Through Profit and Loss	(119.68)	(43.26)
Sundry balances written back	(13.76)	(4.40)
Provision/ (reversal) of expected credit loss	25.76	39.54
Share-based payments expenses/ (Reversal)	(5.26)	168.43
Net (gain)/loss arising on derivative instruments measured at fair value through profit or loss	78.49	-
Net unrealised exchange (gain) / loss	(6.70)	42.20
Total non cash adjustments	**1,386.45**	**1,189.45**
Operating cashflow before changes in working capital	**2,991.68**	**2,897.41**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(946.52)	108.78
Trade receivables	441.84	(171.42)
Financial assets	166.56	276.26
Non financial assets	(769.17)	50.95
Adjustments for increase / (decrease) in operating liabilities:		
Trade payable	(700.53)	2,962.25
Non financial liabilities	63.54	89.34
Financial liabilities	69.95	(258.77)
Provisions	17.59	28.74
	(1,656.74)	**3,086.13**
Cash generated from operations	**1,334.94**	**5,983.54**
Net income tax (paid) / refunds (net)	(255.35)	(370.69)
Net cash flow generated from operating activities (A)	**1,079.59**	**5,612.85**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment (including capital work in progress) and intangible assets.	(3,941.11)	(2,476.67)
Proceeds from disposal of property, plant and equipment	0.85	1.87
Movement in other bank balances	1,298.20	(1,560.97)
Purchase of Current investments - Mutual Funds	(17,907.07)	(11,880.71)
Sale of Current Investments - Mutual Funds	17,803.70	10,893.22
Interest received	69.60	127.87
Net cash flow (used in) investing activities (B)	**(2,675.83)**	**(4,895.39)**

Consolidated Statement of Cash flows

for the year ended March 31, 2025 (Contd.)

(All figures are rupees in Mn unless otherwise stated)

Particulars	Year 2024-25	Year 2023-24
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (including securities premium) and share application money	100.42	2,675.67
QIP Share issue expenses	-	(105.37)
Cash Withdrawal by Subsidiary Partners	(0.30)	(2.43)
Proceeds from long term borrowings	500.00	-
Repayment of long term borrowings	(1,303.40)	(96.60)
Proceeds from /(repayment of) short term borrowings (net)	1,977.65	(2,515.65)
Interest paid	(180.71)	(208.92)
Repayment of Lease Liabilities	(26.50)	(30.12)
Dividends paid	(165.94)	(132.79)
Net cash flow (used in) / generated from financing activities (C)	**901.22**	**(416.21)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(695.02)**	**301.25**
Cash and cash equivalents at the beginning of the year	1,111.39	810.14
Cash and cash equivalents at the end of year	**416.37**	**1,111.39**
Components of cash and cash equivalents (refer note 10A):		
Cash on hand	2.16	2.77
Balances with bank in current account	414.21	498.62
Fixed deposit (original maturity within 3 months)	-	610.00
Cash and cash equivalents at the end of year	**416.37**	**1,111.39**

The accompanying notes form an integral part of the consolidated financial statements 1 to 51

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. 117366W/W-100018

Falguni Bhor
Partner
Membership No: 111787

Mumbai
May 20, 2025

For and on behalf of the Board of Directors
Laxmi Organic Industries Limited
CIN: L24200MH1989PLC051736

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Executive Chairman
DIN: 00059267

Dr. Rajan Venkatesh
Managing Director & CEO
DIN: 10057058

Mahadeo Karnik
Chief Financial Officer

Aniket Hirpara
Company Secretary
M. No. ACS18805

Mumbai
May 20, 2025

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

(All figures are rupees in Mn unless otherwise stated)

A EQUITY SHARE CAPITAL

Particulars	As at March 31, 2025			As at March 31, 2024		
	Number of shares	Face value ₹	₹ Mn	Number of shares	Face value ₹	₹ Mn
Opening balance	27,57,80,785	2	551.56	26,51,76,208	2	530.35
Fresh issue of shares (refer note 11)	12,43,028	2	2.49	1,06,04,577	2	21.21
Closing balance	**27,70,23,813**	**2**	**554.05**	**27,57,80,785**	**2**	**551.56**

B OTHER EQUITY

Particulars	Capital Reserve	Capital Redemption Reserve	Securities Premium	Share Application Money Pending Allotment	Amalgamation Adjustment Deficit	Share based payment reserve	General Reserve	Retained Earnings	OCI - Foreign Currency Translation Reserve	Total	Non Controlling Interest
Balance as at April 01, 2023	**5.50**	**50.29**	**5,010.02**	**-**	**(118.69)**	**252.77**	**49.01**	**8,359.74**	**(21.34)**	**13,587.30**	**6.14**
Profit for the year	-	-	-	-	-	-	-	1,205.35	-	1,205.35	-
Other Comprehensive Income	-	-	-	-	-	-	-	5.07	-	5.07	-
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,210.42**	**-**	**1,210.42**	**-**
Dividend Paid on equity shares	-	-	-	-	-	-	-	(132.79)	-	(132.79)	-
Issue Expenses - QIP	-	-	(105.37)	-	-	-	-	-	-	(105.37)	
Issued during Year - QIP	-	-	2,571.95	-	-	-	-	-	-	2,571.95	-
Issue of equity shares on exercise of ESOP	-	-	82.50	-	-	-	-	-	-	82.50	-
Transfer on exercise of ESOP by employees	-	-	160.72	-	-	(160.72)	-	-	-	-	-
ESOP compensation cost	-	-	-	-	-	168.43	-	-	-	168.43	-
Effects of Foreign Exchange	-	-	-	-	-	-	-	-	42.21	42.21	-
Drawings by Non Controlling Interests	-	-	-	-	-	-	-	-	-	-	(2.43)
Balance as at March 31, 2024	**5.50**	**50.29**	**7,719.82**	**-**	**(118.69)**	**260.48**	**49.01**	**9,437.37**	**20.87**	**17,424.65**	**3.71**

Consolidated Statement of Changes in Equity
for the year ended March 31, 2025 (Contd.)

(All figures are rupees in Mn unless otherwise stated)

Particulars	Capital Reserve	Capital Redemption Reserve	Securities Premium	Share Application Money Pending Allotment	Amalgamation Adjustment Deficit	Share based payment reserve	General Reserve	Retained Earnings	OCI - Foreign Currency Translation Reserve	Total	Non Controlling Interest
Profit for the year	-	-	-	-	-	-	-	1,135.04	-	1,135.04	-
Other Comprehensive Income	-	-	-	-	-	-	-	3.12	-	3.12	-
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,138.16**	**-**	**1,138.16**	**-**
Dividend paid on equity shares	-	-	-	-	-	-	-	(165.94)	-	(165.94)	-
Share Application Money Pending Allotment	-	-	-	3.43	-	-	-	-	-	3.43	-
Issue of equity shares on exercise of ESOP	-	-	169.46	-	-	(74.82)	-	-	-	94.64	-
ESOP compensation cost	-	-	-	-	-	(5.26)	-	-	-	(5.26)	-
Effects of Foreign Exchange	-	-	-	-	-	-	-	-	23.02	23.02	-
Drawings by Non Controlling Interests	-	-	-	-	-	-	-	-	-	-	(0.30)
Balance as at March 31, 2025	**5.50**	**50.29**	**7,889.28**	**3.43**	**(118.69)**	**180.40**	**49.01**	**10,409.59**	**43.89**	**18,512.70**	**3.41**

The accompanying notes form an integral part of the consolidated financial statements 1 to 51

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. 117366W/W-100018

Falguni Bhor
Partner
Membership No: 111787

Mumbai
May 20, 2025

For and on behalf of the Board of Directors
Laxmi Organic Industries Limited
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Executive Chairman
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Managing Director & CEO
DIN: 10057058

Mahadeo Karnik
Chief Financial Officer

Aniket Hirpara
Company Secretary
M. No. ACS18805

Mumbai
May 20, 2025

Statement of material accounting policies and other related notes to the consolidated financial statements.

A. GROUP OVERVIEW

The Consolidated Financial Statement comprise financial statements of Laxmi Organic Industries Limited ('the Parent Company') and its subsidiaries (collectively, 'the Group') for the year ended March 31, 2025.

The Group is primarily engaged in the business of manufacturing and trading of acetyl intermediates and specialty chemicals. The Parent Company is a public limited company incorporated and domiciled in India having its registered office at A-22/2/3, MIDC, Mahad, Raigad – 402 039, Maharashtra, India.

Pursuant to the scheme of merger between the Parent Company and Yellowstone Fine Chemicals Private Limited (YFCPL/Transferor Company) , a wholly owned subsidiary of the Parent Company approved by the Hon'ble National Company Law Tribunal, Mumbai ('NCLT') vide its order dated February 27, 2025, the Assets and Liabilities of the transferor company have been incorporated into the Standalone Financial Statements of the Parent Company. There is no impact of the Scheme on the Consolidated Financial Statements.

B. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- The financial statements of the Group comprises the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity, the Statement of Cash Flows for the year ended March 31, 2025, the Summary of Statement of Material Accounting policies, and other explanatory information (collectively, the "Financial Statements"), as approved by the Board of Directors of the Parent Company at their meeting held on May 20, 2025.
- These financial statements have been prepared in accordance with the Companies (Indian Accounting Standards), Rules, 2015, as amended (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013.
- These financial statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments, which are measured at fair values, which are disclosed in the financial statements.
- Accounting policies have been consistently applied except where newly issued India accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
- The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest Mn, except otherwise indicated.

C. PRINCIPLES OF CONSOLIDATION:

The consolidated financial statements relate to Laxmi Organic Industries Limited and its subsidiary companies (referred to as Group), and its associates. The consolidated financial statements have been prepared in accordance with Indian Accounting Standard - 110 "Consolidated Financial Statements", Indian Accounting Standard - 28 "Investment in Associate and Joint Ventures" of the Companies (Indian Accounting Standard) Rules 2015. The consolidated financial statements have been prepared on the following basis:-

- The financial statements of the group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/ loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use by the group. Non-controlling interests which represent part of the net profit or loss and net assets of a subsidiary that are not, directly or indirectly, owned or controlled by the Parent Company, are excluded.
- In case of foreign subsidiaries, revenue items are consolidated at average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Exchange gain or loss on conversion arising on consolidation is recognised under foreign currency translation reserve.

Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are entities controlled by the group. Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the group gains control until the date the group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of each of the subsidiaries and associates used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on March 31, 2025.

Non-controlling interests in subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.

Associates are entities over which the group has significant influence but not control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting as per Indian Accounting Standard - 28 "Investment in Associate and Joint Venture". The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date.

The difference between the cost to the Parent Company of its investments in the subsidiary / associates over the Parent Company's portion of equity is recognised in the financial statement as goodwill on consolidation or capital reserve.

D. KEY ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management's judgments, estimates and assumptions that impacts the reported amounts of revenues, expenses, assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the accompanying notes thereon. Uncertainty about these assumptions and estimates could result in outcomes that might require a material adjustment to the carrying amount of assets or liabilities in future periods.

- **Estimates:**

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

- **Judgments:**

The Parent Company's management has made the following judgments, which have the most significant effect on the amounts recognised in the separate financial statements, while formulating the Group's accounting policies:

a. Income taxes:

The Parent Company is eligible for 100% tax holiday under section 80-IA of the Income Tax Act, 1961. As a result, timing differences arising and reversing during the tax holiday period are not recognised by the Company.

b. Defined benefit plans (gratuity benefits):

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c. Useful lives of property, plant and equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

d. Impairment of property, plant and equipment

For property, plant and equipment and intangibles an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

e. Inventories

The Group estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

Statement of material accounting policies and other related notes to the consolidated financial statements. (Contd.)

f. **Recognition and measurement of other provisions**

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, past experience and circumstances known at the closing date. The actual outflow of resources at a future date may, therefore, vary from the amount included in other provisions.

g. **Leases:**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

E. RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Group with effect from April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any impact in its Financial Statements.

On May 7, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025. The Group is currently assessing the probable impact of these amendments on its financial statements.

F. SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the division II of schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading
- or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period

The Group classifies all other assets as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Group classifies all other liabilities as non-current

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

b) Property, plant and equipment (PPE):

- Property, plant and equipment are stated at cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes, commissioning expenses, etc. up to the date the asset is ready for its intended use. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group derecognises the replaced part, and recognises the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.
- Long-term lease arrangements of land are treated as property, plant and equipment, in case such arrangements result in transfer of control and the present value of the lease payments is likely to

Statement of material accounting policies and other related notes to the consolidated financial statements. (Contd.)

represent substantially all of the fair value of the land.

- Capital work-in-progress represents expenditure incurred on capital assets that are under construction or are pending capitalisation and includes project expenses pending allocation. Project expenses pending allocation are apportioned to the property, plant and equipment of the project proportionately on capitalisation.
- Borrowing costs on property, plant and equipment's are capitalised when the relevant recognition criteria specified in Ind AS 23 "Borrowing Costs" is met.
- Decommissioning costs, if any, on property, plant and equipment are estimated at their present value and capitalised as part of such assets.
- An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement.
- Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- The residual values and useful lives of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

c) Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss.

d) Depreciation methods, estimated useful lives and residual value

Depreciation on all assets of the Group is charged on written down value over the useful life of assets mentioned in Schedule II to the Companies Act, 2013. Lease hold land is amortised over the period of lease.

e) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Statement of material accounting policies and other related notes to the consolidated financial statements. (Contd.)

In determining the amount of borrowing costs eligible for capitalisation during a period, any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred.

f) **Impairment of non-financial Assets:**

On annual basis the Group makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value.

An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

The recoverable amount is the higher between an asset's fair value less sale costs and value in use. For the purposes of assessing impairment, assets are grouped together at the lowest level for which there are separately identifiable cash flows (cash-generating units).

g) **Inventories:**

Items of inventories are valued at lower of cost or estimated net realisable value as given below.

i. **Raw materials and packing materials:**

Raw materials and packing materials are valued at Lower of Cost or market value, (Cost is net of taxes, wherever applicable). However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Costs are determined on weighted average method.

ii. **Work-in-progress:**

Work-in-progress are valued at the lower of cost and net realisable value. The cost is computed on weighted average method and includes cost of materials, cost of conversion and other costs incurred.

iii. **Finished goods:**

Finished goods are valued at lower of cost or net realisable value. The cost is computed on weighted average method and includes cost of materials, cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition.

iv. **Stores and spares:**

Stores and spare parts are valued at lower of purchase costs or net realisable value. The cost is determined based on weighted average method.

v. **Traded goods:**

Traded goods are valued at lower of purchase cost or net realisable value.

h) **Cash and cash equivalents**

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments net of bank overdrafts which are repayable on demand as these form an integral part of the Group's cash management.

i) **Foreign currency translation:**

The Group's financial statements are presented in ₹, which is also the Group's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences arising out of foreign exchange translations and settlements of monetary items during the year are recognised in the Statement of Profit and Loss.

Non-monetary items, which are carried at historical cost denominated in a foreign currency, are reported using the exchange rates at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference.

Statement of material accounting policies and other related notes to the consolidated financial statements. (Contd.)

The exchange gains or loss on conversion of the financial statements of the foreign subsidiaries for the purposes of consolidation are carried in other comprehensive income to be reclassified into statement of profit and loss on disposal.

j) **Provisions, contingent liabilities and contingent assets**

A. **Provisions**

The Group recognises a provision when: it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

B. **Contingent liabilities**

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

C. **Contingent assets**

Contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

k) **Employee Share – based payment plans ('ESOP')**

The Group recognises compensation expense relating to share based payments in accordance with Ind AS 102-Share based Payment. For share entitlement granted by the Parent Company to its employees, the estimated fair value as determined on the date of grant, is charged to the Statement of Profit and Loss on a straight-line basis over the vesting period and assessment of performance conditions if any, with a corresponding increase in equity. The increase in equity recognised in connection with share-based payment transaction is presented as a separate component in equity under "Share based payment reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest. The cumulative accumulation in the Share based payment reserve in respect of options exercised are transferred to Securities Premium.

l) **Fair value measurement**

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

Statement of material accounting policies and other related notes to the consolidated financial statements. (Contd.)

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - inputs that are unobservable for the asset or liability.

For assets and liabilities that are recognised in the Financial Statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and disclose the same.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

m) Financial instruments

A. Financial assets:

i. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost. However, trade receivables that do not contain a significant financing component are measured at transaction price.

ii. Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e., fair value through profit or loss), or recognised in other comprehensive income (i.e., fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The objective of the Group's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.
- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Statement of material accounting policies and other related notes to the consolidated financial statements. (Contd.)

Equity instruments, which are held for trading, are classified as at fair value through profit and loss ("FVTPL"). For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at fair value through other comprehensive income ("FVTOCI"), then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

All other financial asset is measured at fair value through profit or loss.

iii. Derecognition of financial instruments

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.

iv. Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model to the financial assets measured at amortised cost.

Expected credit losses are measured through a loss allowance at an amount equal to:

- the twelve months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within twelve months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Group uses a provision matrix to determine impairment loss allowance on the portfolio of 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. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognising impairment loss allowance based on twelve months ECL.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

B. Financial liabilities

i. Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

ii. Subsequent measurement

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

a. Financial liabilities at fair value through profit or loss

b. 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. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

iii. Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

iv. 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 cumulative amortisation.

v. 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.

vi. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

C. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively.

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 statement of profit and loss

n) Revenue

A. Revenue from operations:

The Group earns revenue primarily from sale of chemicals.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is recognized at point in time when the performance obligation with respect to sale of chemicals or rendering of services to the customer which is the point in time when the customer receives the goods and services.

Revenue from related parties is recognised based on transaction price which is at arm's length.

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates, sales return on transfer of control in respect of ownership to the buyer which is generally on dispatch of goods and any other taxes or duties collected on behalf of the government which are levied on sales such as Goods and Services Tax (GST). Discounts given include rebates, price reductions and other incentives given to customers. No element of financing is deemed present as the sales are made with a payment term which is consistent with market practice.

Revenue from services is recognised when all relevant activities are completed and the right to receive income is established. This is applicable in case of job work services given by the Group to the customers.

The Group disaggregates revenue from sale of goods or rendering of services with customers by product classification, geographical region and customer category.

Statement of material accounting policies and other related notes to the consolidated financial statements. (Contd.)

B. Other operating income & Other income

- Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability. In respect of incentives attributable to the export of goods, the Group following the accounting principle of matching revenue with the cost has recognised export incentive receivable when all conditions precedent to the eligibility of benefits have been satisfied and when it is reasonably certain of deriving the benefit. Since these schemes are meant for neutralisation of duties and taxes on inputs pursuant to exports, the same are grouped under material costs.
  - The other export incentives that do not arise out of neutralisation of duties and taxes are disclosed under other operating revenue.
  - Revenue in respect of insurance /other claims, commission etc. are recognised only when it is reasonably certain that the ultimate collection will be made.
  - Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
  - Dividend income is recognised when the right to receive the same is established.
  - Current investments are marked to market at the end of the relevant period and the resultant gains or losses are recognised in the income statement.
  - For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.
  - Insurance claims are accounted when the right to receive is established and the claim is admitted by the surveyor

o) Employee benefits

All employee benefits payable wholly within twelve months rendering services are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity, a defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected unit credit method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognised in the statement of profit and loss in the period of plan amendment.

The Group recognises the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
- Net interest expense or income.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are payable as a result of the Group's decision to terminate employment before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises these benefits when it has demonstrably undertaken to terminate current employees' employment in accordance with a formal detailed plan that cannot be withdrawn, or to provide severance indemnities as a result of an offer made to encourage voluntary redundancy. Benefits that will not be paid within twelve months of the balance sheet date are discounted to their present value.

Termination benefits are recognised as an expense in the period in which they are incurred.

p) Income Taxes:

Tax expenses comprise current tax and deferred tax:

i. Current tax:

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/ appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Parent Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii. Deferred tax:

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amount in the respective standalone financial statements of the Parent Company, its subsidiaries and associates for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or liability settled, based on the tax rates (tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised

Statement of material accounting policies and other related notes to the consolidated financial statements. (Contd.)

in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of major components of deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the respective Group entities have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

iii. MAT Credit:

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognises MAT credit available as a deferred tax asset only to the extent that there is reasonable certainty that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The MAT credit to the extent there is reasonable certainty that the Group will utilise the credit is recognised in the statement of profit and loss and corresponding debit is done to the deferred tax asset as unused tax credit.

q) Leases

As a lessee

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 assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or 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 lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

Short-term leases and leases of low-value assets the Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense in statement of profit and loss.

r) Research and development:

Revenue expenditure on research and development is charged to statement of profit and loss in the year in which it is incurred. Capital expenditure on research and development is considered as an addition to property, plant & equipment / intangible assets.

s) Earnings per share:

Earnings per share are calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

t) Dividend distribution

Dividend distribution to the equity holders is recognised as a liability in the Group's annual accounts in the year in which the dividends are approved by the respective Group entity's equity holders.

Statement of material accounting policies and other related notes to the consolidated financial statements. (Contd.)

u) Trade payables & Trade receivables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

v) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

Notes to Consolidated Financial Statements

as at March 31, 2025

(All figures are rupees in Mn unless otherwise stated)

1A PROPERTY, PLANT AND EQUIPMENT

Class of Assets	Freehold Land	Land under lease	Factory building	Non factory building	Plant and equipment	Furniture & fixtures	Office equipments	Computers	Vehicles	Windmill	Total
Cost											
As at April 01, 2023	**1,058.13**	**254.31**	**1,485.01**	**246.93**	**6,681.48**	**72.69**	**25.85**	**38.48**	**79.67**	**22.31**	**9,964.86**
Additions during the year	-	125.38	738.27	13.87	1,779.53	12.28	43.23	5.15	39.74	-	2,757.45
Disposals/ Adjustments	-	61.60	-	-	-	-	-	-	15.55	-	77.15
Exchange Fluctuation	-	-	-	-	-	-	-	0.64	-	-	0.64
As at March 31, 2024	**1,058.13**	**318.09**	**2,223.28**	**260.80**	**8,461.01**	**84.97**	**69.08**	**44.27**	**103.86**	**22.31**	**12,645.80**
Additions during the year	-	362.11	721.60	140.36	2,757.49	121.33	46.73	6.79	-	-	4,156.41
Disposals/ Adjustments	-	-	-	-	42.54	-	-	-	5.49	-	48.03
Exchange Fluctuation	-	-	-	-	-	-	-	0.25	-	-	0.25
As at March 31, 2025	**1,058.13**	**680.20**	**2,944.88**	**401.16**	**11,175.96**	**206.30**	**115.81**	**51.31**	**98.37**	**22.31**	**16,754.43**
Accumulated depreciation											
As at April 01, 2023	**-**	**7.83**	**297.11**	**87.33**	**2,360.20**	**44.78**	**20.83**	**31.50**	**45.36**	**13.36**	**2,908.30**
Charge for the Year	-	3.70	161.71	9.52	827.44	7.78	15.83	4.46	15.02	1.14	1,046.60
Disposals/ Adjustments	-	-	-	-	4.40	-	-	-	13.34	-	17.74
Exchange Fluctuation	-	-	-	-	0.14	-	-	0.54	-	-	0.68
As at March 31, 2024	**-**	**11.53**	**458.82**	**96.85**	**3,183.38**	**52.56**	**36.66**	**36.50**	**47.04**	**14.50**	**3,937.84**
Charge for the Year	-	7.71	192.42	11.81	939.59	12.84	19.42	4.50	17.44	0.99	1,206.72
Disposals/ Adjustments	-	-	-	-	2.37	-	-	-	5.11	-	7.48
Exchange Fluctuation	-	-	-	-	-	-	-	0.21	-	-	0.21
As at March 31, 2025	**-**	**19.24**	**651.24**	**108.66**	**4,120.60**	**65.40**	**56.08**	**41.21**	**59.37**	**15.49**	**5,137.29**
NET BLOCK											
As at March 31, 2024	**1,058.13**	**306.56**	**1,764.46**	**163.95**	**5,277.63**	**32.41**	**32.42**	**7.77**	**56.82**	**7.81**	**8,707.96**
As at March 31, 2025	**1,058.13**	**660.96**	**2,293.64**	**292.50**	**7,055.36**	**140.90**	**59.73**	**10.10**	**39.00**	**6.82**	**11,617.14**

Notes:

(a) During the previous year, the Parent acquired land and buildings as part of its expansion plans. Buildings requiring modification and alterations to prepare them for their intended use are classified as Capital Work in Progress (CWIP). There are no buildings acquired during the currrent year.

(b) During the previous year, depreciation on assets utilised in association with the expansion plans was recorded as project expenses pending allocation amounting to ₹ 10.32 Mn and charged to Capital Work in Progress (CWIP).

Notes to Consolidated financial statements
as at March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(c) Impairment assessment by the Management of certain tangible assets, intangible assets and Capital work-in-progress (CWIP) related to Electro Chemical Fluorination (ECF) used for manufacturing chemicals

The Parent Company has carried out a review of recoverable amount in respect of certain tangible assets, intangible assets and capital work-in-progress (CWIP) considering decline in performance, among other internal factors. The assessment was based on the management's business plans and projections which were approved by its Board of Directors. The key assumptions used for computation of value-in-use were the sales growth rate, gross profit margins, long-term growth rate (cash flows beyond the 5 years period are extrapolated using the estimated long-term growth rate) and the risk-adjusted pre-tax discount rate. The discount rates were derived from the Parent Company's weighted average cost of capital, taking into account the cost of capital, to which specific market-related premium adjustments are made. The Parent Company had performed sensitivity analysis by changing the variables independently, keeping the other variables constant, based upon which, there would be no material impairment charge which would impact the decision of the user of the consolidated financial statements.

The carrying value of above mentioned assets is as follows:

Particulars	As at March 31, 2025
Tangible assets	3,548.40
Intangible assets	4.65
CWIP	1,662.26
Total	**5,215.31**

(d) Details of additions made during the year w.r.t research and development

Particulars	Year 2024-25	Year 2023-24
Factory building	-	0.06
Non Factory Buildings	88.45	-
Plant and equipment	116.73	1.28
Computers	0.25	-
Furniture and fixtures	47.84	-
Office equipment	7.68	-
Capital work-in-progress	2.97	35.36
Laboratory equipment	91.14	-
Total	**355.06**	**36.70**

1B RIGHT OF USE ASSETS

Class of Assets	Building	Land	Total
Cost			
As at April 01, 2023	118.74	70.30	189.04
Additions during the year	8.07	-	8.07
Disposals/Adjustments	-	-	-
As at March 31, 2024	**126.81**	**70.30**	**197.11**
Additions during the year	-	-	-
Disposals/Adjustments	-	-	-
As at March 31, 2025	**126.81**	**70.30**	**197.11**

Notes to Consolidated financial statements
as at March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

Class of Assets	Building	Land	Total
Accumulated Amortisation			
As at April 01, 2023	73.31	30.83	104.14
Amortisation expenses for the year	19.70	7.00	26.70
Disposals/Adjustments	-	-	-
As at March 31, 2024	**93.01**	**37.83**	**130.84**
Amortisation expenses for the year	20.06	7.00	27.07
Disposals/Adjustments	-	-	-
As at March 31, 2025	**113.07**	**44.83**	**157.91**
NET BLOCK			
As at March 31, 2024	**33.80**	**32.47**	**66.27**
As at March 31, 2025	**13.74**	**25.47**	**39.21**

2 CAPITAL WORK-IN-PROGRESS

Particulars	Opening balance	Addition during the year	Transfer to property, plant and equipment	Closing balance (refer note 1A(c))
As at March 31, 2025	4,441.60	3,113.76	3,570.99	3,984.37
As at March 31, 2024	4,470.62	2,702.48	2,731.50	4,441.60

Notes:

(a) **CWIP Ageing Schedule**

As at March 31, 2025

CWIP for a period of	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,419.64	303.90	260.83	-	3,984.37
Projects temporarily suspended	-	-	-	-	-
	3,419.64	**303.90**	**260.83**	**-**	**3,984.37**

As at March 31, 2024

CWIP for a period of	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2,188.08	2,248.99	2.81	1.71	4,441.60
Projects temporarily suspended	-	-	-	-	-
	2,188.08	**2,248.99**	**2.81**	**1.71**	**4,441.60**

(b) **Details of Capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan**

As at March 31, 2025

Project Code	Amount of CWIP to be completed in				
	Less than 1 year	1-2 years	2-3 years	> 3 years	Grand Total
YFCPL	1,620.97	-	-	-	**1,620.97**
LOIL-22-260M-32	43.93	-	-	-	**43.93**
LOIL-23-110M-02	39.84	-	-	-	**39.84**
LOIL-23-120M-23	24.03	-	-	-	**24.03**
LOIL-23-120M-20	21.09	-	-	-	**21.09**
LOIL-23-120M-16	19.53	-	-	-	**19.53**
LOIL-24-260C-04	36.82	-	-	-	**36.82**
Others (Individually less than 5%)	63.66		-	-	**63.66**
Total	**1,869.87**	**-**	**-**	**-**	**1,869.87**

As at March 31, 2024

Project Code	Amount of CWIP to be completed in				
	Less than 1 year	1-2 years	2-3 years	> 3 years	Grand Total
YFCPL	3,133.57		-	-	**3,133.57**
CEBC-ADMINBLOCKU2	73.98	-	-	-	**73.98**
LOIL-22-130P-08	41.25	-	-	-	**41.25**
LOIL-22-260M-32	-	43.87	-	-	**43.87**
LOIL-23-110M-02	-	39.84	-	-	**39.84**
LOIL-23-130M-03	42.62	-	-	-	**42.62**
LOIL-23-140M-13	-	68.74	-	-	**68.74**
Others (Individually less than 5%)	160.95	27.16	-	-	**188.11**
Total	**3,452.37**	**179.61**	**-**	**-**	**3,631.98**

3 OTHER INTANGIBLE ASSET

Class of Assets	Patents *	Softwares	Total
Cost			
As at April 01, 2023	-	26.05	26.05
Additions during the year	9.17	2.30	11.47
Disposals/Adjustments	-	-	-
As at March 31, 2024	**9.17**	**28.35**	**37.52**
Additions during the year	-	1.75	1.75
Disposals/Adjustments	-	-	-
As at March 31, 2025	**9.17**	**30.10**	**39.27**
Accumulated Amortisation			
As at April 01, 2023	-	21.56	21.56
Amortisation expenses for the year	0.70	2.08	2.78
Disposals/Adjustments	-	-	-
As at March 31, 2024	**0.70**	**23.64**	**24.34**
Amortisation expenses for the year	3.82	2.64	6.46
Disposals/Adjustments	-	-	-
As at March 31, 2025	**4.52**	**26.28**	**30.80**
NET BLOCK			
As at March 31, 2024	**8.47**	**4.71**	**13.18**
As at March 31, 2025	**4.65**	**3.82**	**8.47**

*Refer note 1A (c)

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

4A INVESTMENTS- NON - CURRENT

	Particulars	As at March 31, 2025	As at March 31, 2024
A	**Investments in equity Instruments- Associates**		
	Radiance MH Sunrise Seven Private Limited of ₹ 10 each#	15.12	15.12
	(15,12,000 shares (March 31, 2024: 15,12,000 shares))		
B	**Investments in equity Instruments- Limited liability partnership**		
	Cleanwin Energy One LLP (26.04 % Holding in capital)*	12.50	12.50
	Total	**27.62**	**27.62**

#Radiance MH Sunrise Seven Private Limited

The Parent Company has been supplementing its incremental energy requirements by sourcing power from renewable sources. To this end, the Company has executed a Share Subscription and Shareholder's Agreement dated February 09, 2022 to acquire 26% stake in Radiance MH Sunrise Seven Private Limited for supply of 4.2 MW electricity generated through Solar Power Plant ("Solar Plant") at a concessional rate with a minimum entitlement of 51% of power generated from the Solar Plant. To this effect the Company has subscribed 15,12,000 equity shares of ₹ 10 each of Radiance MH Sunrise Seven Private Limited on June 30, 2022.

***Cleanwin Energy One LLP**

The Parent Company has been supplementing its incremental energy requirements by sourcing power from renewable sources. To this end, the Group on January 25, 2021, acquired 26% stake in Cleanwin Energy One LLP ("Cleanwin") for supply of 5 MW electricity generated through wind turbines at a concessional rate with a minimum entitlement of 51% of power generated in lieu of share of profits. Therefore, there will be no profit or loss accretion on application of the equity method.

Particulars	As at March 31, 2025	As at March 31, 2024
Aggregate value of unquoted investments - At Cost	27.62	27.62
Aggregate amount of impairment in value of investments	-	-

4B INVESTMENTS - CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Investments in quoted mutual funds measured at fair value through Profit and Loss		
Mutual Funds	1,453.93	1,230.88
Total Investments in Mutual Funds	**1,453.93**	**1,230.88**

Particulars	As at March 31, 2025	As at March 31, 2024
Aggregate value of quoted investments		
Aggregate value of quoted investments - At cost	1,440.35	1,220.48
Aggregate value of quoted investments - Market Value	1,453.93	1,230.88

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

5A OTHER FINANCIAL ASSETS- NON-CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
(Unsecured considered good unless otherwise stated)		
Security deposit	85.20	61.44
Loan to staff	1.10	0.79
Fixed deposit with banks (having maturity more than 12 months as margin money with banks)	3.56	8.60
Guarantee rental obligation	0.47	0.46
Total	**90.33**	**71.29**

5B OTHER FINANCIAL ASSETS- CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
(Unsecured considered good unless otherwise stated)		
Security deposit	-	46.19
Loan to staff	7.80	1.33
Interest accrued receivable		
From banks	37.58	22.39
From others	0.08	0.15
Insurance claim receivable (refer note (a) below)	99.98	200.54
Discount and Incentives Receivable from Vendors	103.31	163.38
Other receivables	16.58	6.80
Total	**265.33**	**440.78**

Notes:

(a) Insurance claim receivable

The insurance claim receivable of ₹ 99.98 Mn is on account of Plant & Machinery amounting to ₹ 63.30 Mn ((March 31, 2024 - ₹ 163.86 Mn) and Project Materials amounting to ₹ 36.68 Mn (March 31, 2024 - ₹ 36.68 Mn)). The management has assessed that, the insurance claim receivable of ₹ 99.98 Mn as at March 31, 2025 is recoverable.

6 INCOME TAX ASSETS (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance Payment of Income Tax (net)	20.98	25.60
(net off provision of income tax ₹ 43.70 Mn (March 31, 2024- ₹ 681.02 Mn)		
Income Tax Assets (Net)	**20.98**	**25.60**

7A OTHER ASSETS- NON-CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advance	500.94	82.16
Prepaid expenses	10.38	13.39
Balance with government authorities	39.01	50.62
Other receivables	0.15	0.17
Total	**550.48**	**146.34**

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

7B OTHER ASSETS- CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	117.52	40.77
Balance with government authorities	1,801.29	1,080.78
Advances to supplier		
- Considered good	94.49	118.10
- Considered doubtful	78.34	71.59
	172.83	**189.69**
Less: Allowance for doubtful advances	(78.34)	(71.59)
	94.49	**118.10**
Export incentive receivable	10.01	1.19
Other receivables	22.70	21.37
Total	**2,046.01**	**1,262.21**

8 INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)

Particulars	As at March 31, 2025	As at March 31, 2024
Raw material	2,286.50	1,540.41
(includes Raw materials-in-transit of ₹ 1.63 Mn (March 31, 2024: ₹ Nil))		
Packing material	18.14	17.82
Work-in-progress	117.84	57.18
Finished goods	784.63	628.71
Consumable stores and spares	252.15	210.57
Fuels and consumables	102.42	36.82
Traded material	218.20	341.85
Total	**3,779.88**	**2,833.36**

Notes:

(a) The disclosure of inventories recognised as an expense in accordance with paragraph 36 of Ind AS 2 is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Amount of inventories recognised as an expense.	22,070.44	21,334.50
(ii) Amount of write - down of inventories recognised as an expense	9.20	4.35
	22,079.64	**21,338.85**

9 TRADE RECEIVABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables - Unsecured		
- Considered good	5,379.49	5,834.36
- Considered doubtful	49.83	24.27
	5,429.32	5,858.63
Less: Allowance for Expected Credit Loss	(49.83)	(24.27)
Total	**5,379.49**	**5,834.36**

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

Notes:

(a) Expected credit loss:

Allowance for Expected Credit Loss

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 or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115. 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. The Group estimates impairment under the simplified approach. Accordingly, it does not track the changes in credit risk of trade receivables. The impairment amount represents lifetime expected credit loss.

(b) Movement in Allowance for Expected Credit Loss

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the period	24.27	40.53
Addition during the year	26.55	8.90
Reversal during the year	0.99	25.16
Provision at the end of the period	**49.83**	**24.27**

(c) Trade Receivable Ageing Schedule

(i) As at March 31, 2025

Outstanding for following periods from due date of payment	Undisputed		Total
	Considered Good	Considered doubtful	
Not Due	4,060.07	-	**4,060.07**
less than 6 months	1,240.51	7.90	**1,248.41**
6 months - 1 year	71.91	20.47	**92.38**
1-2 years	7.00	6.44	**13.44**
2-3 years	-	1.52	**1.52**
More than 3 years	-	13.50	**13.50**
Total	**5,379.49**	**49.83**	**5,429.32**
Less: Allowance for Expected Credit Loss			**(49.83)**
Total			**5,379.49**

(ii) As at March 31, 2024

Outstanding for following periods from due date of payment	Undisputed		Total
	Considered Good	Considered doubtful	
Not Due	4,679.43	-	**4,679.43**
less than 6 months	1,143.30	7.43	**1,150.73**
6 months - 1 year	7.27	-	**7.27**
1-2 years	1.80	0.95	**2.75**
2-3 years	2.56	-	**2.56**
More than 3 years	-	15.89	**15.89**
Total	**5,834.36**	**24.27**	**5,858.63**
Less: Allowance for Expected Credit Loss			**(24.27)**
Total			**5,834.36**

(iii) There are no disputed trade receivable as at March 31, 2025 and as at March 31, 2024.

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(d) Debts due by directors and other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is partner or director or member.

Name of the related party	As at March 31, 2025	As at March 31, 2024
Maharashtra Aldehydes & Chemicals Ltd. (refer note 39)	13.66	8.75
Total	**13.66**	**8.75**

(e) There are no outstanding trade receivables from any directors or other officers of the Company or any of them either severally or jointly with any other person.

10A CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks-current accounts	414.21	498.62
Deposits with original maturity of less than 3 months	-	610.00
Cash on hand	2.16	2.77
Total	**416.37**	**1,111.39**

10B BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed deposit (from IPO proceeds)	245.27	377.41
Fixed deposit (from QIP proceeds)	500.00	1,488.76
Unspent CSR Bank Account	6.99	13.24
Fixed deposit against margin money*	13.95	179.96
Total	**766.21**	**2,059.37**
Total	**1,182.59**	**3,170.76**

*The Fixed Deposit against margin money are kept for non-fund based facility.

11 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2025	As at March 31, 2024
i) Authorised shares:		
63,00,00,000 equity shares of face value of ₹ 2/- each (refer note below) (March 31, 2024: 38,00,00,000 equity share of face value of ₹ 2/- each)	1,260.00	760.00

Note:

As per the scheme of Amalgamation (refer note 45) and pursuant to NCLT order filed by the Parent Company with the Registrar of Companies, Mumbai vide Form INC-28, the Authorised Share Capital of the Parent Company stands increased to ₹ 1,260 Mn made up of 63,00,00,000 Equity Shares of ₹ 2/- each.

Particulars	As at March 31, 2025	As at March 31, 2024
ii) Issued, subscribed and paid-up shares:		
27,70,23,813 equity shares of face value of ₹ 2/- each (March 31, 2024: 27,57,80,785 equity shares of face value of ₹ 2/- each)	554.05	551.56
	554.05	551.56

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

Notes:

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Balance as at the beginning of the year	27,57,80,785	551.56	26,51,76,208	530.35
Share application money	-	-	-	-
Fresh issue during the year	-	-	-	-
Shares issued on exercise of employee stock options during the year (refre note 38)	12,43,028	2.49	1,06,04,577	21.21
Balance as at the end of the year	**27,70,23,813**	**554.05**	**27,57,80,785**	**551.56**

All the shares are at face value of ₹ 2/- each in current and previous year.

(b) Initial Public Offer

In 2020-21, the Parent Company had completed the Initial public offer ("The Offer / IPO") of 4,61,53,846 equity shares of face value of ₹ 2/- each at a price of ₹ 130/- per share (including a premium of ₹ 128/- per share) aggregating to ₹ 6,000.00 Mn.

The Offer comprised of a fresh issue of 2,30,76,923 equity shares aggregating to ₹ 3,000.00 Mn and an offer for sale of 2,30,76,923 equity shares aggregating to ₹ 3,000.00 Mn by Yellow Stone Trust.

The Parent Company also did private placement of 1,55,03,875 equity shares of face value of ₹ 2/- each at a price of ₹ 129/- per share (including a premium of ₹ 127/- per share) aggregating to ₹ 2,000.00 Mn ("Pre-IPO Placement").

Total securities premium received from IPO and pre IPO placement is ₹ 4,922.84 Mn and is reduced by the Parent Company's share of IPO related expenses of ₹ 156.99 Mn resulting into net receipt of securities premium of ₹ 4,765.85 Mn.

Pursuant to the IPO, the equity shares of the Parent Company got listed on BSE Limited and NSE limited on March 25, 2021.

(i) Utilisation of IPO proceeds (gross of IPO expenses) as per the Prospectus are as follows as at March 31, 2025 and March 31, 2024

Particulars	Planned as per Prospectus	Spent upto 2023-24	Utilisation in 2023-24	Utilisation in 2024-25	Balance up to March 31, 2025 (*#)
i) Prepayment or repayment of all or a portion of certain outstanding borrowings availed by the Company and Viva Lifesciences Private Limited	1,729.25	1,729.25	-	-	-
ii) Funding working capital requirements of the Company	351.78	351.78	-	-	-
iii) Funding capital expenditure requirements for expansion of the Speciality Intermediates ("SI") Manufacturing Facility	910.63	910.63	-	-	-
iv) Purchase of plant and machinery for augmenting infrastructure development at the SI Manufacturing Facility	125.65	125.65	-	-	-
v) General corporate purposes (net of issue expenses)*	745.02	745.02	-	-	-

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

Particulars	Planned as per Prospectus	Spent upto 2023-24	Utilisation in 2023-24	Utilisation in 2024-25	Balance up to March 31, 2025 (*#)
vi) Investment in Yellowstone Fine Chemical Private Limited ("YFCPL") for part-financing its capital expenditure requirements in relation to the setting up of the proposed facility	604.04	604.04	-	-	-
vii) Offer related expenses in relation to the Fresh Issue	156.22	156.22	-	-	-
viii) Investment in YFCPL for funding its working capital requirements	377.41	-	-	132.13	245.28
Total	**5,000.00**	**4,622.59**	**-**	**132.13**	**245.28**

*There had been a saving in the original estimate of IPO issue expenses (Parent Company's share) of ₹ 43.58 Mn which has resulted in increase in total available fund net off expenses from ₹ 4,799.94 Mn to ₹ 4,843.52 Mn. This amount is adjusted in general corporate purposes.

Further the actual utilisation towards repayment of loan was lower by ₹ 63.94 Mn and in terms of our prospectus we are entitled to allocate such amount to general corporate purposes so long as the allocation does not result in general corporate purpose exceeding 25%. This has resulted in general corporate purpose increasing from ₹ 637.29 to 744.76 Mn.

*#Balance of IPO proceeds as at March 31, 2025 and as at March 31, 2024 which are kept in fixed deposit and bank balance are shown under Bank Balances other than cash and cash equivalents (refer note 10B).

(c) Qualified Institutional Placement

On October 10, 2023, the Parent Company had completed the Qualified Institutional Placement offer (""QIP") of 96,25,579 equity shares of face value of ₹ 2/- each at a price of ₹ 269.20/- per share (including a premium of ₹ 267.20/- per share) aggregating to ₹ 2,591.21 Mn.

Total securities premium received from QIP placement is ₹ 2,571.95 Mn and was reduced by the Parent Company's share of QIP related expenses of ₹ 105.37 Mn which resulted into net receipt of securities premium of ₹ 2,485.82 Mn.

(i) Utilisation of QIP proceeds (Gross of QIP expenses) as per the Placement Document are as follows as at March 31, 2025 and March 31, 2024

Particulars	Planned as per Placement Document	Actual bifurcation	Utilisation in 2023-24	Utilisation in 2024-25	Balance up to March 31, 2025
i) Funding the capital expenditure requirements for setting up of the new innovation centre at plot bearing number A-309 located at Mahape, MIDC ("Mahape")	360.01	360.01	66.14	156.70	137.17
ii) Funding the capital expenditure requirements of our Company for setting up of the new manufacturing facility at village Jolva and Vadadla, Bharuch, Gujarat ("Dahej")	1,619.66	1,619.66	9.51	906.82	703.33
iii) General Corporate Purposes**	500.97	506.05	506.05	-	-
iv) Offer related expenses in relation to the Fresh Issue	110.57	105.49	105.49	-	-
Total	**2,591.21**	**2,591.21**	**687.19**	**1,063.52**	**840.50**

**There had been a saving of ₹ 5.08 Mn in the original estimate of QIP issue expenses which has resulted in the increase in total available fund (net off expenses) from ₹ 2,480.64 Mn to ₹ 2,485.82 Mn. This amount is utilised for general corporate purposes, which has resulted in increase from ₹ 500.97 to ₹ 506.05 Mn.

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(d) Terms / rights attached to equity shares

The Parent Company has only one class of shares referred to as equity shares having par value of ₹ 2/- each. Holder of each equity share is entitled to one vote per share. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(e) Details of shareholders holding more than 5% shares in the Parent Company

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	%	Number of shares	%
Ravi Goenka as a Trustee of Yellow Stone Trust	17,67,04,984	63.79%	17,67,04,984	64.07%

(f) Shares held by promoters as at March 31, 2025 and as at March 31, 2024 as defined in the Companies Act, 2013 at the end of the year

Sr No	Name of the Promoter	As at March 31, 2025		As at March 31, 2024		% change during the year
		No of Shares	% of total shares	No of Shares	% of total shares	
1	Ravi Goenka	18,09,179	0.65%	18,09,179	0.66%	0%
2	Ravi Vasudeo Goenka as a Trustee of Yellow Stone Trust	17,67,04,984	63.79%	17,67,04,984	64.07%	0%
3	Manisha Ravi Goenka	88,82,646	3.21%	88,82,646	3.22%	0%
4	Rajeev Vasudeo Goenka	1,09,437	0.04%	1,09,437	0.04%	0%
5	Prashant Vijaykumar Sarawgi HUF*	-	0.00%	56,310	0.02%	-100%
6	Harshvardhan Goenka	125	0.00%	125	0.00%	0%
7	Niharika Ravi Goenka	125	0.00%	125	0.00%	0%
8	Brady Investments Pvt Ltd	47,00,000	1.70%	47,00,000	1.70%	0%
	Total	**19,22,06,496**	**69.39%**	**19,22,62,806**	**69.71%**	
	Total No of Shares issued and Subscribed	**27,70,23,813**	**100.00%**	**27,57,80,785**	**100.00%**	

*Prashant Vijaykumar Sarawgi HUF is reclassified as a Public shareholder in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) as amended from time to time.

(g) As per the records of the Parent Company, including its register of shareholders/members and other declarations received from shareholders, the above shareholding represents legal ownerships of the shares.

(h) Shares reserved for issue under stock option plan to employees are detailed in note no 38.

(i) The Board of Directors of the Parent Company, in its meeting held on May 20, 2025, have recommended a final dividend of ₹ 0.50 per equity share 25 % on the face value of ₹ 2 per share of the Company for the financial year ended March 31, 2025, subject to the approval of the shareholders at the ensuing 36th Annual General Meeting.

12 OTHER EQUITY

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Reserve	5.50	5.50
Capital redemption reserve	50.29	50.29
Security Premium	7,889.28	7,719.82
Share Application Money Pending Allotment	3.43	-
Amalgamation Adjustment Deficit Account	(118.69)	(118.69)
Share based payment reserve (refer note 38)	180.40	260.48
General Reserve	49.01	49.01
Retained Earnings (Including Other Comprehensive Income)	10,409.59	9,437.37
Foreign Currency Translation Reserve	43.89	20.87
Total	**18,512.70**	**17,424.65**

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

Notes:

Description of nature and purpose of each reserve:

(a) Capital Reserve:

It represents the gains of capital nature which mainly include the excess of value of net assets acquired over consideration paid by the Company for business amalgamation transactions in earlier years.

(b) Capital Redemption Reserve:

This reserve was created for issue of bonus shares. The bonus shares were issued in 2019-20.

(c) Securities Premium:

Securities premium includes the premium received on issue of equity shares. It is utlised in accordance with the provisions of the Companies Act, 2013.

(d) Amalgamation Adjustment Deficit Account:

The difference between the carrying values of net identifiable assets and liabilities of transferor companies transferred to the Parent Company pursuant to schemes of amalgamation and the value of investments in the books of the Parent Company has been disclosed as Amalgamation Adjustment Deficit Account as per the provisions of Appendix C of Ind AS 103.

(e) Share based payment reserve:

This represents the fair value of the stock options granted by the Company under the 2020 Plan accumulated over the vesting period. The reserve will be utilised on exercise of the options.

(f) General Reserve:

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

(g) Retained earnings (Including Other Comprehensive Income):

Retained earnings represent the amount of accumulated earnings.

(h) Foreign Currency Translation Reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are accumulated in foreign currency translation reserve.

13 BORROWINGS- NON-CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Secured- at amortised cost		
Term loan from bank (refer note a(i), a(ii) and b below)	500.00	1,303.40
	500.00	**1,303.40**
Less: Current Maturities disclosed under short term borrowings (refer note 17)	(75.00)	(331.16)
Total	**425.00**	**972.24**

Notes:

(a) i) During the current year, the Parent Company has prepaid its opening Term loans from banks amounting to ₹ 1,303.40 Mn, which were availed from HDFC Bank and Axis Bank at interest rates of 9.45% and 9.20%, respectively.

ii) During the current year, the Parent Company has obtained terms loans from HDFC Bank with a maximum tenure of 60 months and is repayable in 20 equal quarterly instalments starting from June 28, 2025. The interest rate on this facility is linked to the prevailing Repo Rate currently in the range of 6.25 % to 8.25%.

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(b) Security of term loans:

a) Term loans from banks as at March 31, 2025 are secured by exclusive charge on all present and future movable property, plant and equipment of the Parent Company situated at Unit 1 and 2 Mahad Industrial Area, District Raigad.

b) Term loans from banks as at March 31, 2024 are secured by First pari passu charge on all present and future movable assets, plant and equipment of the Parent Company situated at Unit 1 and 2 Mahad Industrial Area, District Raigad.

(c) Maturity profile of long term borrowings:

Particulars	As at March 31, 2025	As at March 31, 2024
Less than 1 year	75.00	331.16
Between 1 - 2 years	100.00	331.16
Between 2 - 5 years	300.00	641.08
More than 5 years	25.00	-
Total	**500.00**	**1,303.40**

*No default in terms of repayment of principal and interest within the Parent Company.

(d) As per the Amendment to Ind AS 7 "Statement of Cash Flows"

An entity shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

Particulars	Non-current borrowings	Current borrowings & Current Liabilities	Total
As at April 01, 2023	**1,303.40**	**2,666.31**	**3,969.71**
Repayment of long term borrowings	-	(96.60)	(96.60)
Proceeds from /(repayment of) short term borrowings (net)	-	(2,515.65)	(2,515.65)
Other changes (transfer within categories)	(331.16)	331.16	-
As at March 31, 2024	**972.24**	**385.22**	**1,357.46**
Repayment of long term borrowings	(1,303.40)	-	(1,303.40)
Proceeds from long term borrowings	500.00	-	500.00
Proceeds from /(repayment of) short term borrowings (net)	-	1,977.65	1,977.65
Other changes (transfer within categories)	256.16	(256.16)	-
As at March 31, 2025	**425.00**	**2,106.71**	**2,531.71**

(e) Registration of charges or satisfaction with Registrar of Companies

(i) In respect of term loan outstanding as on March 31, 2025, charges as per the sanction letter are pending to be registered with Registrar of Companies as at March 31, 2025 in favour of the lenders for facilities availed by the Parent Company.

(ii) In respect of term loan outstanding as on March 31, 2024, All the charges as per the sanction are duly registered with Registrar of Companies as at March 31, 2025 in favour of the lenders for facilities availed by the Parent Company.

(f) The term loans taken in previous year have been utilised for the purposes for which they were taken.

14A LEASE LIABILITIES- NON-CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities (refer note 36)	27.05	64.12
Total	**27.05**	**64.12**

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

14B LEASE LIABILITIES- CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities (refer note 36)	16.82	6.26
Total	**16.82**	**6.26**

15A PROVISIONS - NON-CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits		
Provision for Leave encashment	62.20	61.19
Total	**62.20**	**61.19**

15B PROVISIONS - CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits		
Provision for Leave encashment	27.85	25.06
Provision for Gratuity	14.73	6.73
Provision for sales return (refer note (a) below)	17.16	17.88
Provision others	0.12	0.10
Total	**59.86**	**49.77**

(a) Disclosure under Ind AS 37 " Provisions, Contingent Liabilities and Contingent Assets"

Movement in Provision for Sales Return

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	17.88	16.86
Additional provision made during the year	2.45	3.14
Utilisation during the year	(3.17)	(2.12)
Provision at the end of the year	**17.16**	**17.88**

16 DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liabilities (refer note (a) below)	337.20	283.46
Total	**337.20**	**283.46**

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(a) The major components of Deferred Tax (Liabilities)/Assets Arising on Account of Timing Differences are as follows:

(i) Deferred tax assets/(liabilities) in relation to:-

Particulars	Opening	Recognised in profit and loss	Recognised directly in Equity	Closing
Tax effect of items constituting deferred tax assets/ (liabilities):				
(a) Deferred Tax Liability on account of:				
Allowances on property, plant & equipment and other intangible assets	(384.94)	(35.70)	-	(420.64)
Share issue expenses	-	-	(7.36)	(7.36)
On Right-of-use asset	(18.57)	2.97	-	(15.60)
(b) Deferred tax asset on account of:				
Unrealised profit on Intra group transactions	25.92	(19.43)	-	6.49
Unabsorbed losses on Subsidiaries	10.15	63.40	-	73.55
Allowance for doubtful debts and advances	58.52	(25.02)	-	33.50
Provision for expense allowed for tax purpose on payment basis (net)	0.38	(1.23)	-	(0.85)
Provision for Employees benefits	21.10	10.68	-	31.78
On Lease Liabilities	15.67	-	-	15.67
As at March, 31, 2024	**(287.45)**	**(4.33)**	**(7.36)**	**(283.46)**
(a) Deferred Tax Liability on account of:				
Allowances on property, plant & equipment and other intangible assets	(420.64)	(85.13)	-	(505.77)
Share issue expenses	(7.36)	7.36	-	-
On Right-of-use asset	(15.60)	7.01	-	(8.59)
Fair valuation of Investments	-	(4.68)	-	(4.68)
(b) Deferred tax asset on account of:				
Unrealised profit on Intra group transactions	6.49	(17.19)	-	(10.70)
Unabsorbed losses (refer note (b) below)	73.55	(47.48)	-	26.07
Allowance for doubtful debts and advances	33.50	9.82	-	43.32
Provision for expense allowed for tax purpose on payment basis (net)	(0.85)	79.26	-	78.41
Provision for Employees benefits	31.78	7.50	(3.37)	35.91
On Lease Liabilities	15.67	(6.84)	-	8.83
As at March, 31, 2025	**(283.46)**	**(50.37)**	**(3.37)**	**(337.20)**

(b) The Parent Company has recognised net deferred tax asset on unabsorbed depreciation and unabsorbed losses considering that it is probable that future taxable profits will be available against which the unused tax losses can be utilised.

17 BORROWINGS- CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
Credit facilities including buyer's credit	2,031.71	54.06
Current Maturities of long term borrowings:		
Term loan from bank - Secured (refer note 13)	75.00	331.16
Total	**2,106.71**	**385.22**

Notes:

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(a) Borrowings from banks or financial institutions on the basis of security of current assets

The Parent Company has availed buyers credit from HDFC Bank and Axis Bank which are secured by a first pari passu charge through hypothecation of its current assets.

(b) The quarterly returns or statements of current assets submitted by the Parent Company to the banks for the financial year 2024–2025 are consistent with the books of accounts.

(c) Utilisation of Borrowings taken from Bank and Financial Institution

The borrowings taken during the year have been utilised for the purposes for which they were taken.

18 TRADE PAYABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	230.28	93.53
Total outstanding dues other than micro enterprises and small enterprises	6,741.37	7,527.72
Total	**6,971.65**	**7,621.25**

Notes:

(a) Amounts Due to micro enterprises and small enterprises

The information given below regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified by the Group.

Particulars	As at March 31, 2025	As at March 31, 2024
Material and Service Vendor	230.28	93.53
Capital Vendor	92.82	98.20
Principal amount due	**323.10**	**191.73**

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) ("MSMED Act, 2006"):

Particulars	As at March 31, 2025	As at March 31, 2024
(i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
-Principal	**323.10**	**191.73**
-Interest	7.65	0.20
(ii) the amount of interest paid by the buyer in terms of section 16 of MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	487.97	251.90
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	13.35	3.64
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	22.72	12.57
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006.	-	-

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(b) Trade Payable Ageing Schedule

(i) As at March 31, 2025

Outstanding for following periods from due date of payment	MSME		Others		Total
	Undisputed	Disputed	Undisputed	Disputed	
Unbilled	-	-	1,388.00	-	1,388.00
Not Due	159.29	-	4,837.47	-	4,996.76
Less than 1 year	66.52	-	483.43	-	549.95
1-2 years	1.70	-	7.01	-	8.71
2-3 years	1.38	-	4.76	-	6.14
More than 3 years	1.39	-	20.70	-	22.09
Total	**230.28**	**-**	**6,741.37**	**-**	**6,971.65**

(ii) As at March 31, 2024

Outstanding for following periods from due date of payment	MSME		Others		Total
	Undisputed	Disputed	Undisputed	Disputed	
Unbilled	15.24	-	1,508.77	-	1,524.01
Not Due	63.02	-	5,631.94	-	5,694.96
Less than 1 year	14.76	-	337.03	-	351.79
1-2 years	0.51	-	28.67	-	29.18
2-3 years	-	-	3.22	-	3.22
More than 3 years	-	-	18.08	-	18.08
Total	**93.53**	**-**	**7,527.72**	**-**	**7,621.25**

19 OTHER FINANCIAL LIABILITIES - CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Creditors for capital goods & services (Including payable to MSME ₹ 92.82 Mn, March 31, 2024: ₹ 98.20 Mn) (refer note 18(a))	516.29	309.71
Interest Accrued	38.30	15.73
Security Deposits	12.87	11.77
Employee payables	214.03	221.51
Derivative Financial Liabilities	81.65	3.16
Other liabilities	-	5.36
Total	**863.14**	**567.24**

20 INCOME TAX LIABILITIES (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Tax	348.31	187.36
(net of Advance Income Tax of ₹ 2,222.50 Mn (March 31, 2024 – ₹ 1,324.74 Mn))		
Total	**348.31**	**187.36**

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

21 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	60.41	78.21
Advances received from customers (refer note 22(a)(iii))	69.72	15.75
Others	27.60	0.22
Total	**157.73**	**94.18**

22 REVENUE FROM OPERATIONS

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Revenue from contracts with customers:		
Sale of goods	29,660.73	28,220.69
Sale of services	109.59	140.06
	29,770.32	**28,360.75**
(ii) Other operating revenue:		
Export incentives	80.27	58.08
Insurance claim (refer note (b) below)	3.83	231.24
	84.10	**289.32**
Total	**29,854.42**	**28,650.07**

Notes:

(a) Disclosure in accordance with Ind AS 115 "Revenue from Contracts with Customers", of the Companies (Indian Accounting Standards) Rules, 2015

(i) Revenue disaggregation based on:

(a) Category of goods and services	Year 2024-25	Year 2023-24
Chemicals	29,660.73	28,220.69
Jobwork and other services	109.59	140.06
Other Operating revenue	84.10	289.32
Total	**29,854.42**	**28,650.07**

(b) Geographical region	Year 2024-25	Year 2023-24
India	18,511.00	19,763.75
International	11,343.42	8,886.32
Total	**29,854.42**	**28,650.07**

(c) Timing of Revenue Recognition	Year 2024-25	Year 2023-24
At a point in time	29,854.42	28,650.07
Total	**29,854.42**	**28,650.07**

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

(ii) Reconcilaton of Gross Revenue with the Revenue from Contracts with Customers:

Particulars	Year 2024-25	Year 2023-24
Gross Reveunue	29,858.87	28,779.70
Less: Discounts	4.45	129.63
Net Revenue recognised from Contracts with Customers	**29,854.42**	**28,650.07**

(iii) Movement in contract balances

Particulars	Opening	Additional receipt during the year	Billed for the Financial Year	Closing
Contract Liabilities (Advance received from customer)				
March 31, 2025	15.75	69.58	15.61	69.72
March 31, 2024	233.72	14.54	248.26	15.75

(b) The speciality intermediates unit at Mahad suffered unprecedented flooding in July 2021. On Account of this event, during the previous year, the Parent Company has on receipt basis accounted for Loss of Profit of ₹ 190 Mn on account of Loss of production and consequent loss of revenue and disclosed under "Other operating revenue"

23 OTHER INCOME

Particulars	Year 2024-25	Year 2023-24
Interest Income on financial asset:		
- On bank deposits	78.28	104.10
- On Others	6.51	38.48
Reversal of provision write back	-	42.32
Provisions/Liabilities no longer required written back	13.76	4.40
Sale of scrap	31.19	31.99
Gain on disposal/retirement of property, plant and equipment (net)	-	1.87
Gain on sale/fair value of investments mandatorily measured at Fair Value Through Profit and Loss (net)	119.68	43.26
Miscellaneous income	4.16	15.87
Total	**253.58**	**282.29**

24A COST OF RAW MATERIALS CONSUMED

Particulars	Year 2024-25	Year 2023-24
Opening stock of raw material	1,540.41	1,540.41
Add: Purchases	19,900.55	18,492.51
	21,440.96	**20,032.92**
Less: Closing stock of raw material	(2,286.50)	(1,540.41)
Total	**19,154.46**	**18,492.51**

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

24B PURCHASE OF STOCK-IN-TRADE

Particulars	Year 2024-25	Year 2023-24
Chemicals and other purchases	405.73	609.16
Total	**405.73**	**609.16**

24C CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK IN PROGRESS

Particulars	Year 2024-25	Year 2023-24
Inventory of Finished goods at the beginning of the year	628.71	674.46
Less: Inventory of Finished goods at the end of the year	(784.63)	(628.71)
	(155.92)	**45.75**
Inventory of Work-in-progress at the beginning of the year	57.18	37.83
Less: Inventory of Work-in-progress at the end of the year	(117.84)	(57.18)
	(60.66)	**(19.35)**
Inventory of traded goods at the beginning of the year	341.85	453.77
Add: Foreign currency translation adjustments	9.14	7.51
Less: Inventory of traded goods at the end of the year	(218.20)	(341.85)
	132.79	**119.43**
Total	**(83.79)**	**145.83**

25 POWER & FUEL

Particulars	Year 2024-25	Year 2023-24
Power & Fuel	2,325.71	2,287.32
Total	**2,325.71**	**2,287.32**

26 EMPLOYEE BENEFIT EXPENSES

Particulars	Year 2024-25	Year 2023-24
Salaries and wages, including bonus	1,304.70	1,165.53
Contribution to provident and other funds (refer note 37(a)(i))	85.98	92.46
Contributions to gratuity fund	39.25	15.34
Share-based payments expenses/(reversal) (net) (refer note 38)	(5.26)	168.43
Staff welfare expenses	39.94	36.75
Total	**1,464.61**	**1,478.51**

27 FINANCE COST:

Particulars	Year 2024-25	Year 2023-24
Interest on financial liabilities at amortised cost	130.84	52.28
Interest on lease liabilities	4.05	5.18
Interest on direct taxes	1.10	0.46
Interest on indirect taxes	66.54	2.83
Other borrowing costs	1.99	4.73
Total	**204.52**	**65.48**

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

28 DEPRECIATION & AMORTISATION

Particulars	Year 2024-25	Year 2023-24
Depreciation of Property, Plant and Equipment (refer note 1A)	1,206.72	1,046.60
Less: Transfer to Capital work in progress	-	(10.16)
Amortisation on right of use assets (refer note 1B)	27.07	26.70
Amortisation on other intangible assets (refer note 3)	6.46	2.78
Total	**1,240.25**	**1,065.92**

29 OTHER EXPENSES

Particulars	Year 2024-25	Year 2023-24
Consumption of consumables stores and spares	194.66	194.13
Consumption of packing materials	404.81	349.61
Water charges	63.13	64.37
Labour charges	148.25	130.99
Inward freight charges	54.62	46.99
Freight Charges	951.67	493.39
Repairs and maintenance		
Buildings	24.89	22.67
Machineries	145.77	118.71
Others	73.20	53.63
Transportation charges	620.26	489.26
Commission on sales	47.18	33.00
Director's sitting fees	5.69	3.21
Business promotion expenses	13.40	20.38
Commission to non-executive director	11.79	10.28
Corporate social responsibility expenditure (refer note 34)	46.59	43.59
Insurance charges	135.17	131.99
Legal & Professional expenses	272.95	390.07
Rent	22.73	15.66
Rates & taxes	51.47	39.11
Travelling expenses	92.17	95.29
Communication expenses	5.86	5.63
Auditors' remuneration (refer note (a) below)	10.35	6.10
Allowance for Expected credit loss (net)	25.76	39.54
Foreign Exchange loss#	61.71	38.52
Insurance Provision written off (refer note (b) below)	20.00	71.83
Loss on disposal/retirement of property, plant and equipment (net)	67.62	-
Miscellaneous expenses	219.58	171.73
Total	**3,791.28**	**3,079.68**

#Includes net realised and unrealised loss on all foreign currency financial instruments.

Notes to Consolidated financial statements
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(All figures are rupees in Mn unless otherwise stated)

(a) Auditors' remuneration comprises (excluding GST)

Particulars	Year 2024-25	Year 2023-24
As Auditor:		
Audit fees	8.60	5.87
Certification matters	1.32	0.13
Reimbursement of Expenses	0.43	0.10
Total	**10.35**	**6.10**

(b) Charged off due to unrecoverable insurance on Plant and Machinery and Project materials.

(c) Details of research and development expenditure

Particulars	Year 2024-25	Year 2023-24
(i) Revenue expenses		
Employee benefits expense	91.08	86.04
Legal & professional fees	10.41	16.69
Utility expenses	4.32	4.80
Travelling expenses	3.12	3.43
Contract labour and Security service charge	6.37	5.91
Subscription fees	2.94	5.30
Information Technology fees	0.27	1.11
Training Expenses	-	0.11
Repairs & maintenance	24.60	23.52
Depreciation	17.33	13.09
Other expenses*	8.60	5.12
(ii) Capital Expenses		
Capital expenditure (refer note 1A(d))	355.06	36.70
Total	**524.10**	**201.82**

*Other Expenses includes Rent, Testing Fees, Printing & Stationary, Postage & Courier Charges, Rates & Taxes, Telephone and General Expenses.

30 TAX EXPENSE

Particulars	Year 2024-25	Year 2023-24
(a) Income tax recognised in Profit or Loss		
Current tax expense:		
In respect of current year	420.51	490.80
In respect of previous periods	(0.69)	-
Deferred tax expense/(income):		
In respect of current year	50.37	11.80
Total	**470.19**	**502.60**
(b) Income tax recognised in OCI		
Deferred tax:		
Income tax (expense)/income on remeasurement of defined benefit plans	(3.37)	(1.77)
Total	**(3.37)**	**(1.77)**

Notes to Consolidated financial statements
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(All figures are rupees in Mn unless otherwise stated)

(c) Reconciliation of Tax Expense and Effective Tax Rate:

Particulars	Year 2024-25	Year 2023-24
A Current Tax		
Profit before tax	1,605.23	1,707.95
Taxable Profit for Indian Entities	1,716.41	2,127.28
Taxable Profit/(Loss) for Foreign Entities	(71.19)	9.08
Non - Taxable Profit/(Loss) for Indian Entities	(40.16)	(361.22)
Non- Taxable Profit/(Loss) for Foreign Entities	0.18	(67.19)
Enacted tax rates in India (%)*	25.15% and 34.94%	25.15% to 34.94%
Enacted tax rates for foreign subsidiary (%)	5% and 25%	25%
Computed expected tax expenses	560.87	747.00
Effects of deductible Expenses	(40.18)	(331.77)
Effect of non- deductible expenses	27.48	364.28
Tax reversals of earlier year	(11.86)	-
Incentive tax credits	(61.16)	(288.70)
Non - Taxable entities	11.60	-
Income taxed at special rates	(15.88)	-
	470.88	490.80
Income tax (excess)/short provision of previous year	(0.69)	-
Income tax expense reported in the Statement of Profit and Loss	**470.19**	**490.80**

*Includes tax at 17.16% on YFCPL's loss of ₹ 327.63 Mn and at 34.94% on LOIL's profit of ₹ 2,105.60 Mn for 2023–24

31 DISCLOSURE AS REQUIRED BY ACCOUNTING STANDARD – IND AS 33 "EARNING PER SHARE" OF THE COMPANIES (INDIAN ACCOUNTING STANDARDS) RULES 2015.

Net Profit attributable to equity shareholders and the weighted Average number of shares outstanding for basic and diluted earnings per share are as summarised below:

Particulars	Year 2024-25	Year 2023-24
Profit for the year	1,135.04	1,205.35
Outstanding equity shares at year end (face value of ₹ 2/-)	27,70,23,813	27,57,80,785
Weighted average no. of ordinary equity shares used in computing basic EPS	27,66,06,606	27,01,86,276
Add: Employee stock options granted to Employees	23,69,178	19,85,854
Weighted average no. of ordinary equity shares used in computing diluted EPS	27,89,75,783	27,21,72,130
Earnings per equity share - Basic (₹)	4.10	4.46
Earnings per equity share - Diluted (₹)	4.07	4.43

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
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Reconciliation of weighted number of outstanding during the year:

Particulars	Year 2024-25	Year 2023-24
Face value of equity shares (₹ per share)	2.00	2.00
For Basic EPS:		
Total number of equity shares outstanding at the beginning of the year	27,57,80,785	26,51,76,208
Add: Issue of equity shares	12,43,028	1,06,04,577
Total number of equity shares outstanding at the end of the year	**27,70,23,813**	**27,57,80,785**
For Basic EPS:		
Weighted average number of equity shares at the end of the year	27,66,06,606	27,01,86,276
For Dilutive EPS:		
Weighted average number of equity shares at the end of the year	27,89,75,783	27,21,72,130

32 CONTINGENT LIABILITIES AND COMMITMENTS

		Particulars	As at March 31, 2025	As at March 31, 2024
(a)		**Contingent liabilities**		
	(i)	**Tax matters in dispute under appeal:**		
		- Indirect Tax	404.44	170.18
		- Direct Tax	-	73.78
	(ii)	**Guarantees:**		
		- Furnished by banks on behalf of the Company	239.65	261.46
		- Given on behalf of wholly owned subsidiaries to their Lenders	-	500.00
		Total	**644.09**	**1,005.42**

		Particulars	As at March 31, 2025	As at March 31, 2024
(b)		**Commitments (to the extent not provided for)**		
	(i)	**Commitments:**		
	-	Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	2,417.40	609.63
	-	Export obligation - under Advance License Scheme on duty free import of specific raw materials remaining outstanding	30.49	0.04
	(ii)	**Letters of Credit**	**5,464.85**	**6,314.55**

(c) **Other tax proceedings**

(i) The Senior Intelligence Officer, Directorate of Revenue Intelligence of the Bangalore Zonal Unit conducted a search at the Acetyl Intermediates Manufacturing Facility on February 11, 2021 (the "Search") on the grounds that the Parent Company was availing a lower rate of basic customs duty at the rate of 2.5% for importing denatured ethyl alcohol and claimed that the Parent Company was liable to pay 5% as basic customs duty. Officials of the Parent Company were questioned and certain documents were recovered. Pursuant to the Search, the Parent Company, had paid an amount of ₹ 35.00 Mn under protest. Earlier, the Parent Company on January 24, 2021 had also filed a writ petition before the High Court of Bombay challenging the above matter. The matter is currently pending. Accordingly, the total amount is neither quantifiable nor demanded.

(ii) The Income Tax department conducted the survey under the Income Tax Act, 1961 at the registered office of the Parent Company from August 9, 2024 till August 10, 2024. There has been no demand raised by the Income Tax department pursuant to the survey. Accordingly, there is no impact on the standalone financial statements of the Parent Company for the year ended March 31, 2025.

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33 DISCLOSURE IN ACCORDANCE WITH IND AS – 108 "OPERATING SEGMENTS", OF THE COMPANIES (INDIAN ACCOUNTING STANDARDS) RULES, 2015.

The Group is engaged in chemicals business and is of the view that it is a single business segment in accordance with Ind AS 108 'Operating Segments' notified pursuant to Companies (Accounting Standards) Rules, 2015. There is no single customer or customer group which constitutes more than 10% of the total revenue of the Group.

Geographical Information

Particulars	Year 2024-25	Year 2023-24
Segment Revenue		
India	18,511.00	19,763.75
International	11,343.42	8,886.32
Total	**29,854.42**	**28,650.07**
Carrying Value of Non-current assets*		
India	16,249.75	13,470.39
International	61.23	1.84
Total	**16,310.98**	**13,472.23**

*excluding Investments

34 DISCLOSURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENSES

The Parent Company is covered under section 135 of the companies act, the following is disclosed with regard to CSR activities:-

	Particulars	Year 2024-25	Year 2023-24
1	Amount required to be spent by the Parent Company during the year	46.78	43.39
2	Amount approved by the Board of the parent company to be spent during the year:		
	- Ongoing	8.46	-
	- Other than ongoing	38.32	43.39
		46.78	43.39
3	Amount spent during the year on:		
(i)	- Construction/acquisition of any asset	-	-
(ii)	- On purposes other than (a) above	43.33	43.59
	Total	**43.33**	**43.59**
	Excess Spent of previous year	0.20	-
4	(Excess)/Shortfall at the end of the year	3.25	(0.20)
5	Total of previous years shortfall/(Excess)	-	-
6	Reason for shortfall- Nil		

	Nature of CSR activities-	Year 2024-25		Year 2023-24	
	Particulars	**Ongoing**	**Non Ongoing**	**Ongoing**	**Non Ongoing**
7	Education Support	4.32	6.37	1.29	5.45
	Welfare Measures	-	0.05	-	0.15
	Animal Welfare	-	-	-	0.02
	Community Development	-	1.05	2.40	-
	Disaster Management	-	-	-	-
	Environmental Sustainability	-	2.21	-	10.53

Notes to Consolidated financial statements
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(All figures are rupees in Mn unless otherwise stated)

7	Nature of CSR activities-	Year 2024-25		Year 2023-24	
	Particulars	Ongoing	Non Ongoing	Ongoing	Non Ongoing
	Health Care Support	-	0.66	-	0.50
	Promoting Sports	-	0.29	-	0.17
	Safe Drinking Water	-	0.47	0.09	1.00
	Skill Development (NAPS)	-	27.91	-	21.98
	Total	**4.32**	**39.01**	**3.78**	**39.80**

8 There are no CSR transaction with Related parties.

9 There are no amount unspent against other than ongoing project as per section 135 (5)

10 Unspent amount as per section 135(6) is paid since the balance sheet date:

FY: 2024-25: ₹ 3.67 Mn :Deposited in unspent CSR Bank account on April 27, 2025.

FY: 2022-23: ₹ 10.07 Mn :Deposited in unspent CSR Bank account on April 27, 2023.

FY: 2021-22: ₹ 10.77 Mn :Deposited in unspent CSR Bank account on March 31, 2022.

As on March 31, 2025 there was an unspent amount of ₹ 3.01 Mn which was deposited in the Prime Minister's National Relief Fund (PMNRF) on April 29, 2025 in accordance with the provisions of Companies Act, 2013.

35 DERIVATIVE INSTRUMENTS AND UNHEDGED / HEDGE / SWAP FOREIGN CURRENCY EXPOSURE

Particulars	As at March 31, 2025		As at March 31, 2024	
Details on foreign currency exposures	**Foreign Currency (In absolute)**	**(₹ in Mn)**	**Foreign Currency (In absolute)**	**(₹ in Mn)**
Trade receivable (USD)	1,58,20,477	1,353.94	1,40,13,005	1,168.32
Trade receivable (EURO)	36,37,389	335.82	38,62,607	348.48
Trade receivable (CNY)	15,02,899	17.66	14,03,867	16.12
Advance from customers (USD)	94,969	8.13	1,09,177	9.10
Advance from customer (EURO)	1,00,016	9.23	-	-
Advance from customer (CNY)	1,56,000	1.83	-	-
Advances to suppliers (USD)	-	-	671	0.06
Advances to suppliers (EURO)	38,363	3.54	-	-
Trade payable (USD)	5,22,13,153	4,468.47	5,98,76,934	4,992.17
Trade payable (EURO)	4,24,371	39.18	2,20,016	19.85
Other Financial Assets (EURO)	80,100	7.40	5,100	0.46
Trade payable (CNY)	4,68,474	5.51	23,88,047	27.42
Capital Advances (CNY)	33,18,494	39.00	28,89,773	33.18
Balance with banks (CNY)	9,67,688	11.37	14,79,576	16.99
Balance with banks (EURO)	20,44,664	188.77	25,94,464	234.07
Cash Credit (USD)	2,38,73,138	2,043.10	-	-

Particulars	As at March 31, 2025		As at March 31, 2024	
Details on foreign currency exposures	**Foreign Currency (In absolute)**	**(₹ in Mn)**	**Foreign Currency (In absolute)**	**(₹ in Mn)**
Forwards - USD - Sales	1,50,89,697	1,291.40	1,21,19,598	1,010.46
Forwards - EURO - Sales	45,18,458	417.16	46,18,587	416.68
Forwards - CNY - Sales	19,59,975	23.03	29,38,001	33.74
Forwards - USD Purchase	7,38,43,395	6,319.62	5,94,20,992	4,954.16

Notes to Consolidated financial statements
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36 IND AS 116 "LEASES"

(a) Movement in Right of use assets - (refer note 1B)

(b) Movement in lease liabilities:

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning	70.38	87.48
Addition during the year	-	7.84
Interest on lease liabilities (refer note 27)	4.05	5.18
Payment of lease liabilities	(30.55)	(30.12)
Total	**43.88**	**70.38**

(c) The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(d) Undiscounted contractual maturities of lease liability:

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	28.66	30.54
One to two years	8.02	28.66
2 - 5 years	12.46	20.48
More than five years	-	-
Total	**49.14**	**79.68**

(e) The following is the break-up of current and non-current lease liabilities as at March 31, 2025

Particulars	As at March 31, 2025	As at March 31, 2024
Current lease liabilities	16.82	6.26
Non-current lease liabilities	27.05	64.12
Closing balance	**43.87**	**70.38**

37 EMPLOYEE BENEFIT EXPENSES

(a) Disclosures as required by Ind AS 19 "Employee Benefits"

(i) Defined contribution plans:

The Parent Company's state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the service.

Charge to the Statement of Profit and Loss based on contributions:

Particulars	Year 2024-25	Year 2023-24
Contributions towards Provident Fund, Employee's State Insurance Corporation (ESIC)	85.98	92.46
Total	**85.98**	**92.46**

Notes to Consolidated financial statements
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(All figures are rupees in Mn unless otherwise stated)

(ii) Defined benefit plans:

The Parent Company has carried out the actuarial valuation of Gratuity and Leave encashment liability under actuarial principle, in accordance with IND AS 19 - Employee Benefits.

Gratuity is a defined benefit plan under which employees who have completed five years or more of service are entitled to gratuity on departure from employment at an amount equivalent to 15 days salary (based on last salary drawn) for each completed year of service restricted to ₹ 2.00 Mn (March 31, 2024: ₹ 2.00 Mn) The Parent Company's gratuity liability is entirely funded and leave encashment is non-funded.

(b) The amount recognised in the balance sheet and the movements in the net defined benefit obligation of gratuity over the year is as under:

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Reconciliation of opening and closing balances of defined benefit obligation		
Defined benefit obligation at the beginning of the year	119.07	98.65
Current service cost	18.49	15.02
Interest cost	8.51	7.17
Benefits paid	(13.23)	-
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	0.05	3.45
- change in financial assumptions	(11.74)	0.48
- experience Variance (i.e. ACTUAL experience vs Assumptions)	0.05	(5.70)
Defined benefit obligation at the year end	**121.20**	**119.07**
(ii) Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at the beginning of the year	112.34	94.34
Interest income	8.03	6.85
Employer contribution	1.33	18.00
Benefits paid	(13.23)	-
Return on plan assets , excluding amount recognised in net interest expense	(2.00)	(6.85)
Fair value of plan assets at the year end	**106.47**	**112.34**
Plan assets represents contribution by the Parent Company to the Insurance company i.e. Life Insurance Corporation (LIC) of India		
(iii) Reconciliation of fair value of assets and obligations		
Present value of defined benefit obligation	121.20	119.07
Fair value of plan assets	106.47	112.34
Net asset / (liability)	**(14.73)**	**(6.73)**
Amounts recognised in the Balance Sheet as below		
Provisions - Current	14.73	6.73
	14.73	**6.73**

The Parent Company expects to contribute ₹ 31.77 Mn (PY ₹ 22.27 Mn) to its gratuity plan for the next year.

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Particulars	As at March 31, 2025	As at March 31, 2024
(iv) Components of defined benefit costs recognised in the Statement of Profit and Loss		
Interest on Net Defined Benefit Liability/(Asset)	8.51	7.17
Current Service cost	18.49	15.02
Past Service Cost	20.28	-
Interest Income on Plan Assets for Year	(8.03)	(6.85)
Expenses recognised in Statement of Profit and Loss	**39.25**	**15.34**
(v) Actuarial (gain)/loss- Other comprehensive income		
Actual return on Plan Assets less Interest on Plan Assets	(2.00)	6.85
Remeasurements - changes in financial assumptions	11.74	0.48
Remeasurements - changes in demographic assumptions	(3.20)	5.21
Remeasurements - changes in Experience adjustments	(0.05)	(5.70)
Expense recognised in Other Comprehensive Income	**6.49**	**6.84**

(c) Actuarial assumptions

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate	6.50%	7.15%
Salary growth rate	8.00%	11.00%
Attrition rate	15.85%	15.94%
Weighted Average duration of defined benefit obligation	4 years	5 years
Mortality	100% of IALM 2012-14	100% of IALM 2012-14

Notes:

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Parent Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

(d) Maturity Analysis of the Benefit Payments (Undiscounted value)

Particulars	As at March 31, 2025	As at March 31, 2024
1 year	28.15	25.22
2 to 5 years	66.50	67.14
6 to 10 years	42.59	45.67
More than 10 years	36.02	44.17
Total	**173.26**	**182.20**

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(e) Sensitivity analysis

A quantitative sensitivity analysis for significant assumption

Particulars	Discount rate	Salary growth rate	Attrition rate	Mortality rate
Changes in assumption				
March 31, 2025 (%)	**1%**	**1%**	**50%**	**10%**
March 31, 2024 (%)	1%	1%	50%	10%
Increase in assumption				
March 31, 2025	**115.74**	**126.30**	**117.38**	**121.19**
March 31, 2024	113.43	124.00	112.88	119.05
Decrease in assumption				
March 31, 2025	**127.17**	**116.37**	**126.99**	**121.19**
March 31, 2024	125.27	114.38	130.51	119.08

Description of risk exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

(i) Interest Rate risk:

The plan exposes the Parent Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability .

(ii) Liquidity Risk:

This is the risk that the Parent Company is not able to meet the short-term gratuity pay-outs. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

(iii) Salary Escalation Risk:

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(iv) Demographic Risk:

The Parent Company has used certain mortality and attrition assumptions in valuation of the liability. The Parent Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

(v) Regulatory Risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs (e.g. Increase in the maximum limit on gratuity of ₹ 2.00 Mn).

(vi) Asset Liability Mismatching or Market Risk:

The duration of the liability is longer compared to duration of assets, exposing the Parent Company to market risk for volatilities/fall in interest rate.

(vii) Investment Risk:

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

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38 EMPLOYEE STOCK OPTION PLAN

(a) Employee Stock Option Plan 2020 (the Plan):

Pursuant to the resolutions passed by the Board on October 30, 2020 and by the shareholders on November 24, 2020, the Parent Company has approved the Laxmi – Employee Stock Option Plan 2020 ("ESOP-2020") for issue of employee stock options ("ESOPs") or thank you grants or restricted stock units ("RSUs") to eligible employees up to 67,50,000 options, which may result in issue of not more than 67,50,000 equity Shares. The primary objective of ESOP-2020 is to reward the employees and to retain and motivate the employees of the Parent Company and its Subsidiaries, as the case may be, by way of rewarding their high performance and motivate them to contribute to the overall corporate growth and profitability.

The Nomination and Remuneration Committee had on January 27, 2021 granted 56,90,467 options (comprising of 42,45,540 employee stock options; 11,43,263 RSUs and 3,01,664 thank you grants) to eligible employees pursuant to the ESOP-2020. The plan is administered by the Nomination and Remuneration Committe of the Board.

The eligibility of the Employees will be based on designation, period of service, performance linked parameters such as work performance and such other criteria as may be determined by the Nomination and Remuneration Committee at its sole discretion, from time to time.

Options granted under Plan shall vest not earlier than 1 (One) year and not later than maximum Vesting Period of 3 (Three) years from the date of Grant."

During the year, additional 6,33,251 equity shares were granted under Laxmi – Employee Stock Option Plan 2020 ("ESOP-2020").

i) Summary of options granted under plan:

Particulars	ESOP-6	ESOP-5	ESOP-4	ESOP-3	ESOP-2	ESOP-1	RSU
Number of options granted	4,53,251	1,00,000	80,000	14,06,250	2,76,855	42,45,540	11,43,266
Grant date	September 03, 2024	May 20, 2024	May 20, 2024	April 03, 2023	May 04, 2022	January 27, 2021	January 27, 2021
Exercise price (₹ per options)	184.00	181.00	176.00	100.00	100.00	100.00	2.00
Fair value on the date of grant of option (₹ per options)	173.57	147.53	150.00	162.22	373.35	73.12	121.48
Methods of valuation	Black-Scholes						
Method of settlement	Equity						
Method of accounting	Fair value						
Vesting period	September 3, 2025: 15% March 31, 2026: 15% March 31, 2027: 20% March 31, 2028: 20% March 31, 2029: 30%	May 20, 2025: 15% March 31, 2026: 15% March 31, 2027: 20% March 31, 2028: 20% March 31, 2029: 30%	May 20, 2025: 15% March 31, 2026: 15% March 31, 2027: 20% March 31, 2028: 20% March 31, 2029: 30%	April 02, 2024: 20%; March 31, 2025: 20%; March 31, 2026: 20%; March 31, 2027: 20%; March 31, 2028: 20%;	May 05, 2023: 15%; March 31, 2024: 15%; March 31, 2025: 20%; March 31, 2026: 20%; March 31, 2027: 30%;	April 01, 2022: 30%; April 01, 2023: 30%; April 01, 2024: 40%	April 01, 2022: 30%; April 01, 2023: 30%; April 01, 2024: 40%
Exercise period	7 years						

During the year 12,85,720 (PY: 9,78,998) options were exercised.

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ii) Movement in Share Options:

Particulars	As at March 31, 2025	As at March 31, 2024
Outstanding at the beginning of the year	31,99,458	33,37,255
Granted during the year	6,33,251	14,06,250
Number of options vested during the Period	4,21,876	11,48,504
Exercised during the year	12,85,720	9,78,998
Forfeited / lapsed during the year	1,93,799	5,65,049
Outstanding at the end of the year	23,53,190	31,99,458
Options exercisable at the end of the year	7,35,565	15,99,409

iii) Share options outstanding at the end of period have following exercise prices.

Nature of options	Exercise Price	As at March 31, 2025	As at March 31, 2024
ESOP-6	184	4,53,251	-
ESOP-5	181	1,00,000	-
ESOP-4	176	80,000	-
ESOP-3	100	14,06,250	14,06,250
ESOP-2	100	-	2,76,855
ESOP-1	100	2,47,649	11,64,242
RSU	2	66,040	3,52,111
Total		**23,53,190**	**31,99,458**

iv) The fair value of the options is determined on the date of grant using the Black-Scholes option pricing model, with the following assumptions:

Particulars	ESOP-6	ESOP-5	ESOP-4	ESOP-3	ESOP-2	ESOP-1	RSU
Expected dividend yield	0.19%	0.22%	0.22%	0.30%	0.30%	0.30%	0.30%
Years to expiration	6	6	6	6	6	7	7
Risk free rates	6.81%	7.09%	7.09%	6.96%	6.96%	6.12%	6.12%
Expected volatility	31.86%	29.71%	29.71%	46.22%	46.22%	41%	41%

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time which is considered as equivalent to the life to expiration. In the instinct case, the volatility of the Parent Company is computed based on the average volatility of the comparable companies listed on stock exchange.

(b) Expense arising from share-based payment transactions

Particulars	As at March 31, 2025	As at March 31, 2024
Share-based payments expenses/(reversal) (net)*	(5.26)	168.43
Total expenses	**(5.26)**	**168.43**

*Includes a reversal of ₹ 92.68 Mn, representing the net impact of attrition and valuation changes.

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39 RELATED PARTY DISCLOSURES:

Related party disclosures, as required by Ind AS 24, "Related Party Disclosures", notified under Section 133 of the Companies Act, 2013 are given below:

A) Parties where control exists:

(i) Ultimate Holding entity

Yellowstone Trust (Through It's Managing Trustee Mr. Ravi Goenka)

B) Other related parties with whom transactions have taken place during the year:

(i) Associates of the Reporting Enterprise

1 Cleanwin Energy One LLP

2 Radiance MH Sunrise Seven Private Ltd.

C) Key management personnel and Independent director:

1	Executive Chairman	Ravi Goenka (w.e.f April 03, 2023)
2	Executive Chairman & Managing Director	Ravi Goenka (up to April 03, 2023)
3	Managing Director & CEO	Dr. Rajan Venkatesh (w.e.f. April 03, 2023)
4	CEO & Executive Director	Satej Naber (up to April 02, 2023)
5	Executive Director	Harshvardhan Goenka
6	Non-Executive Director	Rajeev Goenka
7	Independent Director	Rajiv Banavali
8	Independent Director	Omprakash Bundellu (up to July 30, 2024)
9	Independent Director	Vijay Ratnaparkhe (w.e.f. July 01, 2024)
10	Independent Director & Non-Executive Director	Arun Lalchand Todarwal (w.e.f. April 01, 2024)
11	Non-Executive Director	Manish Chokhani (w.e.f. July 31, 2024)
11	Independent Director	Manish Chokhani (up to July 30, 2024)
12	Independent Woman Director	Sangeeta Singh
13	Independent Director	Rajeev Vaidya
14	Chief Financial Officer	Tanushree Bagrodia (up to September 02, 2024)
15	Chief Financial Officer	Mahadeo P Karnik (w.e.f. September 03, 2024)
16	Company Secretary	Aniket Hirpara

D) Relatives of Key Management Personnel

1 Aditi Goenka

2 Aryavrat Goenka

3 Avantika Goenka

4 Manisha Goenka

5 Niharika Goenka

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E) Enterprises over which any person described in (C) is able to exercise control

1. Brady Investments Pvt. Ltd.
2. Maharashtra Aldehydes & Chemicals Ltd.
3. Pedestal Finance & Trading Pvt. Ltd.
4. R.R.Investments & Estates Pvt Ltd.
5. Rajeev Goenka HUF
6. Ravi Goenka HUF
7. Laxmi Foundation
8. Yellowstone Clean Energy LLP

F) Other entities where significant influence exist

1. Laxmi Organic Industries Ltd Employees Gratuity Fund

Notes to Consolidated financial statements
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(All figures are rupees in Mn unless otherwise stated)

G) The related party transactions are as under:

	Related Parties Transactions	(A) Entities where control exists		(B) Associate & Joint Ventures		(C) Key Management Personnel		(D) Relatives of Key Management Personnel		(E) Enterprises over which any person described in (C) is able to exercise control		Total	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
I	TRANSACTIONS DURING THE YEAR:												
i)	**Sales**												
	Maharashtra Aldehydes & Chemicals Ltd.	-	-	-	-	-	-	-	-	28.24	24.55	28.24	24.55
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**28.24**	**24.55**	**28.24**	**24.55**
ii)	**Purchases**												
	Cleanwin Energy One LLP	-	-	27.13	30.60	-	-	-	-	-	-	27.13	30.60
	Radiance MH Sunrise Seven Private Ltd	-	-	22.23	19.86	-	-	-	-	-	-	22.23	19.86
	Maharashtra Aldehydes & Chemicals Ltd.	-	-	-	-	-	-	-	-	0.66	0.02	0.66	0.02
	Total	**-**	**-**	**49.36**	**50.46**	**-**	**-**	**-**	**-**	**0.66**	**0.02**	**50.02**	**50.48**
iii)	**Purchase of Property, Plant and Equipment**												
	Pedestal Finance & Trading Pvt. Ltd.	-	-	-	-	-	-	-	-	2.21	-	2.21	-
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.21**	**-**	**2.21**	**-**
iv)	**Commission to Non-Executive Directors**												
	Omprakash Bundellu	-	-	-	-	-	2.06	-	-	-	-	-	2.06
	Arun Lalchand Todarwal	-	-	-	-	2.06	-	-	-	-	-	2.06	-
	Manish Chokhani	-	-	-	-	2.06	2.06	-	-	-	-	2.06	2.06
	Sangeeta Singh	-	-	-	-	2.06	2.06	-	-	-	-	2.06	2.06
	Rajeev Vaidya	-	-	-	-	2.06	2.06	-	-	-	-	2.06	2.06
	Vijay Ratnaparkhe	-	-	-	-	1.54	-	-	-	-	-	1.54	-
	Rajiv Banavali	-	-	-	-	2.06	2.06	-	-	-	-	2.06	2.06
	Total	**-**	**-**	**-**	**-**	**11.84**	**10.30**	**-**	**-**	**-**	**-**	**11.84**	**10.30**

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(All figures are rupees in Mn unless otherwise stated)

	Related Parties Transactions	(A) Entities where control exists		(B) Associate & Joint Ventures		(C) Key Management Personnel		(D) Relatives of Key Management Personnel		(E) Enterprises over which any person described in (C) is able to exercise control		Total	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
v)	**Other Expenses**												
	Brady Investments Pvt. Ltd.	-	-	-	-	-	-	-	-	0.85	0.86	0.85	0.86
	R.R.Investments & Estates Pvt Ltd	-	-	-	-	-	-	-	-	1.82	1.82	1.82	1.82
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.67**	**2.68**	**2.67**	**2.68**
vi)	**Reimbursement of expenses incurred on behalf of Related Party**												
	Maharashtra Aldehydes & Chemicals Ltd.	-	-	-	-	-	-	-	-	0.18	0.15	0.18	0.15
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.18**	**0.15**	**0.18**	**0.15**
vii)	**Travel Expenses**												
	Rajeev Vaidya	-	-	-	-	0.40	-	-	-	-	-	0.40	-
	Rajiv Banavali	-	-	-	-	0.20	-	-	-	-	-	0.20	-
	Total	**-**	**-**	**-**	**-**	**0.60**	**-**	**-**	**-**	**-**	**-**	**0.60**	**-**
viii)	**Sitting Fees**												
	Rajeev Goenka	-	-	-	-	0.49	0.38	-	-	-	-	0.49	0.38
	Rajiv Banavali	-	-	-	-	0.55	0.58	-	-	-	-	0.55	0.58
	Omprakash Bundellu	-	-	-	-	0.52	0.54	-	-	-	-	0.52	0.54
	Manish Chokhani	-	-	-	-	0.68	0.45	-	-	-	-	0.68	0.45
	Arun Lalchand Todarwala	-	-	-	-	1.09	-	-	-	-	-	1.09	-
	Rajeev Vaidya	-	-	-	-	0.72	0.60	-	-	-	-	0.72	0.60
	Sangeeta Singh	-	-	-	-	1.06	0.67	-	-	-	-	1.06	0.67
	Total	**-**	**-**	**-**	**-**	**5.11**	**3.22**	**-**	**-**	**-**	**-**	**5.11**	**3.22**
ix)	**Directors Remuneration**												
	Ravi Goenka	-	-	-	-	96.79	99.63	-	-	-	-	96.79	99.63
	Harshvardhan Goenka	-	-	-	-	26.23	29.21	-	-	-	-	26.23	29.21
	Dr. Rajan Venkatesh	-	-	-	-	89.72	86.58	-	-	-	-	89.72	86.58
	Total	**-**	**-**	**-**	**-**	**212.74**	**215.42**	**-**	**-**	**-**	**-**	**212.74**	**215.42**

Notes to Consolidated financial statements
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	Related Parties Transactions	(A) Entities where control exists		(B) Associate & Joint Ventures		(C) Key Management Personnel		(D) Relatives of Key Management Personnel		(E) Enterprises over which any person described in (C) is able to exercise control		Total	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
x)	**Remuneration to Other KMPs**												
	Other KMPs	-	-	-	-	60.59	32.99	-	-	-	-	60.59	32.99
	Total	**-**	**-**	**-**	**-**	**60.59**	**32.99**	**-**	**-**	**-**	**-**	**60.59**	**32.99**
xi)	**Dividend Paid**												
	Ravi Goenka	-	-	-	-	1.09	0.90	-	-	-	-	1.09	0.90
	Rajeev Goenka	-	-	-	-	0.07	0.05	-	-	-	-	0.07	0.05
	Manisha Goenka	-	-	-	-	-	-	5.33	4.44	-	-	5.33	4.44
	Aryavrat Goenka	-	-	-	-	-	-	0.46	0.38	-	-	0.46	0.38
	Omprakash Bundellu	-	-	-	-	0.03	0.03	-	-	-	-	0.03	0.03
	Ravi Goenka Trustee of Yellowstone Trust	106.02	88.35	-	-	-	-	-	-	-	-	106.02	88.35
	Satej Naber	-	-	-	-	-	0.21	-	-	-	-	-	0.21
	Brady Investments Pvt. Ltd.	-	-	-	-	-	-	-	-	2.82	2.35	2.82	2.35
	Total	**106.02**	**88.35**	**-**	**-**	**1.19**	**1.19**	**5.79**	**4.82**	**2.82**	**2.35**	**115.82**	**96.71**
II	**Outstanding as at the end of reporting period**												
i)	**Trade and other Payable**												
	Radiance MH Sunrise Seven Private Ltd.	-	-	-	3.25	-	-	-	-	-	-	-	3.25
	Brady Investments Pvt. Ltd.	-	-	-	-	-	-	-	-	0.17	0.16	0.17	0.16
	Total	**-**	**-**	**-**	**3.25**	**-**	**-**	**-**	**-**	**0.17**	**0.16**	**0.17**	**3.41**

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

	Related Parties Transactions	(A) Entities where control exists		(B) Associate & Joint Ventures		(C) Key Management Personnel		(D) Relatives of Key Management Personnel		(E) Enterprises over which any person described in (C) is able to exercise control		Total	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
ii)	**Commission Payable to Non-Executive Directors**												
	Omprakash Bundellu	-	-	-	-	-	2.06	-	-	-	-	-	2.06
	Manish Chokhani	-	-	-	-	2.06	2.06	-	-	-	-	2.06	2.06
	Arun Lalchand Todarwal	-	-	-	-	2.06	-	-	-	-	-	2.06	-
	Sangeeta Singh	-	-	-	-	2.06	2.06	-	-	-	-	2.06	2.06
	Rajeev Vaidya	-	-	-	-	2.06	2.06	-	-	-	-	2.06	2.06
	Mr. Vijay Ratnaparkhe	-	-	-	-	1.54	-	-	-	-	-	1.54	-
	Rajiv Banavali	-	-	-	-	2.06	2.06	-	-	-	-	2.06	2.06
	Total	**-**	**-**	**-**	**-**	**11.84**	**10.30**	**-**	**-**	**-**	**-**	**11.84**	**10.30**
iii)	**Trade and other Receivable**												
	Maharashtra Aldehydes & Chemicals Ltd.	-	-	-	-	-	-	-	-	13.75	8.80	13.75	8.80
	Pedestal Finance & Trading Pvt. Ltd.	-	-	-	-	-	-	-	-	-	2.20	-	2.20
	Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**13.75**	**11.00**	**13.75**	**10.99**

Notes:

a Commission to non-executive directors as disclosed above includes provision for the current year.

b Provision for contribution to gratuity fund and leave encashment which are made based on actuarial valuation on an overall Company basis are not included in remuneration with KMP.

c Directors' remuneration and remuneration to other KMPs (Chief Financial Officer and Company Secretary) includes performance incentive on payment basis.

Notes to Consolidated financial statements
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40 FINANCIAL INSTRUMENTS

(a) The carrying value and fair value of financial instruments by categories as at March 31, 2025 and March 31, 2024 is as follows:

	Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
(i)	**Financial assets**	**Non-current**		**Current**	
	Financial assets measured at amortised cost				
	Others	90.33	71.29	265.33	440.78
	Trade receivables	-	-	5,379.49	5,834.36
	Cash and cash equivalents	-	-	416.37	1,111.39
	Other bank balances	-	-	766.21	2,059.37
	Financial assets measured at FVTPL				
	Investments	-	-	1,453.93	1,230.88
	Total financial assets	**90.33**	**71.29**	**8,281.34**	**10,676.78**
(ii)	**Financial liabilities**				
	Financial liabilities measured at amortised cost				
	Borrowings	425.00	972.24	2,106.71	385.22
	Trade payables	-	-	6,971.65	7,621.25
	Lease liability	27.05	64.12	16.82	6.26
	Others	-	-	863.14	567.24
	Total financial liabilities	**452.05**	**1,036.36**	**9,958.32**	**8,579.96**

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, book overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

41 FAIR VALUE HIERARCHY

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table."

Level 1 - quoted prices (unadjusted) in active markets for identical 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 to Consolidated financial statements
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The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2025 and March 31, 2024.

Particulars	Fair value as at	Fair value hierarchy		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial liabilities measured at FVTPL				
Forward contracts	March 31, 2025	-	81.65	-
Forward contracts	March 31, 2024	-	3.16	-
Financial assets measured at FVTPL				
Mutual funds	March 31, 2025	1,453.93	-	-
Mutual funds	March 31, 2024	1,230.88	-	-

42 FINANCIAL RISK MANAGEMENT

The Group is exposed to various financial risks arising from its underlying operations and financial activities. The Group is primarily exposed to market risk (i.e. interest rate risk and foreign currency risk), credit risk and liquidity risk. The Group's Treasury function plays the role of monitoring financial risk arising from business operations and financing activities.

Financial risk management, which includes foreign currency risk, interest rate risk, credit and liquidity risk are very closely monitored by the senior management, the Finance Committee and the Board of Directors. The Group has a Forex Risk Management policy under which all the forex hedging operations are done. The Group's policies and guidelines also cover areas such as cash management, investment of excess funds and the raising of short and long term debt. Compliance with the policies and guidelines is managed by the Corporate Treasury function. The objective of financial risk management is to manage and control financial risk exposures within acceptable parameters, while optimising the return.

The Group manages its market risk exposures by using specific type of financial instruments duly approved by the Board of Directors as and when deemed appropriate. The Company reviews and approves policies for managing each of the above risk.

(a) Market Risk

Market risk is the risk arising out of the fluctuations in fair value of future cash flows of a financial instrument because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes loans and borrowings, deposits, investments and derivative financial instruments. The Company enters into the derivative contracts as approved by the Board to manage its exposure to interest rate risk and foreign currency risk, from time to time.

(i) Foreign Currency Risk

Foreign currency risk also known as Exchange Currency Risk is the risk arising out of fluctuation in the fair value or future cash flows of an exposure because of changes in foreign exchange rates. Foreign currency risk in the Group is attributable to Group's operating activities and financing activities. In the operating activities, the Group's exchange rate risk primarily arises when revenue / costs are generated in a currency that is different from the functional currency (transaction risk). The Parent Company manages the exposure of the group based on a duly approved policy by the Board, which is reviewed by Board of Directors on periodic basis. This foreign currency risk exposure of the Group is mainly in U.S. Dollar (USD), Euro (EUR) and Chinese Yuan Renminbi (CNY).

Notes to Consolidated financial statements
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The carrying amount of the Group's foreign currency exposure at the end of the reporting periods are as follows:

Currency	Assets		Liabilities	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD	7,30,779	18,94,078	23,37,865	5,65,119
EUR	12,82,059	18,43,583	5,24,386	2,20,016
CNY	38,29,107	28,35,215	6,24,474	23,88,047

Foreign currency sensitivity analysis:

The following table details the Group's sensitivity to a 1% increase and decrease in the Rupee against the relevant foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number below indicates an increase in profit before tax and vice-versa.

Particulars	As at March 31, 2025		As at March 31, 2024	
Impact on profit/(loss) for the year	Rupee Strengthens by 1%	Rupee weakens by 1%	Rupee Strengthens by 1%	Rupee weakens by 1%
USD	(1.36)	1.36	1.09	(1.09)
EUR	0.69	(0.69)	2.86	(2.86)
CNY	0.06	(0.06)	0.07	(0.07)

Foreign exchange derivative contracts

The Group enters into derivative contracts with an intention to hedge its foreign exchange price risk and interest risk. Derivative contracts which are linked to the underlying transactions are recognised in accordance with the contract terms. 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. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit & Loss.

(b) Interest rate risk

Interest rate risk arises from the movements in interest rates which could have effects on the Company's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities. The Group's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates.

The Group manages its interest rate risk by having an agreed portfolio of fixed and variable rate borrowings. Out of the total borrowings, the amount of floating interest loan is ₹ 500.00 Mn (March 31, 2024: ₹ 1,303.40 Mn). With all the other variables remaining constant, the following table demonstrates the sensitivity to a reasonable change in interest rates on the borrowings:

Particulars	As at March 31, 2025	As at March 31, 2024
	Rupee loans interest rate (increases) / decreases by 1%	Rupee loans interest rate (increases) / decreases by 1%
Increase in profit	5.00	13.03
Decrease in profit	(5.00)	(13.03)

Notes to Consolidated financial statements
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(c) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables are typically unsecured and are derived from revenue earned from customer. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account a continuing credit evaluation of the Group customers' financial condition; ageing of trade accounts receivable and the Group's historical loss experience.

Credit risk from balances with banks and financial institutions is managed by the Group's Corporate Treasury function in accordance with the Group's policy. Investments of surplus funds are made only with counter parties who meet the parameters specified in investment policy of the Group. The investment policy is reviewed by the Group's Board of Directors on periodic basis and if required, the same may be updated during the year. The investment policy specifies the limits of investment in various categories of products so as the minimise the concentration of risks and therefore mitigate financial loss due to counter party's potential failure.

Financial assets for which loss allowance is measured:

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables (net)	5,379.49	5,834.36
(Refer Note 9)		
Allowances for credit loss	49.83	24.27
(Refer Note 9(b))		

(d) Liquidity risk

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Group maintained a cautious liquidity strategy, with a positive cash balance throughout the years ended March 31, 2025 and March 31, 2024. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable liquid debt investments with appropriate maturities to optimise the returns on investments while ensuring sufficient liquidity to meet its liabilities.

Notes to Consolidated financial statements
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The table below analyse the Group's financial liabilities into relevant maturity based on their contractual maturities:

Particulars	Less than 1 year	Between 1 - 2 years	Between 2 - 5 years	More than 5 years	Total
As at March 31, 2025					
Borrowings	2,106.71	100.00	300.00	25.00	2,531.71
Trade payables	6,971.65	-	-	-	6,971.65
Other financial liabilities	863.14	-	-	-	863.14
Total	**9,941.50**	**100.00**	**300.00**	**25.00**	**10,366.50**
As at March 31, 2024					
Borrowings	385.22	331.16	641.08	-	1,357.46
Trade payables	7,621.25	-	-	-	7,621.25
Other financial liabilities	567.24	-	-	-	567.24
Total	**8,573.70**	**331.16**	**641.08**	**-**	**9,545.94**

Note - The above maturity profile does not includes contractual maturities of lease liability and the same is given in Note 36(d).

43 CAPITAL MANAGEMENT

The Group continues its policy of a conservative capital structure which has ensured that it retains the highest credit rating even amidst an adverse economic environment. Low gearing levels also equip the Group with the ability to navigate business stresses on one hand and raise growth capital on the other. This policy also provides flexibility of fund raising options for future, which is especially important in times of global economic volatility.

Particulars	March 31, 2025	March 31, 2024
Gross debt	2,531.71	1,382.46
Less: Cash and cash equivalents	416.37	1,111.39
Less: Other Bank Balances and FD kept as margin money*	17.51	188.57
Net debt (A)	**2,097.83**	**82.50**
Total equity (B)	**19,070.16**	**17,979.92**
Net debt to equity ratio (A/B)	**11.00%**	**0.46%**

*Includes Fixed deposit against margin money and Fixed deposit with banks (having maturity more than 12 months as margin money with banks).

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44 DISCLOSURE AS PER SCHEDULE III OF THE COMPANIES ACT 2013 OF THE ENTITIES CONSOLIDATED IN THESE FINANCIAL STATEMENTS

A)

Name of the Enterprise	Period	Net Assets i.e. Total assets minus Total Liabilities		Share in Consolidated Profit or Loss		Share in Other comprehensive income		Share in Total comprehensive income	
		% of Consolidated Net assets	₹ in Mn	% of Consolidated Profit	₹ in Mn	As % of consolidated other comprehensive income	₹ in Mn	As % of consolidated Total comprehensive income	₹ in Mn
Parent									
- Laxmi Organic Industries Limited	Current Year	100.28%	19,119.30	103.98%	1,180.21	200.86%	6.27	104.25%	1,186.48
	Previous Year	100.15%	18,003.61	105.67%	1,273.70	100.00%	5.07	105.65%	1,278.77
Subsidiaries - Indian									
- Viva Lifesicence Pvt. Ltd.	Current Year	(0.01%)	(2.62)	(0.91%)	(10.34)	0.00%	-	(0.91%)	(10.34)
	Previous Year	0.04%	7.73	1.71%	20.61	0.00%	-	1.70%	20.61
- Cellbion Lifesicence Pvt. Ltd.	Current Year	(0.11%)	(21.10)	(2.03%)	(23.05)	0.00%	-	(2.03%)	(23.05)
	Previous Year	0.01%	1.96	(2.80%)	(33.73)	0.00%	-	(2.79%)	(33.73)
- Saideep Traders	Current Year	(0.13%)	(25.37)	(1.95%)	(22.14)	0.00%	-	(1.95%)	(22.14)
	Previous Year	(0.02%)	(2.83)	(2.78%)	(33.51)	0.00%	-	(2.77%)	(33.51)
Subsidiaries - Foreign									
- Laxmi Organic Industries (Europe) B.V.	Current Year	2.23%	425.33	(5.47%)	(62.08)	0.00%	-	(5.45%)	(62.08)
	Previous Year	2.65%	476.28	(4.22%)	(50.88)	0.00%	-	(4.20%)	(50.88)
- Laxmi Speciality Chemicals (Shanghai) Co. Ltd.	Current Year	0.12%	22.86	0.97%	10.99	0.00%	-	0.97%	10.99
	Previous Year	0.06%	11.40	0.72%	8.70	0.00%	-	0.72%	8.70
- Laxmi Italy S.R.L	Current Year	0.01%	1.88	0.02%	0.18	0.00%	-	0.02%	0.18
	Previous Year	0.01%	1.71	(0.02%)	(0.21)	0.00%	-	(0.02%)	(0.21)
- Consolidation Adjustments	Current Year	(2.38%)	(453.54)	5.40%	61.28	(100.86%)	(3.15)	5.11%	58.13
	Previous Year	(2.91%)	(523.65)	1.71%	20.67	0.00%	-	1.71%	20.67
Total	**Current Year**	**100.00%**	**19,066.75**	**100.00%**	**1,135.04**	**200.86%**	**3.12**	**100.00%**	**1,138.16**
Total	**Previous Year**	**100.00%**	**17,976.21**	**100.00%**	**1,205.35**	**100.00%**	**5.07**	**100.00%**	**1,210.42**
Associates - Indian*									
- Cleanwin Energy one LLP	Current Year	0.00%	77.94	0.00%	13.16	0.00%	-	0.00%	13.16
	Previous Year	0.00%	64.78	0.00%	10.38	0.00%	-	0.00%	10.38
- Radiance MH Sunrise Seven Private Limited	Current Year	0.00%	41.41	0.00%	(7.95)	0.00%	-	0.00%	(7.95)
	Previous Year	0.00%	49.36	0.00%	(6.29)	0.00%	-	0.00%	(6.29)

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

B) Subsidiaries considered in prepration of CFS are:-

Name of Subsidiary	Place of Incorporation	Principal Activity	Shareholding (in %)	
			March 31, 2025	March 31, 2024
Viva Lifesicences Private Limited	India	Trading of Chemcials	100%	100%
Cellbion Lifesicences Private Limited	India	Trading of Chemcials	100%	100%
Saideep Traders	India	Trading of Chemcials	95%	95%
Laxmi Organic Industries (Europe) B.V.	Netherlands	Trading of Chemcials	100%	100%
Laxmi Speciality Chemicals (Shanghai) Co. Ltd.	China	Trading of Chemcials	100%	100%
Laxmi Italy S.R.L	Italy	Trading of Chemcials	100%	100%

C) Laxmi USA LLC was incorporated on August 31, 2021 by the Parent Company, however capital infusion is not yet made.

45 BUSINESS COMBINATION UNDER COMMON CONTROL

Amalgamation of Yellowstone Fine Chemicals Private Limited (YFCPL) with the Parent Company

The Board of Directors at their meeting held on May 21, 2024 had approved the Scheme of Amalgamation ('the Scheme') between Yellowstone Fine Chemicals Private Limited (YFCPL), a wholly owned subsidiary of Laxmi Organic Industries Limited (Parent Company) with the Parent Company in accordance with the provisions of the Companies Act, 2013 and other applicable laws with the appointed date of April 01, 2024. The Hon'ble National Company Law Tribunal, Mumbai ('NCLT') approved the Scheme vide order dated February 27, 2025. The Scheme came into effect from March 30, 2025 upon filing of the certified copy of the order passed by NCLT with the relevant Registrar of Companies on March 30, 2025. There is no impact of the Scheme on the Consolidated Financial Statements.

46 RELATIONSHIP WITH STRUCK OFF COMPANIES

The information about transaction with struck off Companies (defined under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956) has been determined to the extent such parties have been identified on the basis of the information available with the Group.

47 MAINTENANCE OF BOOKS OF ACCOUNTS AND BACK-UP

As per the MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain back-up on daily basis of books of account and other relevant books and papers maintained in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of books of account on servers physically located in India on a daily basis. The books of account of the Group are maintained in electronic mode and these are readily accessible in India at all times. Currently, the Group is maintaining back-up of books of account on server physically located in India on daily basis.

Audit Trail

The Group has been maintaining its books of account in the SAP S4 HANA which has feature of recording audit trail, an edit log facility and that has been operative throughout the financial year for all relevant transactions recorded in the software impacting books of account, throughout the year as required by Companies (Accounts) Amendment Rules, 2021. Additionally the audit trail of has been preserved by the Company as per the Statutory requirement for record retention.

48 SUBSEQUENT EVENT

There are no subsequent Events after the year ended March 31, 2025 till the date of signing of this consolidated financial statements.

Notes to Consolidated financial statements
for the year ended March 31, 2025 (Contd.)
(All figures are rupees in Mn unless otherwise stated)

49 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III TO THE COMPANIES ACT, 2013:

(a) The Group does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(b) The Group has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

(c) The Group has not traded or invested in crypto currency or virtual currency during the year.

(d) Utilisation of Borrowed funds and share premium:

I The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

II The Group has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(e) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

50 THE CONSOLIDED FINANCIAL STATEMENT WERE AUTHORISED FOR ISSUE IN ACCORDANCE WITH A RESOLUTION OF THE BOARD OF DIRECTORS IN ITS MEETING HELD ON MAY 20, 2025

51 PREVIOUS YEAR'S FIGURES HAVE BEEN REGROUPED / RECLASSIFIED WHEREVER NECESSARY.

For and on behalf of the Board of Directors
Laxmi Organic Industries Limited
CIN: L24200MH1989PLC051736

Ravi Goenka
Executive Chairman
DIN: 00059267

Dr. Rajan Venkatesh
Managing Director & CEO
DIN: 10057058

Mahadeo Karnik
Chief Financial Officer

Aniket Hirpara
Company Secretary
M. No. ACS18805

Mumbai
May 20, 2025

CIN: L24200MH1989PLC051736

Registered office: A-22/2/3, MIDC, Mahad, Dist Raigad – 402309 Maharashtra | Tel: +91-2145-232424
Corporate Office: Chandermukhi Building, 2nd and 3rd Floor, Nariman Point, Mumbai – 400 021 |Tel: +91-22-49104444

Website: www.laxmi.com | Email: investors@laxmi.com

NOTICE

Notice is hereby given that the 36th Annual General Meeting of the Company is scheduled to be held on **THURSDAY, JULY 31, 2025** at **11:00 AM** through Video Conference (VC) / Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt (a) the Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2025, the reports of the Board of Directors and Auditors thereon; and (b) the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2025, the reports of the Auditors thereon and in this connection, to consider and if thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution:**

a. **"RESOLVED THAT** the Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2025 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

b. **"RESOLVED THAT** the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2025 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To declare final dividend on equity shares and in this connection, to consider and if thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the recommendations made by the Board of Directors of the Company, a final dividend at the rate 25% (₹ 0.50 per equity share) be and is hereby declared on all the equity shares of ₹2 each fully paid-up in the paid-up capital of the Company and that the aforesaid dividend be distributed out of the profits of the Company for the financial year ended March 31, 2025, to whose name appears on the Register of Equity Shareholders of the Company as on July 18, 2025 ('Record Date') and in respect of shares held in electronic form, to those "beneficial members" whose names appear in the statement of Beneficial Ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the close of business hours on July 18, 2025 or to their mandates."

3. To appoint Director in place of Mr. Rajeev Goenka (DIN: 00059346) who retires by rotation and being eligible, offers himself for re-appointment and in this connection, to consider and if thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Dr. Rajeev Goenka (DIN: 00059346), Director of the Company, who retires by rotation at this meeting, being eligible has offered himself for re-appointment, be and is hereby re-appointed as the Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."

4. To appoint Director in place of Dr. Rajan Venkatesh (DIN: 10057058), Managing Director & CEO who retires by rotation and being eligible, offers himself for re-appointment and in this connection, to consider and if thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Dr Rajan Venkatesh (DIN: 10057058), Director of the Company, who retires by rotation at this meeting, being eligible has offered himself for re-appointment, be and is hereby re-appointed as the Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."

SPECIAL BUSINESS:

5. To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2026, and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹ 0.23 Mn (excluding Taxes and out of pocket expenses at actual), as approved by the Board of Directors and set out in the Statement annexed to the notice convening

NOTICE (Contd.)

this Meeting, to be paid to M/s B. J. D. Nanabhoy & Company, Cost Auditors, to conduct the audit of cost records of the Company for the financial year ending March 31, 2026, be and is hereby ratified."

6. To consider and approve the appointment of the Secretarial Auditors, and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Regulation 24A of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015, as amended, and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, the consent of the shareholders be and is hereby accorded for appointment of M/s GMJ & Associates, Company Secretaries, as the Secretarial Auditors of the Company for the term of five years to hold office from April 01, 2025 till March 31, 2030 (i.e. FY26 till FY30), to conduct a Secretarial Audit of the Company and to furnish the Secretarial Audit Report.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to fix the annual remuneration plus applicable taxes and out-of-pocket expenses payable to them during their tenure as the Secretarial Auditors of the Company, as determined by the Audit Committee in consultation with the said Secretarial Auditors.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take such steps and do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution."

7. To consider and approve the re-appointment of Mr. Harshvardhan Goenka, Executive Director (DIN 08239696) and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to the approval of the Central Government, if required, and such other approvals, permissions and sanctions, if any, as may be required, and subject to the such conditions and modifications, as may be prescribed or imposed while granting such approvals, permissions and sanctions, the shareholders of the Company do hereby approve the re-appointment of Mr. Harshvardhan Goenka (DIN 08239696) as Whole-time Director of the Company designated as Executive Director, liable to be retire by rotation, for a period of 5 (five) years with effect from November 01, 2025 till October 31, 2030.

RESOLVED FURTHER THAT the approval of the members be and is hereby accorded for the remuneration payable to Mr. Harshvardhan Goenka (DIN 08239696), Executive Director, during the Financial Year 2025-26 w.e.f. April 01, 2025 from present ₹ 25.70 Mn (CTC) to ₹ 26.22 Mn (CTC) as per the remuneration structure as set out below:

CTC Component	Annual Amount (₹ in Mn)
Fixed Pay	20.98
Performance Linked Incentive (PLI) (The PLI will be determined as per Company Policy and payable at the end of the year based on the performance of the Company as well as Individual)	5.24
Total CTC (Total Fixed Pay + PLI)	**26.22**

a. In addition to CTC as specified in point (a) above, Mr. Harshvardhan Goenka (DIN 08239696) shall be eligible for the following benefits as per Company's policy.

1. Insurance - Group Term Life Insurance (GTLI), Group Medical Coverage (GMC), Group Personal Accident Insurance (GPA) & Keyman Insurance
2. Company SIM card, Corporate Credit card and Leave encashment
3. Business Travel for self
4. Reimbursement of membership fees for any three clubs/hotels, on an actual basis.
5. One Company car with Fuel, Maintenance & Driver.

RESOLVED FURTHER THAT the actual amount of Performance Linked Incentive (PLI) as specified in remuneration structure is dependent of Company Policy and the Nomination & Remuneration Committee be and is hereby authorised to determine the actual PLI amount payable to Mr. Harshvardhan Goenka (DIN 08239696) based on his individual performance and the Company's performance in Financial Year 2025-26, without obtaining a separate approval of members, even if it exceeds the PLI amount as mentioned in the remuneration structure.

RESOLVED FURTHER THAT the approval of the Shareholders be and is hereby accorded for the payment of aggregate annual remuneration beyond the limits specified regulation 17(6)(e) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), to Mr. Harshvardhan Goenka (DIN 08239696), Executive Director, who is promoter during his renewed term upto October 31, 2030.

RESOLVED FURTHER THAT pursuant to proviso to Section 197(1) and proviso to Section II(A) Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or enactment(s) thereof for the time being in force), in case of inadequacy or absence of profit in Financial Year 2025-26, the remuneration set out here-above shall be paid to Mr. Harshvardhan Goenka (DIN 08239696) as minimum remuneration, beyond the limit specified in Section II Part II of Schedule V.

RESOLVED FURTHER THAT all the other terms of appointment of Mr. Harshvardhan Goenka (DIN 08239696) except the remuneration as revised above shall remain unchanged."

8. To consider and approve the revision in the remuneration of Dr. Rajan Venkatesh, Managing Director & CEO (DIN 10057058) for the Financial Year 2025-26 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 Regulation 17 and such other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force, the approval of the members be and is hereby accorded to revise the remuneration payable to Dr. Rajan Venkatesh, Managing Director & CEO (DIN 10057058), during Financial Year 2025-26 w.e.f. April 01, 2025 from present ₹ 79.65 Mn (CTC) to ₹ 81.24 Mn (CTC) as per the remuneration structure as set out below:

CTC Component	Annual Amount (₹ in Mn)
Fixed Pay	43.76
Performance Linked Incentive (PLI) (The PLI will be determined as per Company Policy and payable at the end of the year based on the performance of the Company as well as Individual)	37.48
Total CTC (Total Fixed Pay + PLI)	**81.24**

RESOLVED FURTHER THAT the actual amount of Performance Linked Incentive (PLI) as specified in remuneration structure is dependent of Company Policy and the Nomination & Remuneration Committee be and is hereby authorised to determine the actual PLI amount payable to Dr. Rajan Venkatesh (DIN 10057058) based on his individual performance and the Company's performance in Financial Year 2025-26, without obtaining a separate approval of members, even if it exceeds the PLI amount as mentioned in the remuneration structure.

RESOLVED FURTHER THAT, alongside the aforementioned remuneration, Dr. Rajan Venkatesh (DIN 10057058) shall be entitled to all allowances, perquisites, benefits, restrictions, obligations, etc., as outlined in the Employment Agreement executed with the Company on February 21, 2023.

RESOLVED FURTHER THAT pursuant to proviso to Section 197(1) and proviso to Section II(A) Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), in case of inadequacy or absence of profit in Financial Year 2025-26, the remuneration set out here-above shall be paid to Dr. Rajan Venkatesh (DIN 10057058) as minimum remuneration, beyond the limit specified in Section II Part II of Schedule V.

RESOLVED FURTHER THAT all the other terms of appointment of Dr. Rajan Venkatesh (DIN 10057058) except the remuneration as revised above, shall remain unchanged."

NOTICE (Contd.)

9. To consider and approve the revision in the remuneration of Mr. Ravi Goenka, Executive Chairman and Whole-time Director (DIN 00059267) for the Financial Year 2025-26 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 Regulation 17 and such other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force, the approval of the member be and is hereby accorded to revise the remuneration payable to Mr. Ravi Goenka, Executive Chairman and Whole-time Director (DIN 00059267), during Financial Year 2025-26 w.e.f. April 01, 2025, from present ₹ 61.38 Mn (CTC) to ₹ 75.28 Mn (CTC) as per the remuneration structure as set out below:

b. The Annual fixed remuneration to be paid to Mr. Ravi Goenka, Executive Chairman and Whole-time Director (DIN: 00059276) during FY 2025-26 with effect from April 01, 2025, shall be ₹ 75.28 Mn (CTC).

c. In addition to Annual Fixed Remuneration as specified in point (a) above, Mr. Ravi Goenka shall be eligible for the following benefits as per Company's policy:

1. Insurance - Group Term Life Insurance (GTLI), Group Medical Coverage (GMC), Group Personal Accident Insurance (GPA) & Keyman Insurance
2. Company SIM card, Corporate credit card and Leave Encashment
3. Business Travel for self. In case of networking events, business travel will also include spouse.
4. Leave Travel Allowance for expenses actually incurred for 2 trips in a block of 4 years for self and family members.
5. Reimbursement of Hospitalization charges and Medical Expenses actually incurred in India on the director and his family members in any hospital.
6. Expenses actually incurred on Gas, Electricity, Water, Furnishings and telephone, not exceeding ₹ 2 Mn per annum.
7. Reimbursement of membership fees for any four clubs. Also, membership on actuals for all industry bodies.
8. Four Company cars with fuel, maintenance & Driver.

d. In addition to the Remuneration & Perquisites and Allowances as specified in point (a) and (b) above, as may be determined by the Board of the Company at the end of each financial year, Mr. Ravi Goenka (DIN: 00059276) shall be paid a remuneration by way of commission of such percentage of the Net Profit of the Company for FY 2025-26 calculated in accordance with section 198 of the Act, so that his overall remuneration (including Annual Fixed Remuneration and Commission) shall not exceed 5% of the Net Profit of the Company for FY 2025-26. The specific amount payable to Mr. Ravi Goenka (DIN: 00059276) will be based on performance as evaluated by the Nomination & Remuneration Committee thereof duly authorised in this behalf and will be payable annually after the Annual Accounts have been approved by the Board.

RESOLVED FURTHER THAT pursuant to proviso to Section 197(1) and proviso to Section II(A) Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), in case of inadequacy or absence of profit in Financial Year 2025-26, the remuneration set out here-above shall be paid to Mr. Ravi Goenka (DIN: 00059276) as minimum remuneration, beyond the limit specified in Section II Part II of Schedule V."

10. To consider and approve for extending benefits of Laxmi Employees Stock Option Scheme – 2024 ("Laxmi ESOP 2024") to the employees of subsidiary/associate company(ies) and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment(s) of the Act (the "Act"), for the time being in force and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, including any modifications thereof or supplements thereto ("the Regulations") and in accordance with the provisions of the Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while

NOTICE (Contd.)

granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "the Board" which term shall be deemed to include the Nomination and Remuneration Committee), consent of the members of the Company be and is hereby accorded to the Board to extend the benefits of Laxmi ESOP 2024 to the Employees, whether working in India or out of India and Directors whether Whole-time Directors or not, of the subsidiary /associate company(ies)of the Company unless they are prohibited from participating in the Laxmi ESOP 2024 under any law or regulations for the time being in force, on such terms and conditions as may be decided by the Board.

FURTHER RESOLVED THAT for the purpose of creating, offering, issuing, allotting and listing of the Securities, the Board be and is hereby authorised on behalf of the Company to make any modifications, changes, variations, alterations or revisions in the Laxmi ESOP 2024 from time to time or to suspend, withdraw or revive Laxmi ESOP 2024 from time to time, provided such variations, modifications, alterations or revisions are not detrimental to the interests of the Employees.

FURTHER RESOLVED THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to determine terms and conditions of issue of the Securities and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary for such purpose and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring to secure any further consent or approval of the Shareholders of the Company."

By Order of the Board of Directors
FOR LAXMI ORGANIC INDUSTRIES LIMITED

Aniket Hirpara
Company Secretary and
Compliance Officer

Date : May 20, 2025
Place : Mumbai

NOTES

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by "COVID-19", General Circular Nos. 20/2020 dated May 05, 2020, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and subsequent circulars issued in this regard, the latest being 09/2024 dated September 19, 2024 in relation to "Clarification on holding of Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") permitted the holding of the AGM through VC/OAVM, 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. The registered office of the Company shall be deemed to be the venue for the AGM.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 5 to 10 of the Notice, is annexed hereto. Further, the relevant details with respect to Item Nos. 3, 4 & 7 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.

3. In accordance with the aforesaid 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 05, 2023, SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 07, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 issued by Securities Exchange Board of India (collectively referred to as "SEBI Circulars"), the Notice of the AGM along with the Integrated Annual Report for 2024-25 is being sent by electronic mode to those Members whose Email addresses are registered with the Company/National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories".

4. Pursuant to the provisions of the Companies Act, 2013 ("Act") a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice.

5. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of their respective Board or governing body Resolution / Authorisation etc., authorizing their representative to vote through remote e-Voting. The said Resolution / Authorisation shall be sent to the Scrutiniser or to the Company by Email at investors@laxmi.com.

6. The Company has fixed July 18, 2025 as the 'Record Date' for determining entitlement of members to final dividend for the financial year ended March 31, 2025, if approved at the AGM.

7. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made on or after August 05, 2025 to all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of end of day on July 18, 2025;

8. Members who have not yet registered their Email addresses are requested to register the same with their Depository Participants ("DP") in case the shares are held by them in electronic form.

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, Email address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in electronic form.

10. In compliance with aforesaid MCA circulars and SEBI circulars, Notice of the AGM along with the Annual Report 2024-25 is being sent by electronic mode to those Members whose Email addresses are registered with the Company / Depositories.

    In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2025 and Notice of the 36th AGM of the Company, may send request to the Company's Email address at investors@laxmi.com mentioning Folio No./DP ID and Client ID.

NOTES (Contd.)

Process for registration of Email id for obtaining Notice of the AGM along with Annual Report.

If your Email address is not registered with the Depositories (if shares held in electronic form) / Company (if shares held in physical form), you may register to receive the Notice of the AGM along with the Annual Report by completing the process as under:

i. **For Temporary Registration for Demat shareholders:**

   The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their Email addresses may temporarily get their Email addresses registered with Link Intime India Pvt Ltd by clicking the link: https://web.in.mpms.mufg.com/EmailReg/Email_Register.html in their web site https://in.mpms.mufg.com at the Investor Services tab by choosing the Email Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DP ID, Client ID/ PAN, mobile number and Email id. In case of any query, a member may send an Email to RTA at rnt.helpdesk@in.mpms.mufg.com.

   On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

ii. **For Permanent Registration for Demat shareholders:**

   It is clarified that for permanent registration of Email address, the Members are requested to register their Email address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

11. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.

12. Members seeking any information with regard to the financial statements or any matter to be placed at the AGM, are requested to write to the Company on or before Friday, July 25, 2025 through Email on investors@laxmi.com. The same will be replied by the Company suitably.

13. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

14. Members attending the meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.

15. Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 01, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by sending an email at rnt.helpdesk@in.mpms.mufg.com or by uploading the document with Company's RTA at https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html by 11:59 p.m. IST on July 18, 2025. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

16. Non-resident shareholders [including Foreign institutional Investors (FIIs) / Foreign Portfolio Investors(FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose the shareholder may submit the above documents (PDF / JPG Format) by Email to investors@laxmi.com. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on July 18, 2025.

17. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or

NOTES (Contd.)

Link Intime for assistance in this regard.

18. Members holding shares in physical form, in identical order of names, in more than one folio, are requested to send to the Company or Link Intime the details of such folios, together with the share certificates, along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for the consolidation of share certificates shall be processed in dematerialised form.

19. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 04, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for the resolution of disputes arising in the Indian Securities Market. Pursuant to the above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login).

20. VOTING THROUGH ELECTRONIC MEANS

The procedure and instructions for remote e-voting are as under:

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, 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 correctly in their demat accounts to access e-Voting facility.

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

Individual Shareholders holding securities in demat mode with NSDL

METHOD 1 - Individual Shareholders registered with NSDL IDeAS facility

Shareholders who have registered for NSDL IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "Login".

b) Enter User ID and Password. Click on "Login"

c) 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.

d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Shareholders who have not registered for NSDL IDeAS facility:

a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

b) Proceed with updating the required fields.

c) Post successful registration, user will be provided with Login ID and password.

d) After successful login, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - Individual Shareholders directly visiting the e-voting website of NSDL

a) Visit URL: https://www.evoting.nsdl.com

b) Click on the "Login" tab available under 'Shareholder/Member' section.

c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.

   a) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

   b) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL

METHOD 1 – Individual Shareholders registered with CDSL Easi/ Easiest facility

Shareholders who have registered/ opted for CDSL Easi/ Easiest facility:

a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com.

b) Click on New System Myeasi Tab

c) Login with existing my easi username and password

d) After successful login, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime, for voting during the remote e-voting period.

e) Click on "Link InTime/ MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Shareholders who have not registered for CDSL Easi/ Easiest facility:

a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration /https://web.cdslindia.com/myeasitokenRegistration / EasiestRegistration

b) Proceed with updating the required fields.

c) Post registration, user will be provided username and password.

d) After successful login, user able to see e-voting menu.

e) Click on "Link InTime / MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - Individual Shareholders directly visiting the e-voting website of CDSL

a) Visit URL: https://www.cdslindia.com

b) Go to e-voting tab.

c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account

e) After successful authentication, click on "Link InTime / MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

a) Login to DP website

b) After Successful login, user shall navigate through "e-voting" option.

c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.

d) After successful authentication, click on "Link InTime / MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for InstaVote as under:

a) Visit URL: https://instavote.linkintime.co.in

Shareholders who have not registered for INSTAVOTE facility:

b) Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details:

A. User ID:

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

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B. PAN:

Enter your 10-digit Permanent Account Number (PAN)

(Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI:

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number:

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders holding shares in **NSDL form, shall provide 'D' above*

***Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

- Set the password of your choice

  (The password should contain minimum 8 characters, at least one special Character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter).

- Enter Image Verification (CAPTCHA) Code

- Click "Submit" (You have now registered on InstaVote).

Shareholders who have registered for INSTAVOTE facility:

c) Click on **"Login"** under 'SHARE HOLDER' tab.

   A. User ID: Enter your User ID

   B. Password: Enter your Password

   C. Enter Image Verification (CAPTCHA) Code

   D. Click "Submit"

d) Cast your vote electronically:

   A. After successful login, you will be able to see the "Notification for e-voting".

   B. Select 'View' icon.

   C. E-voting page will appear.

   D. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

   E. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

a) Visit URL: https://instavote.linkintime.co.in

b) Click on **"Sign Up"** under "Custodian / Corporate Body/ Mutual Fund"

c) Fill up your entity details and submit the form.

d) A declaration form and organisation ID is generated and sent to the Primary contact person Email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

e) Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's Email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) Click on **"Investor Mapping"** tab under the Menu section.

c) Map the Investor with the following details:

   A. 'Investor ID' –

      i. NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678

      ii. CDSL demat account – User ID is 16 Digit Beneficiary ID.

   B. 'Investor's Name - Enter Investor's Name as updated with DP.

   C. 'Investor PAN' - Enter your 10-digit PAN.

   D. 'Power of Attorney' - Attach Board resolution or Power of Attorney.

   **File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures.*

   E. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) Click on **"Votes Entry"** tab under the Menu section.

c) Enter the **"Event No."** for which you want to cast vote.

Event No. can be viewed on the home page of InstaVote under "On-going Events".

d) Enter **"16-digit Demat Account No."** for which you want to cast vote.

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).

f) After selecting the desired option i.e. Favour / Against, click on 'Submit'.

A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

OR

METHOD 2 - VOTES UPLOAD

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) After successful login, you will be able to see the "Notification for e-voting".

c) Select **"View"** icon for **"Company's Name / Event number".**

d) E-voting page will appear.

e) Download sample vote file from **"Download Sample Vote File"** tab.

f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under **"Upload Vote File"** option.

g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed.

   (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk 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.co.in 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

Forgot Password:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

o Click on **"Login"** under **'SHARE HOLDER'** tab.

o Click **"forgot password?"**

NOTES (Contd.)

- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- o Click on "SUBMIT".

In case shareholders have a valid Email address, Password will be sent to his / her registered Email address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. The password should contain a minimum of 8 characters, at least one special character (!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID:

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- o Click on 'Login' under **"Custodian / Corporate Body/ Mutual Fund"** tab
- o Click **"forgot password?"**
- o Enter User ID, Organisation ID and Enter Image Verification code (CAPTCHA).
- o Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered Email address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

21. Process and manner for attending the General Meeting through InstaMeet:

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 09/2024 dated 19.09.2024, the Companies can conduct their AGMs/ EGMs on or before September 30, 2025 by means of Video Conference (VC) or Other Audio-Visual Means (OAVM).

Shareholders are advised to update their mobile number and Email Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the General Meeting through InstaMeet:

e) Visit URL: https://instameet.in.mpms.mufg.com & click on **"Login".**

f) Select the **"Company"** and **'Event Date'** and register with your following details:

E. Demat Account No. or Folio No:

Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.

Shareholders holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID.**

Shareholders holding shares in **physical form – shall provide** Folio Number.

F. PAN: Enter your 10-digit Permanent Account Number (PAN)

(Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

G. Mobile No: Enter your Mobile No.

H. Email ID: Enter your Email Id as recorded with your DP/ Company.

NOTES (Contd.)

g) Click "Go to Meeting"

You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to Speak during the General Meeting through InstaMeet:

a) Shareholders who would like to speak during the meeting must register their request with the Company.

b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.

c) Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

d) Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.

**Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.*

Instructions for Shareholders to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

a) On the Shareholders VC page, click on the link for e-Voting "Cast your vote"

b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered Email Id) received during registration for InstaMEET

c) Click on 'Submit'.

d) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

f) After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet 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 facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175.

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22. Details of Directors seeking appointment/re-appointment at the 36th AGM to be held on July 31, 2025 (pursuant to Regulation 36(3) and 26(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings)

Name	**Mr. Rajeev Goenka (DIN: 00059346)**	**Dr. Rajan Venkatesh (DIN: 10057058)**	**Mr. Harshvardhan Goenka (DIN 08239696)**
Date of Birth	August 04, 1967	August 07, 1975	April 30, 1989
Date of First Appointment	August 12, 1994	April 03, 2023	November 24, 2020
Qualification	B.Com, MBA	M.Sc. (Chemistry), ICT, Mumbai; M.Phil. (Polymer Science & Technology), University of Manchester Ph.D. (Polymer Chemistry), Eindhoven University of Technology	Bachelor's degree in science from Babson College, Boston, USA
Experience	With an MBA from Lehigh University, Pennsylvania, Mr. Rajeev Goenka brings over 29 years of experience in the chemicals industry, complemented by significant leadership roles in the renewable energy and education industries, spanning 23 and 19 years, respectively. His multi-sector expertise supports his contributions at the Board level, particularly in guiding long-term strategy and identifying new opportunities for growth. In addition to his responsibilities at Laxmi , he serves on the Board of Directors of Maharashtra Aldehydes Chemicals Limited and is a founding member of International Knowledge Park Private Limited, underscoring his commitment to both industrial and educational advancement.	Dr. Rajan joined Laxmi in April 2023, bringing with him a career defined by technical depth and strategic global leadership. His academic foundation spans three leading institutions: a master's in chemistry from ICT-Mumbai, an M.Phil. in Polymer Science and Technology from the University of Manchester, and a Ph.D. in Polymer Chemistry from Eindhoven University of Technology in the Netherlands. The 19 years at BASF shaped his global perspective, having operated across Germany, Singapore, India, and Hong Kong. At BASF, Dr Rajan managed large-scale initiatives and guided cross-functional business units. In his earlier role as Senior Vice President, Care Chemicals, Asia-Pacific, he led comprehensive business management operations, covering P&L oversight, customer and market strategy, sites and joint ventures, HR, and commercial execution across markets of Greater China, ASEAN, South Asia, Japan, Korea, and ANZ.	Mr. Harshvardhan Goenka has been an integral part of Laxmi since 2011, bringing strategic insight and a deep understanding of the chemicals sector. Over the years, he has played a leading role in steering the Company's evolution from a traditional bulk chemicals business to a dynamic and innovation-driven specialty chemicals enterprise. Appointed to the Board in November 2020, Harsh has been at the forefront of defining the Company's long-term strategic priorities, with a focus on capital deployment, mergers and acquisitions (M&A), business diversification, and sustainable growth. He is a strong advocate of India's potential to build integrated chemical value chains and believes this is key to fostering a self-reliant manufacturing ecosystem. Outside of Laxmi, Harsh is deeply involved in the wider business and leadership ecosystem. He is affiliated with the Indian Chemical Council (ICC) and is an active member of the Young Presidents' Organization (YPO). He holds a Bachelor's degree in Economics and Business Management from Babson College, Boston, USA, and is currently pursuing Executive Education at Harvard Business School.

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Name	**Mr. Rajeev Goenka (DIN: 00059346)**	**Dr. Rajan Venkatesh (DIN: 10057058)**	**Mr. Harshvardhan Goenka (DIN 08239696)**
Terms & Conditions of Re-Appointment	In terms of Section 152(6) of the Act, Mr. Rajeev Goenka is liable to retire by rotation at the Meeting.	In terms of Section 152(6) of the Act, Dr. Rajan Venkatesh is liable to retire by rotation at the Meeting.	Re-appointment as a Whole-time Director designated as Executive Director of the Company, liable to retire by rotation, for 5 (five) years with effect from November 01, 2025 till October 31, 2030.
Remuneration last drawn (including Sitting Fees, if any)	₹ 0.25 Mn	₹ 68.64 Mn	₹ 27.46 Mn
Remuneration proposed to be paid	Mr. Rajeev Goenka will be eligible to receive sitting fees and commission (within the ceiling limit of 1% of the Net Profit as computed in the manner laid down in Section 198 of the Companies Act, 2013) as approved by the Nomination & Remuneration Committee and Board of Directors from time to time.	As specified in the Resolution and Explanatory Statement	As specified in the Resolution and Explanatory Statement
Shareholding in the Company	109,437 Equity Shares	NIL	125 Equity Shares
Relationship with other Directors / Key Managerial Personnel	Mr. Rajeev Goenka is a brother of Mr. Ravi Goenka, Executive Chairman & Whole time Director of the Company and uncle of Mr. Harshvardhan Goenka, Executive Director – Business Development & Strategy	Dr. Rajan Venkatesh is not related to any other Directors or the Key managerial Personnel of the Company.	Mr. Harshvardhan Goenka is a son of Mr. Ravi Goenka, Executive Chairman & Whole time Director of the Company and nephew of Mr. Rajeev Goenka, Non-executive Director
No of Meetings of the Board Attended during Financial Year 2024-25	6 (six)	6 (six)	5 (five)
Other Directorships held as on March 31, 2025*	1. Maharashtra Aldehydes & Chemicals Limited 2. Alumi Profiles Private Limited 3. Laxmi Bioenergie Limited 4. Laxmi Capital Services Private Limited 5. Suvas Holding Limited 6. Amrutsagar Constructions Private Limited 7. Anugrah Investments Limited 8. Aqua Mischief Private Limited 9. Brady Investments Private Limited 10. Krishna Meadows Private Limited 11. Laxmi Tank Terminal Private Limited 12. Merton Finance & Trading Private Limited 13. Ojas Dye-Chem (India) Private Limited	1. Laxmi Organic Industries (Europe) BV, the Netherlands 2. Laxmi Speciality Chemicals (Shanghai) Co. Ltd, China	1. Laxmi Bioenergie Limited 2. Anugrah Investments Limited 3. Cleanwin Energy Two Private Limited 4. Yellowstone Greenenergy Private Limited

NOTES (Contd.)

Name	Mr. Rajeev Goenka (DIN: 00059346)	Dr. Rajan Venkatesh (DIN: 10057058)	Mr. Harshvardhan Goenka (DIN 08239696)
	14. Unity Portfolio Private Limited 15. International Knowledge Park Private Limited 16. Sherry Securities Private Limited 17. Starsilver Mercantile Company Private Limited 18. Alphakids Learning Centres Private Limited 19. Pedestal Trading and Finance Private Limited		
Membership/ Chairmanship of Committees of Other Company Boards as on March 31, 2025	NA	NA	NA
Skills/Expertise/ Competency	Strategic Planning, General Management	Leadership/Operational Experience, Strategic Planning, General Management, Sales and Marketing, Procurement, Chemical Industry Expert, Manufacturing, Industrial Relations	Strategic Planning, Business Development, New Product/ Chemistries Initiatives, Sales and Marketing, R&D & Innovation, Finance

*Only Companies are considered for the disclosure purpose

NOTES (Contd.)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM NO.5:

Upon the recommendation of the Audit Committee, the Board has approved the appointment and remuneration of M/s B. J. D. Nanabhoy & Company, Cost Auditors to conduct the audit of the cost accounting records maintained by the Company for the products namely, Organic and Specialty Chemicals manufactured by the Company at its plant situated at Mahad and Distillery at Satara for the financial year ending March 31, 2026 on the remuneration ₹ 0.23 Mn (excluding Taxes and out of pocket expenses at actual).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.5 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2026.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution.

The Board of Directors of your Company recommends the passing of the resolution as set out at Item No.5 as the Ordinary Resolution.

ITEM NO. 6:

This explanatory statement is provided in accordance with Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ("the Act"), every listed Company and certain other prescribed categories of companies are required to annex a Secretarial Audit Report, issued by a Practicing Company Secretary, to their Board's report, prepared under Section 134(3) of the Act.

Furthermore, pursuant to recent amendments to Regulation 24A of the SEBI Listing Regulations, every listed entity is required to conduct a Secretarial Audit and annex the Secretarial Audit Report to its annual report. Additionally, a listed entity must appoint a Secretarial Audit firm for a maximum of two terms of five consecutive years, with shareholder approval to be obtained at the Annual General Meeting.

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors has approved the appointment of M/s. GMJ & Associates (GMJ), Company Secretaries, as the Secretarial Auditors of the Company for a period of five years, commencing from April 01, 2025 till March 31, 2030 (i.e. FY26 till FY30). The appointment is subject to shareholders' approval at the Annual General Meeting.

While recommending GMJ for appointment, the Board and the Audit Committee evaluated various factors, including the firm's capability to handle a diverse and complex business environment, its existing experience in the Company's business segments, its industry standing, the clientele it serves, and its technical expertise. GMJ was found to be well-equipped to manage the scale, diversity, and complexity associated with the Secretarial Audit of the Company.

GMJ is a peer reviewed and a well-established firm of Practicing Company Secretaries, registered with the Institute of Company Secretaries of India, New Delhi. The firm is led by experienced partners, all of whom are distinguished professionals in the field of corporate governance and compliance. Their collective expertise spans corporate advisory, transactional services, advocacy, and company law due diligence. The firm also has associate partners with strong professional credentials who align with its core values of character, competence, and commitment.

The terms and conditions of GMJ's appointment include a tenure of five years, from April 01, 2025 till March 31, 2030 (i.e. FY26 till FY30). The fixed remuneration for the Secretarial Audit for the year 2025 is set at ₹ 0.20 Mn plus applicable taxes and other out-of-pocket costs incurred in connection with the audit. The proposed fees are determined based on the scope of work, team size, industry experience, and the time and expertise required by GMJ to conduct the audit effectively.

Additional fees for statutory certifications and other professional services will be determined separately by the management, in consultation with GMJ, and will be subject to approval by the Board of Directors and/or the Audit Committee. The remuneration for the subsequent years from 2027 to 2030 will also be approved by the Board and/ or the Audit Committee.

GMJ has provided its consent to act as the Secretarial Auditors of the Company and has confirmed that the proposed appointment, if made, will be in compliance with the provisions of the Act and the SEBI Listing Regulations. Accordingly, the consent of the shareholders is sought for the appointment of GMJ as the Secretarial Auditors of the Company.

NOTES (Contd.)

The Board of Directors recommends the resolution for approval by the Members, as set out at Item No. 6 of the Notice.

None of the Directors, Key Managerial Personnel (KMP), or their relatives have any financial or other interest in the proposed resolution.

ITEM NO.7:

At the 31st Annual General Meeting of the Company held on November 24, 2020, Mr. Harshvardhan Goenka (DIN 08239696) was appointed as Whole-time Director for 5 years, starting from November 01, 2020, till October 31, 2025. The current tenure of Mr. Harshvardhan Goenka will conclude on October 31, 2025.

The Board has, upon the recommendation of the Nomination & Remuneration Committee, at their meeting held on May 20, 2025, approved (a) the re-appointment of Mr. Harshvardhan Goenka (DIN 08239696) as Whole-time Director of the Company designated as Executive Director, liable to be retire by rotation, for a further period of 5 (five) years with effect from November 01, 2025 till October 31, 2030 on the terms and conditions including remuneration as specified in the resolution and (ii) increase in the annual remuneration to be paid to Mr. Harshvardhan Goenka (DIN 08239696), during Financial Year 2025-26 w.e.f. April 1, 2025, from present ₹ 25.70 Mn (CTC) to ₹ 26.22 Mn (CTC) and the perquisites and allowances as specified in the resolution. The overall increase in the Annual CTC of Mr. Harshvardhan Goenka for FY 2025-26 is 2% per annum.

Mr. Harshvardhan Goenka is not disqualified from being re-appointed as Director in the terms of Section 164 of the Companies Act, 2013 and has given consent in writing to act as Whole-time Director designated as Executive Director. Mr. Harshvardhan Goenka satisfies all the conditions set out in Part-I of Schedule V to the Act as well as conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment.

In line with Regulation 17(6)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, approval from members by special resolution is required for the compensation payable to executive directors who are promoters or members of the promoter group if it exceeds certain thresholds. Therefore, we seek your approval for the compensation payable to Mr. Harshvardhan Goenka during his renewed term, up to October 31, 2030. It's worth noting that the proposed remuneration reflects Mr. Harshvardhan Goenka's substantial contributions to the growth and sustainability of the Company.

The terms and conditions of his appointment are specified in the resolution. The brief profile of Mr. Harshvardhan Goenka is as under:

Mr. Harshvardhan Goenka has been an integral part of Laxmi since 2011, bringing strategic insight and a deep understanding of the chemicals sector. Over the years, he has played a leading role in steering the company's evolution from a traditional bulk chemicals business to a dynamic and innovation-driven specialty chemicals enterprise. Appointed to the Board in November 2020, Harsh has been at the forefront of defining the Company's long-term strategic priorities, with a focus on capital deployment, mergers and acquisitions (M&A), business diversification, and sustainable growth. He is a strong advocate of India's potential to build integrated chemical value chains and believes this is key to fostering a self-reliant manufacturing ecosystem. Outside of Laxmi, Harsh is deeply involved in the wider business and leadership ecosystem. He is affiliated with the Indian Chemical Council (ICC) and is an active member of the Young Presidents' Organization (YPO). He holds a Bachelor's degree in Economics and Business Management from Babson College, Boston, USA, and is currently pursuing Executive Education at Harvard Business School.

Mr. Harshvardhan Goenka shall perform such duties as shall from time to time be entrusted to him by the Board of Directors, subject to superintendence, guidance and control of the Board of Directors

In terms of the provisions of Section 197 of the Companies Act, 2013, the proposed special resolutions seek approval of the Members of the Company.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Harshvardhan Goenka under Section 190 of the Act.

Mr. Harshvardhan Goenka is interested in the said resolution, which pertains to his re-appointment and the remuneration payable to him. Mr. Ravi Goenka, Mr. Rajeev Goenka and the other relatives of Mr. Harshvardhan Goenka may be deemed to be interested in the said resolution, to the extent of their shareholding interest, if any, in the Company.

The Board recommends the resolution set forth in Item No. 7 for the approval of members.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

ITEM NO. 8:

Upon the recommendation of the Nomination & Remuneration Committee, the Board of Directors have at their meeting held on May 20, 2025 approved an increase in the annual remuneration to be paid to Dr. Rajan Venkatesh, Managing Director & Chief Executive officer (CEO) (DIN 10057058),

NOTES (Contd.)

during Financial Year 2025-26 w.e.f. April 01, 2025, from present ₹ 79.65 Mn (CTC) to ₹ 81.24 Mn (CTC). The overall increase in the Annual CTC of Dr. Rajan Venkatesh for FY 2025-26 is 2% per annum. The other terms of appointment of Dr. Rajan Venkatesh shall remain unchanged.

The revision in the remuneration has been finalised at the organisation level after taking into consideration various factors like Company's performance (top-line and bottom-line approach), industry benchmarking etc. Further, in the opinion of the Board, the aforesaid revision is in line with the industry norms and is justified considering the qualification, work profile, experience and the overall contribution made by Dr. Rajan Venkatesh to the Company. Accordingly, the Board of Directors of your Company recommends the passing of the resolution as set out at Item No.8 as the Special Resolution.

In accordance with the provisions of the Companies Act, 2013, the revision in the remuneration of the Executive Director requires approval of the Members.

Dr. Rajan Venkatesh is interested in the said resolution, which pertains to the remuneration payable to him.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

ITEM NO. 9:

The Board has, upon the recommendation of the Nomination & Remuneration Committee, at their meeting held on May 20, 2025, approved the revision in the payment of remuneration of Mr. Ravi Goenka, Executive Chairman (DIN 00059267) during Financial Year 2025-26 w.e.f. April 01, 2025, from present ₹ 61.38 Mn (CTC) to ₹ 75.28 Mn (CTC) and the perquisites and allowances as specified in the resolution. While the overall percentage increase in Annual CTC (excluding commission, perquisites, and allowances) is only 2% rising from ₹ 61.38 Mn to ₹ 62.76 Mn, in line with the increase granted to other executive board members, the total reported CTC appears higher at ₹ 75.28 Mn due to a structural change in the remuneration package. Specifically, a new House Rent Allowance (HRA) component of ₹ 12.52 Mn has been introduced in place of the previously provided "Fully Furnished Rent-Free Accommodation" perquisite. This replacement was implemented to achieve cost efficiency. The switch to a fixed HRA not only simplifies the compensation structure but also results in a tangible cost-saving impact for the Company over the long term, compared to the variable and higher cost associated with maintaining Company-leased accommodation. Therefore, the revised CTC reflects a rationalised structure and not a material increase in actual compensation.

The revision in the remuneration has been finalised at the organisation level after taking into consideration various factors like Company's performance (top-line and bottom-line approach), industry benchmarking etc. Further, in the opinion of the Board, the aforesaid revision is in line with the industry norms and is justified considering the qualification, work profile, experience and the overall contribution made by Mr. Ravi Goenka to the Company. Accordingly, the Board of Directors of your Company recommends the passing of the resolution as set out at Item No.9 as the Special Resolution.

The other terms of appointment of Mr. Ravi Goenka shall remain unchanged.

In accordance with the provisions of the Companies Act, 2013, the revision in the remuneration of the Executive Director requires approval of the Members.

Mr. Ravi Goenka is interested in the said resolution, which pertains to the remuneration payable to him. Mr. Harshvardhan Goenka, Mr. Rajeev Goenka and the other relatives of Mr. Ravi Goenka may be deemed to be interested in the said resolution, to the extent of their shareholding interest, if any, in the Company.

The Board recommends the resolution set forth in Item No. 9 for the approval of members.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

ITEM NO. 10:

As the 35th Annual General Meeting held on July 30, 2024, the members have approved "Laxmi Employee Stock Option Scheme 2024" **("Laxmi ESOP 2024")** for eligible employees and Directors of the Company as determined by the Nomination & Remuneration Committee (NRC) from time to time. The Company now proposes extending the benefits of the ESOP Scheme to employees of its subsidiary, associate, and holding companies. Accordingly, NRC ("Committee") and the Board of Directors of the Company at their respective meetings held on May 20, 2025 had approved the proposal, subject to the approval of the shareholders. As per prevailing rules, approval of the members is required for extending the benefits and coverage of Laxmi ESOP 2024 to the employees of the subsidiary, associate, and holding companies.

Particulars as required under Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulation") the

NOTES (Contd.)

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and the circulars / guidelines issued by the Securities and Exchange Board of India ("SEBI"), are given below:

a) Brief description of the Laxmi ESOP 2024:

Laxmi ESOP 2024 contemplates grant of employee stock options to the eligible employees and Directors of the Company, as may be determined in due compliance of extant law and provisions of Laxmi ESOP 2024. After vesting of Options, the option grantee earns a right (but not obligation) to exercise the vested options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

The Committee shall administer the Laxmi ESOP 2024. All questions of interpretation of the Laxmi ESOP 2024 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Laxmi ESOP 2024.

b) Total number of options to be granted:

A total of 42,50,000 (Forty-Two Lakh Fifty Thousand) options would be available for being granted to eligible employees of the Company under Laxmi ESOP 2024. Each option when exercised would be converted into one equity share of ₹ 2/- each fully paid-up.

Options lapsed or cancelled due to any reason including the reason of lapse of exercise period or due to resignation of the employees/ Directors or otherwise, would be available for being re-granted at a future date.

The Committee is authorised to re-grant such lapsed / cancelled options as per Laxmi ESOP 2024.

In case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment will be made to the options granted. Accordingly, if any additional equity shares are required to be issued by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of options/ equity shares stated above shall be deemed to increase to the extent of such additional equity shares issued.

c) Identification of classes of employees entitled to participate in the Laxmi ESOP 2024:

"Employee" means:

(i) an employee as designated by the Company, who is exclusively working in India or outside India; or

(ii) a director of the Company, whether a whole-time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or

(iii) an employee as defined in sub-clauses (i) or (ii), of a subsidiary or its associate company, in India or outside India, or of a holding company of the Company, but does not include—

a. an employee who is a promoter or a person belonging to the promoter group; or

b. a director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the Company;

d) Appraisal Process for determining the eligibility of the employees to employee stock options:

The options shall be granted to the employees as per performance appraisal system of the Company. The process for determining the eligibility of the employees will be specified by the Committee and will be based on designation, period of service, performance linked parameters such as work performance and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

e) Requirements of vesting and period of vesting:

The options granted shall vest so long as the employee continues to be in the employment of the Company, as the case may be. The Committee may, at its discretion, lay down certain performance metrics on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which options granted would vest (subject to the minimum and maximum vesting period as specified below).

The vesting period of options granted shall vest in not earlier than 1 (One) year and not more than 5 (five) years from the date of grant of such options. The exact proportion in which and the exact period over which the options would vest would be determined by the Committee, subject to the minimum vesting period of one year from the date of grant of options.

f) The maximum period within which the options shall be vested:

The options granted shall vest not later than 5 (Five) years from the date of grant of such options.

NOTES (Contd.)

g) Exercise price or pricing formula:

The Exercise Price will be determined by the Nomination & Remuneration Committee, adhering to the accounting policies outlined in SEBI SBEB Regulations. However, it will not be below 70% of the average share price of the Company over the preceding three months from the Grant date. The same shall be subject to any fair and reasonable adjustments that may be made on account of corporate actions of the Company in order to comply with the SEBI ESOP Regulations.

h) Exercise Period and the process of exercise:

In case of continuation of employment, the exercise period in respect of a vested option shall be subject to a maximum period of 8 (Eight) years commencing after the date of vesting of such option.

In case of cessation of employment due any reason, shorter exercise periods have been respectively prescribed in the Laxmi ESOP 2024.

The vested options will be exercisable by the employees by a written application to the Company as may be prescribed to exercise the options in such manner, and on execution of such documents, as may be prescribed by the Committee from time to time. The options will lapse if not exercised within the specified exercise period.

i) Lock-in period:

The shares issued pursuant to exercise of options shall not be subject to any lock-in period restriction except such restrictions particularly after listing of shares of the Company as may be prescribed under applicable laws including that under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2018, as amended, and code of conduct framed, if any, by the Company after listing under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended.

j) Maximum number of options to be issued per employee and in aggregate:

The maximum number of Options that may be granted to each Employee shall vary depending upon the designation and the appraisal/assessment process. However, the Committee reserves the right to decide the number of Options to be granted and the maximum number of Options that can be granted to each Employee within this ceiling.

k) Method of option valuation:

The Company shall adopt fair value method for valuation of options as prescribed under IND AS 102 or under any relevant accounting standard notified by appropriate authorities from time to time. In case the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee's compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value, shall be disclosed in the Directors' Report and the impact of this difference on profits and on earnings per share of the Company shall also be disclosed in the Directors' Report.

l) Accounting and Disclosure Policies:

The Company shall follow the relevant Indian Accounting Standards (Ind-AS) / Guidance Note on Accounting for Employee Share-based Payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India or any other appropriate authority, from time to time, including the disclosure requirements prescribed therein

m) The conditions under which option vested in employees may lapse:

The vested options shall lapse in case of termination of employment due to misconduct or due to breach of Company policies or the terms of employment. Further, irrespective of employment status, in case vested options are not exercised within the prescribed exercise period, then such vested options shall lapse.

n) The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:

In case of termination of employment as specified above, all the vested options shall lapse and cannot be exercised. In case of resignation/ termination (other than due to misconduct), the vested options can be exercised by the employee by the last working day of the concerned employee.

o) Route of administration of Laxmi ESOP 2024:

The Laxmi ESOP 2024 shall be implemented and administered directly by the Company.

NOTES (Contd.)

p) Source of acquisition of shares under the Laxmi ESOP 2024:

The Laxmi ESOP 2024 contemplates the issue of fresh/ primary shares by the Company.

q) Amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilisation, repayment terms, etc:

This is currently not contemplated under the present Laxmi ESOP 2024.

r) Maximum percentage of secondary acquisition:

This is not relevant under the present Laxmi ESOP 2024.

s) Disclosure and Accounting Policies:

The Company shall comply with the disclosure and the accounting policies prescribed as per prevailing Accounting guidelines and upon listing of securities of the Company, the Company shall comply with the accounting policies and disclosure requirements as prescribed under SEBI SBEB Regulation.

For more information regarding lock in period, method which the Company shall use to value its options, conditions under which option vested in employees may lapse e.g. in case of termination of employment for misconduct, specified time period within which the employees shall exercise the vested options in the event of a proposed termination of employment or resignation of employee, statement to the effect that the Company shall comply with the applicable accounting standards, please refer to the Laxmi ESOP 2024. A draft copy of the Laxmi ESOP 2024 is available for inspection at the Company's Registered Office during official hours on all working days till the date of the 35th Annual General Meeting.

None of the Directors, or Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested in these resolutions, except to the extent of the securities that may be offered to them under the Laxmi ESOP 2024

LAXMI ORGANIC INDUSTRIES LTD

Registered Office

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Thane – 402 309, Maharashtra