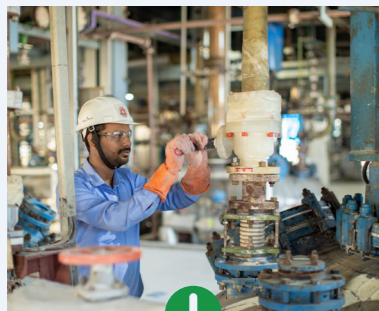




CONSOLIDATE. SCALE. ACCELERATE.

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Investor Information

Market Capitalisation as of March 31, 2026	BSE: Rs. 7,243.92 cr. NSE: Rs. 7,252.56 cr.
CIN	L24298TN2009PLC072270
BSE Code	543657
NSE Symbol	ACI
AGM Date	June 12, 2026
AGM Venue	Video Conference (VC)/ Other Audio-visual Mode (OAVM)

For more investor-related information, please visit :

 <https://www.archeanchemicals.com/investor-relations/>

Or scan the QR code below



Disclaimer: This document contains statements about expected future events and financials of Archean Chemical Industries Limited ('The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Consolidate. Scale. Accelerate.

At Archean, our next phase of expansion is defined by strategic investments, deeper value chain integration, and a focused push into high-potential growth segments.

As the Company expands its presence in marine chemicals and advances into derivatives and emerging material segments, our journey is guided by three strategic priorities:

Consolidate. Scale. Accelerate.

Consolidate

Our focus is on reinforcing our position in marine chemicals. Our core products: industrial salt, bromine, and sulphate of potash, continue to anchor the business. We are strengthening this foundation through a relentless commitment to customer excellence, operational discipline, and continuous efficiency enhancements.

Scale

To drive value-added growth, we are prioritising on increasing the scale of operations in segments such as bromine derivatives and oilfield chemicals. This scale-up deepens our downstream presence and creates a structurally resilient, margin-accretive business.

Accelerate

Captures the focus on future growth engines. Strategic investments in advanced materials, including silicon carbide and zinc bromide technologies, position the Company to participate in emerging opportunities across energy storage and semiconductor-linked segments. This progression remains firmly anchored in a disciplined approach to capital allocation.

Together, these priorities reflect Archean's strategic evolution from our foundation in marine chemicals to high-margin derivatives and next-generation advanced materials. By building on each successive stage with a disciplined approach to capital allocation, we are unlocking new avenues for sustainable value creation.





Scaling with Purpose



Dear Members,

FY 2025-26 was a key year for our Company, as we focused on enabling the long-term shifts that will accelerate our value creation journey. This transition has been characterised by a clear focus on strengthening process capabilities, enhancing operational reliability, and building consistency at the core to support the next phase of growth. We have also focused on scaling our downstream investments in bromine derivatives and oil field chemicals and continued to invest in innovative battery technologies and the semiconductor segment.

Global Scenario

Over the past year, global supply chains and cost structures have remained under pressure, even as the shift towards sustainability and value-added chemical applications has accelerated. The recent crisis in the Middle East has created several headwinds for the sector. Demand from key end user sectors has been impacted, coupled with a sharp rise in fuel and commodity costs and heightened volatility in supply chains and logistics costs. Despite these short-term challenges, long-term global and domestic demand trends remain positive. The imperatives for building sustainable, cost-efficient scale of operations and creating innovative, value-added offerings have become even more critical in the current environment.

Strategic Focus

Our strategic focus remains structured and deliberate. We have focused on expanding our marine chemicals business; increasing value chain integration through derivatives and related products; and investing in long-term opportunities in advanced materials such as semiconductor and battery technologies. These imperatives are guided by four key strategic principles:

- **Focused Growth:** Developing innovative and differentiated products in specialty marine chemicals and advanced materials, and deepening our strategic long-term customer relationships.
- **Operational Excellence:** Continuous focus on improving our process capabilities, developing scalable capacity and ensuring high standards of safety and cost leadership.
- **Responsible Stewardship:** Creating a safe and diverse workplace, aspiring to industry-leading standards in environmental performance & sustainability in our operations.
- **Technology & Automation:** Driving digitisation and automation across the enterprise to provide an enhanced customer experience, operational efficiency, and productivity. Together, these principles guide our better capital allocation approach to Consolidate, Scale and Invest in the future.



Business Performance

Our performance across segments this year reflects the resilience of this strategy.

- Industrial Salt delivered a solid 22% volume growth, capitalising on stable global demand. Our Company remains the leading exporter of industrial salts with a strong market position in South and East Asia.
- Bromine production faced headwinds due to climatic conditions and we have maintained a continuing focus on debottlenecking the operations and improve capacity throughput.
- Our Bromine derivatives business (Acume Chemicals) continues to scale operations through new product launches and customer acquisitions. During the year, revenues from the business grew by 202%, underlining the strong traction in value-added products.
- Reinforcing our global footprint, exports contributed 78% of our operating revenue, demonstrating the international competitiveness of our portfolio.

Operational Highlights

This year, we initiated a rewiring of our operational DNA, transitioning from reactive quality control to proactive process control. By shifting our focus from detecting outcomes to actively managing inputs, we are driving a structural upgrade in consistency and reducing variability.

We relentlessly targeted cycle efficiency, debottlenecking processes where long production cycles historically constrained throughput. To sustain these gains, we are embedding a continuous improvement culture through structured interventions across all facilities. Underpinning this operational intensity is our non-negotiable commitment to safety, driven by a focus on accountability and leadership at the plant level.

Our operations were impacted by multiple factors like a sharp rise in fuel prices and increased logistics costs due to regulatory changes, but our focus on cost has ensured we were able to mitigate a large share of the impact.

Unlocking New Frontiers in Advanced Materials

Guided by our disciplined investment framework, we are executing measured forays into advanced materials:

Spearheading Semiconductor Materials

We are contributing to helping build a strong and resilient domestic semiconductor industry through our investments in Clas-SiC Wafer Fab (UK) and the launch of SiCSem Private Limited, India's first commercial compound semiconductor venture. The integrated SiC Fab and ATMP facility in Bhubaneswar stands as the only such project approved under the India Semiconductor Mission (ISM).

Energy Storage

We made a strategic entry into zinc-bromide battery applications by acquiring a stake in Offgrid Energy Labs (USA), pioneers in patented ZincGel flow battery technology. Backed by a 10 MWh pilot facility in the UK and a planned Giga-factory in India, this move leverages our captive bromine capabilities to enable vertical integration across the energy storage value chain.

Focus on Sustainability

Sustainability efforts during the year remained closely linked to improving operational efficiency at the Hajipir site. The use of renewable energy enabled consumption of more than 52,000 MWh of clean power. Rainwater harvesting reached nearly 5 Mln kL, supporting water security, and coal consumption was reduced by around 1,500 MT per month, contributing to lower emissions.

The facility continued to operate under a Zero Liquid Discharge framework and maintained key certifications, including ISO standards and Responsible Care. During the year, the Company also initiated EV pilot projects aligned with its broader focus on advanced materials and emerging sectors such as energy storage and semiconductors.

The Way Ahead

Looking ahead, our focus remains on Scaling with Purpose. We will continue to fortify our core business through deeper customer partnerships and process excellence. Our focus in bromine derivatives and mud chemicals business is on driving greater volume expansion. We continue to remain very optimistic about investing in advanced materials. Equally important will be strengthening our organisational depth, building workforce resilience in challenging environments, and maintaining financial prudence as we expand.

I would like to thank all our stakeholders for their continued support. Our employees, particularly those in remote locations, remain central to our progress. I also extend my appreciation to our customers, partners, bankers and shareholders for their continued trust as we navigate this evolving phase of our journey.

Warm regards,

Rampraveen Swaminathan
Managing Director



Expanding Capabilities that Accelerate Growth

A leading Specialty Marine Chemicals manufacturing Company based in India with a prominent presence across global markets.

Archean Chemical Industries Limited (also referred to as 'Archean Chemicals', 'Archean', 'The Company' or 'We') is a leading specialty marine chemicals company. We operate India's first integrated facility producing industrial salt, bromine, and sulphate of potash (SOP) from natural sea brine. This resource-based process underpins our structurally advantaged, integrated business model.



We are India's leading exporter of bromine and industrial salt.

Building on our marine chemicals foundation, we are expanding into value-added derivatives. We are also selectively investing in emerging areas such as energy storage and semiconductor materials, positioning ourselves as a future-ready materials platform.

Sustainability is integral to our operating philosophy. Recognised with the 'Responsible Care' certification, we remain committed to responsible manufacturing, environmental stewardship, and high safety standards.

Revenue Mix for FY 2025-26 (%)



22 Domestic Revenue
78 International Revenue

Revenue from New Businesses*



*Acume Chemicals and Idealis Mudchemie

Customer Base

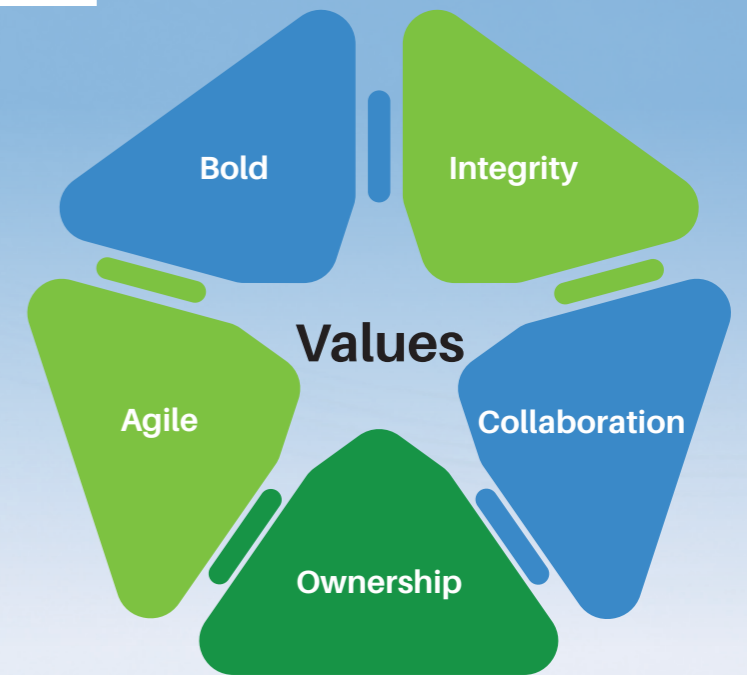
40
Domestic Customers

25
Global Customers



Vision

To be the leading company in specialty chemicals and advanced materials, delivering exceptional customer experience through superior products and value to all stakeholders.



Our Strengths

- Reliable Access to Natural Brine Resources at Scale Driving the Bromine Segment
- Integrated Bromine and Bromine Derivatives Platform
- Strategic Coastal Location Enabling Efficient Logistics and Export Reach
- Well-established Global Customer Base across Key Markets
- Flexible, Process-driven Manufacturing Ecosystem
- Strong People Capabilities, Organisational Expertise, and World-class Technology



Consolidating Offerings that Enable Higher Value



Our product portfolio is anchored in the strategic extraction and processing of marine minerals from natural brine resources. We are transitioning from a resource-led model to a more integrated, performance-driven portfolio, unlocking greater value from our core strengths.



Building Strength at the Foundation

Our marine chemicals business forms the backbone of our operations. With access to natural brine resources and large-scale processing infrastructure, we are strengthening this core through enhanced process excellence, tighter operational discipline, and improved efficiency.

Products

Industrial Salt

Industrial salt is a critical feedstock for the chlor-alkali industry, primarily used in the production of caustic soda and soda ash. These chemicals serve as essential inputs across a wide range of sectors, including glass manufacturing, steel processing, and other industrial applications.

Composed of sodium and chlorine, it occurs naturally as a crystalline mineral and serves as a key raw material in several industrial processes. The Company produces industrial salt by concentrating seawater brine in large evaporation ponds, using solar energy to crystallise and harvest the salt.



7.5 MM MT

— Production Capacity per Annum

Archean is a leading exporter of industrial salt meeting global quality standards, manufacturing Grade 1 industrial salt with purity levels exceeding 99.5% NaCl.

Liquid Bromine

Bromine is a highly reactive halogen used across applications such as flame retardants, disinfectants, and specialty chemical formulations. We produce high-purity liquid bromine using brine sourced from the Rann of Kutch, one of the world's largest salt marsh ecosystems.



42,000 MT

— Production Capacity per Annum

Archean is a leading exporter of elemental bromine, serving a global customer base in the merchant bromine market.

Sulphate of Potash (SOP)

SOP is an inorganic salt comprising potassium, sulphur, and oxygen. It is a water-soluble fertiliser widely used in agriculture, supporting improved crop quality and yield. We produce SOP from mixed salts that precipitate after halite crystallisation during seawater brine evaporation.



1,32,000 MT

— Production Capacity per Annum

Archean is a domestic manufacturer of chemical-free, natural sea brine-based SOP.

Expanding the Value Chain

We are expanding into derivatives and specialty chemicals to enhance value realisation, reduce commodity exposure, and build a more diversified, margin-accretive portfolio.

Bromine Derivatives

Through our subsidiary Acume Chemicals, this vertical targets high-margin products such as clear brine fluids, PTA catalysts, agrochemicals, and pharmaceuticals, while advancing our integration strategy through captive bromine consumption and value-chain expansion. We are also developing a downstream flame retardant (FR) bromine project to enhance value-added utilisation, reduce commodity cycle exposure, and tap into the rising demand in the electronics sector.



Specialty Mud Chemicals

Following the acquisition of Idealis Mudchemie (formerly Oren Hydrocarbon), we are reviving five units to serve the global oil and gas sector, out of which three have completed trials and begun initial commercial operations, dispatching samples to international customers. This strengthens our ability to offer a comprehensive portfolio of oil drilling chemicals to large drilling service companies.



Industries Served



Chlor-alkali



Agrochemicals



Oil Drilling



Flame Retardants



Pharmaceuticals



Water Treatment



Unlocking New Possibilities through Advanced Materials

“ While strengthening our position as a specialty chemicals company, we are expanding into high-growth adjacent opportunities in advanced materials, powering the future of electrification and energy resilience. ”

Silicon Carbide (SiC) Semiconductor Platform India's First

SiC Semiconductor Fab and Packaging Unit

— Approved under the India Semiconductor Mission, Semicon India Program (Govt. of India)

India today imports virtually all the compound semiconductor devices it uses, a structural dependency that the SiCSem project is designed to change. Through our step-down subsidiary, SiCSem Private Limited, we are building India's first commercial compound semiconductor facility at Info Valley, Bhubaneswar, Odisha, integrating a process fabrication unit and an Assembly, Test, Marking & Packaging (ATMP) unit under a single roof. This will enable SiCSem's journey towards a fully integrated

device manufacturer, capable of taking a Silicon Carbide (SiC) wafer all the way through to a finished and packaged semiconductor device domestically.

The technology partner for the Process Fabrication Unit is Clas-SiC Wafer Fab Limited, UK, a specialist SiC foundry, giving SiCSem direct and exclusive access to proven SiC fabrication process technology. SiCSem is the only compound semiconductor Fab and ATMP project approved under the India

Semiconductor Mission (ISM), backed by the Government of India with fiscal support under the ISM framework. SiC-based power devices deliver superior performance compared to conventional silicon, operating at higher voltages and temperatures, losing less energy during switching, and enabling smaller, lighter system designs. With the global SiC semiconductor market projected to reach USD 15 Bln by 2030, growing at over 15% per year, we are well positioned to address import dependence in this high-growth segment.

Key Highlights

Rs. 2,067 cr.

— Phase 1 Investment

96 Mln Units

— Packaging Capacity

August 2025

— ISM Approval

60,000 Wafers

— Annual Wafer Capacity

~22.24%

— Equity Stake in Clas-SiC Wafer Fab Limited, UK (fully diluted basis) by Archean Chemical Industries Limited

Strategic Significance

- India's first and only ISM-approved commercial compound semiconductor Fab and ATMP facility
- Drives import substitution in compound semiconductors, reducing India's dependence on foreign-sourced SiC devices
- Exclusive access to advanced SiC technology for domestic market
- Entry into high-efficiency, next-gen power devices (MOSFETs & diodes)
- Supports India's electronics self-reliance strategy; IIT Bhubaneswar establishing a Rs. 65 cr. developmental lab within the facility, deepening academia-industry linkages

Target Applications

- Electric Vehicles
- Renewable Energy Systems
- Data Centre Infrastructure
- Fast Chargers
- Industrial Power Electronics
- Railways



Advancing Energy Possibilities through Strategic Integration

“By providing captive bromine into the ZincGel supply chain, Archeon moves further up the value chain: from extracting bromine from brine, to enabling a next-generation battery technology.”

Zinc-Bromide Battery Technology

Lithium-ion dominates today's battery storage market, but it comes with real limitations, volatile supply chains, fire risk, and a lifespan that degrades under the daily charge-discharge cycles that grid-scale storage demands. Offgrid Energy Labs, incubated at IIT Kanpur in 2018 by a team of researchers and technologists, spent six years quietly solving these problems. The result is a proprietary zinc-bromide battery system purpose-built for various applications including stationary energy storage and other storage requirements. Archeon

invested USD 12 Mln (~18.14% stake) in Offgrid Energy Labs to lead the company's Series A funding round (USD 10 Mln invested to date), making it the anchor investor in one of India's promising deep-tech battery startups.

The connection to Archeon's core business runs deeper than a financial investment. The battery system developed by Offgrid is built on zinc-bromide chemistry, and Archeon is India's largest manufacturer and exporter of bromine, making this a natural vertical integration play.

By providing captive bromine into the ZincGel supply chain, Archeon moves further up the value chain: from extracting bromine from brine, to enabling a next-generation battery technology. Offgrid's batteries target stationary applications, solar farms, industrial facilities, commercial complexes, and grids, where storage for 6-12 hours at a time is required. With India alone projected to need over 236 GWh of battery storage capacity by 2032, we are positioning ourselves to capture this opportunity.

Key Highlights

USD 12 Mln

— Investment Value

10 MWh - UK

— Pilot Facility

Zinc Bromide Chemistry

— Core Chemistry

Technology Differentiation

The battery system developed by Offgrid is backed by over 25 IP families and 50+ patent assets filed across the US, UK, India, China, Australia, and Japan. Compared to conventional lithium-ion, the technology offers:

- Inherently Safer: Non-toxic, water-based electrolyte with low fire risk, a critical advantage for commercial and industrial deployments
- Approximately twice the operational cycle life of a typical lithium-ion battery, with ~90% round-trip efficiency, on par with performance
- Designed for Deep, Daily Cycling: supports 6-12 hour long-duration discharge without significant degradation

- Lower Lifetime Cost of Storage: built on zinc and bromine, widely available, non-critical materials, with a supply chain that is far more resilient than lithium-dependent alternatives



Target Applications

- Grid Stability & Frequency Regulation
- Renewable Energy Integration (Solar & Wind)
- Commercial & Industrial (C&I) Solar + Storage
- Microgrids & Off-Grid Installations
- Demand Charge Management
- Utility-Scale Energy Storage Systems

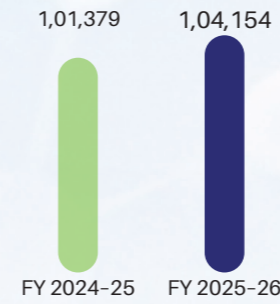


Ensuring Balance Sheet Strength

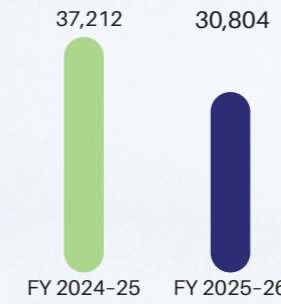
“
 The year under review reflects the resilience of our integrated, export-led business model. A continued focus on cost discipline and operational efficiency positions the Company to respond to emerging opportunities and drive sustainable, value-accretive growth.
 ”



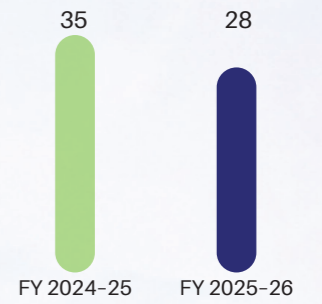
Revenue from Operations (Rs. in Lakhs)



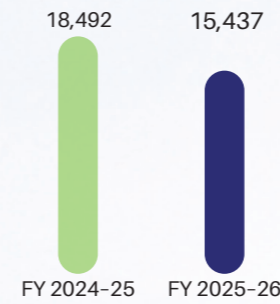
EBITDA (Rs. in Lakhs)



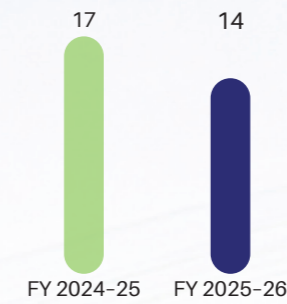
EBITDA Margin (%)



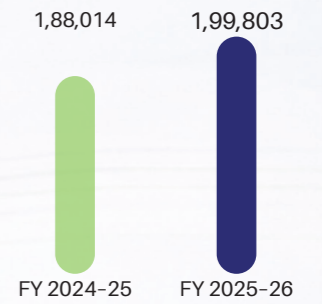
PAT (Rs. in Lakhs)



PAT Margin (%)



Net Worth (Rs. in Lakhs)



Note: All figures mentioned are on a standalone basis.





Our Chemistry Working for You

Responsible stewardship is one of our core strategic principles. It is anchored in process discipline and operational efficiency, where tighter control lowers environmental impact and enhances safety. As we scale our integrated specialty chemicals platform, we embed environmental stewardship and social responsibility into core decisions, ensuring growth and resilience advance together.

Responsible Environmental Management

Sustainable Resource Management

We are committed to being a 'Green Organisation', using processes that minimise environmental harm. A key example is our production of industrial salt and SOP through solar evaporation, efficiently utilising natural resources.

We are the only manufacturer in India producing essential specialty marine chemicals directly from natural sea brine, ensuring a sustainable and continuous raw material source. This integrated model ensures consistent input quality while reducing reliance on external sources, supporting stable and efficient operations.

During FY 2025-26, the Hajipir site enhanced resource efficiency by reusing acidic effluent in the bittern acidification process. This reduced lime consumption and lowered ETP sludge generation, reinforcing our focus on circular operations.

Energy Conservation

We strengthened energy performance across our operations through targeted efficiency and renewable integration initiatives. This included:

- Installation of 132 kW and 55 kW Variable Frequency Drives (VFDs) for the cooling tower pump and bromine plant compressor
- Commissioning of an Automatic Power Factor Correction (APFC) system to optimise power usage
- Introduction of a hybrid renewable power import system to increase the share of cleaner electricity in our energy mix

Solar energy contributes to overall consumption, with plans to further scale adoption as part of our decarbonisation roadmap. These efforts align with tighter process control and improved operational stability, enabling sustained energy efficiency gains.

19,46,335 kWh

— Solar Energy Generated

52,092.42 MWh

— Clean Energy Supplied through the Hybrid Renewable Power Import System

The hybrid renewable energy solution, commissioned via a 66 kV power import system from the Gujarat Electricity Board, replaced two 45 TPH2 boilers and a steam turbine generator, significantly reducing fossil fuel dependence and overall carbon footprint.





Emissions Management

For FY 2025-26, total greenhouse gas emissions were 66,771.59 tCO₂e (Scope 1) and 12,615.51 tCO₂e (Scope 2), compared to 75,631.92 tCO₂e (Scope 1) and 19,850.05 tCO₂e (Scope 2) in FY 2024-25, reflecting the impact of ongoing reduction initiatives. Coal consumption in the cogen high-pressure boiler declined by 1,500 MT per month, significantly reducing Scope 1 emissions and reinforcing our commitment to lowering our carbon footprint.

Water Conservation

We prioritise continuous monitoring of ambient water quality to minimise impact on surrounding ecosystems. Periodic water audits under our environmental management programme strengthen stewardship and improve efficiency. The Hajipir plant operates a Zero Liquid Discharge (ZLD) system, ensuring no liquid effluent is released into the environment.

Additionally, rainwater harvesting initiatives across our sites enhance groundwater recharge and support responsible water management in water-stressed regions.



49,89,890 kL

— Rainwater Harvested

Building Capabilities that Drive Social Impact

Our People

As we evolve into a diversified specialty materials platform, our people are building capabilities to support this shift. They are strengthening process excellence, deepening technical expertise, and driving operational leverage across facilities. Operating in remote and resource-constrained environments, we remain focused on workforce stability, stronger engagement, and future-ready capabilities that enable consistent and reliable operations.

Diversity, Equity and Inclusion

Diversity and inclusion remain a key priority as we scale operations. We have undertaken focused

initiatives to improve gender diversity across functions. At the leadership level, diversity considerations are being embedded into talent review processes to enable broader representation and foster a more inclusive workplace over time.

Talent Strategy and Capability Building

Our talent strategy focuses on attracting and retaining specialised technical and leadership capabilities critical to the specialty chemicals sector. We are expanding multi-channel sourcing through specialist agencies, referrals, campus programmes, and digital platforms, supported by structured hiring and leadership tracking.

To build long-term capability, we have introduced Management Trainee (MT) programmes with cross-functional exposure, creating a strong leadership pipeline. In parallel, we are strengthening career progression frameworks by enabling role rotations and leadership exposure to improve retention. This is complemented by ongoing compensation benchmarking and targeted interventions in high-attrition areas.

Training and Development

Continuous learning remains central to building a future-ready organisation. Our initiatives span both technical and behavioural areas, including process operations, EHS, maintenance excellence, and digital systems.



We are also investing in leadership development for mid-level managers, focusing on planning, problem-solving, and team management. Learning is increasingly driven through on-the-job exposure, expert-led sessions, and site-based training aligned with operational needs, ensuring practical and scalable skill development across locations.

Digital HR Transformation

The implementation of a new HRMS platform has modernised HR operations by enabling real-time data management, improved talent tracking, and streamlined processes. The planned rollout of employee platforms, including the 'MyVoice'

initiative, will further enhance communication, transparency, and engagement.

Looking ahead, we aim to leverage AI and NLP capabilities to strengthen digital HR services, driving efficiency and more informed decision-making across the workforce.

Employee Health and Safety

In a process-driven and asset-intensive environment, safety remains foundational to performance. We conduct regular safety training, toolbox talks, and certification programmes for employees and contractors, supported by standardised PPE protocols and strict operating procedures.

Periodic labour law and safety audits, contractor compliance reviews, and management reporting ensure continuous monitoring and accountability. Strong leadership emphasis on a safety-first culture reinforces responsible behaviour at every level, while ongoing process improvements enhance operational safety and reliability.





CSR and Community Impact

We are committed to contributing to the social and economic development of the communities surrounding our areas of operation. Our CSR initiatives are focused on creating impact across education, healthcare, community welfare, rural development, and cultural preservation.

Health, Nutrition, and Community Well-being

- Undertook Annadhanam initiatives benefiting orphaned individuals, senior citizens, bedridden patients, and pilgrims
- Extended support towards the construction of the Swami Vivekananda Multispeciality Hospital and medical assistance initiatives for economically disadvantaged individuals
- Facilitated support for healthcare institutions through the provision of surgical and ophthalmic equipment, assistance towards hospital infrastructure and medical aid for patients in need



Rs. 796.31 Lakhs

— Total CSR Spend for FY 2025-26

Rs. 777.25 Lakhs

— Total CSR Spend for FY 2024-25

Advancing Access to Quality Education

- Supported educational infrastructure development, including tuition centre construction for underprivileged students
- Continued support for the Kinship Care Project, currently reaching over 1,500 children across 15+ districts
- Undertook educational initiatives through programmes such as the IIT Education Support Project, Varanasi Vedic Learning Institute, Varanasi Building Project (Institute Infrastructure), and the E-Saathi Programme
- Extended support for residential education initiatives through institutions such as Bala Mandir, Ramakrishna Mission, and Sree Chandrasekara Rural Welfare Trust, where students are provided free education, food and accommodation



Enabling Inclusive Sports Development

- Supported the development of an inclusive wheelchair badminton court
- Created training opportunities for over 200 persons with disabilities (PwDs), including more than 50 wheelchair athletes annually



Preserving Cultural Heritage

- Undertook initiatives for the preservation and promotion of national heritage, art and culture through collaborations with reputed cultural institutions
- Extended support towards the 99th Annual Conference & Concerts programme

Strengthening Rural Infrastructure and Community Development

- Undertook water facility enhancement and road repair and maintenance initiatives, positively impacting surrounding communities and improving access to essential infrastructure for local residents
- Supported clean drinking water initiatives in collaboration with the Rotary Club
- Facilitated the construction of toilet facilities for girl students



Board of Directors and KMP

Board of Directors

Mrs. Padma Chandrasekaran
Chairperson-Independent Director

Mr. P. Ranjit
Executive Vice Chairman (WTD)

Mr. Rampraveen Swaminathan
Managing Director

Mr. P. Ravi
Non-Independent Director

Mr. S. Meenakshisundaram
Non-Independent Director

Mr. C. G. Sethuram
Independent Director

Mr. K. M. Mohandass
Independent Director

Board Committees

Audit Committee

Mr. K. M. Mohandass
Chairperson

Mrs. Padma Chandrasekaran
Member

Mr. S. Meenakshisundaram
Member

Corporate Social Responsibility Committee

Mr. S. Meenakshisundaram
Chairperson

Mrs. Padma Chandrasekaran
Member

Mr. P. Ravi
Member

Risk Management Committee

Mr. S. Meenakshisundaram
Chairperson

Mr. C. G. Sethuram
Member

Mr. P. Ranjit
Member

Mr. Natarajan Ramamurthy
Member

Nomination and Remuneration Committee

Mr. K. M. Mohandass
Chairperson

Mrs. Padma Chandrasekaran
Member

Mr. S. Meenakshisundaram
Member

Stakeholders Relationship Committee

Mr. S. Meenakshisundaram
Chairperson

Mr. C. G. Sethuram
Member

Mr. P. Ranjit
Member

Key Managerial Personnel

Mr. Natarajan Ramamurthy
Chief Financial Officer

Mr. Vijayaraghavan N E
Company Secretary & Compliance Officer

Registered Office

CIN: L24298TN2009PLC072270
No. 2, North Crescent Road, T. Nagar,
Chennai - 600 017
Ph: +91 44 6109 9999
Email:
secretarial@archeanchemicals.com

Plant

Hajipir Plant, Bhuj Taluk, Kutch District, Gujarat

Jhagadia Plant, GIDC, Randedi, Gujarat

Mandvi Plant, Mandvi Taluk, Bhuj-Kutch, Gujarat

Nagari Plant, Chittoor District, Andhra Pradesh

Kodur Plant, Kadappa District, Andhra Pradesh

Info Valley, Bhubaneswar, Odisha

Website

www.archeanchemicals.com

Auditors

Statutory Auditor
PKF Sridhar & Santhanam LLP

Internal Auditor
Finstein Advisory Services LLP

Secretarial Auditor
HVS & Associates

Cost Auditor
Mr. G. Sundaresan

Registrar and Transfer Agent

MUFG Intime India Private Limited,
(Formerly Link Intime India Private Limited)

C 101, Embassy 247, LBS Marg,
Vikhroli (West), Mumbai - 400 083

Bankers

ICICI Bank Limited, R. A. Puram, Chennai
HDFC Bank Limited, R. K. Salai, Chennai

Stock Exchange Listing

National Stock Exchange of India Limited
BSE Limited

Board's Report



Board's Report

Dear Members,

Your Directors are pleased to present the Seventeenth Annual Report of the Company ("ACIL or Archean Chemical") together with the Audited Standalone and Consolidated Financial Statements for the Financial Year ended March 31, 2026.

FINANCIAL PERFORMANCE

In the Financial Year ("FY") 2025-26, the standalone revenue from operations was Rs. 1,04,153.98 Lakhs as against Rs. 1,01,379.02 Lakhs during 2024-25, with a Increase of 2.74%.

FINANCIAL HIGHLIGHTS

The financial highlights of the Company for the Financial Year ended March 31, 2026 and March 31, 2025 are as follows:

Particulars	(Rs. in Lakhs)			
	Standalone		Consolidated	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Revenue from operations	1,04,153.98	1,01,379.02	1,08,105.07	1,04,101.79
Total Income	1,08,875.06	1,06,344.54	1,10,799.98	1,07,830.09
Profit before depreciation and finance cost	30,804.24	37,212.14	26,573.14	35,143.74
Depreciation	8,006.23	7,305.74	9,288.87	7,938.45
Finance Cost	1,771.60	911.45	2,574.68	810.33
Profit before exceptional item	21,026.41	28,994.95	14,709.59	26,394.96
Exceptional Items	0	(4,018.27)	0	(4,018.27)
Profit before Tax	21,026.41	24,976.68	14,709.59	22,376.69
Tax expenses	5,589.12	6,484.34	4,168.78	6,162.20
Profit after Tax	15,437.29	18,492.34	10,540.80	16,214.49
Total comprehensive income	15,413.59	18,476.48	10,517.56	16,198.63
Earnings per share (Basic)	12.51	14.98	8.66	13.13
Earnings per Share (Diluted)	12.50	14.97	8.65	13.12

STATE OF THE COMPANY'S AFFAIRS

During the FY 2025-26, your Company, continued to strengthen its position as a leading global supplier of specialty marine chemicals and industrial minerals. The Company demonstrated resilience and operational excellence amidst a dynamic global economic environment characterised by supply chain realignments, evolving regulatory landscapes, and fluctuating demand across end-use industries.

Operational Performance Overview

The Company maintained stable operations across its core product segments—Liquid Bromine, Industrial Salt, and Sulphate of Potash (SOP). Focus on process optimisation, cost efficiencies, and improved resource utilisation enabled the Company to sustain competitive margins while ensuring consistent product quality and supply reliability to customers worldwide.

Liquid Bromine Business

The Company's Liquid Bromine Segment leveraged its integrated production capabilities and strategic location advantages to cater to growing global demand across applications such as flame retardants, water treatment, pharmaceuticals, and agrochemicals.

Despite periodic volatility in international bromine prices, the Company maintained strong customer relationships and expanded its presence in key export markets. Continued emphasis on operational efficiency and safety ensured stable production levels and adherence to global quality standards.

Net Profit after tax for FY 2025-26 was Rs. 15,437.29 Lakhs as against Rs. 18,492.34 Lakhs in the previous year.

For FY 2025-26, the consolidated revenue from operations was Rs. 1,08,105.07 Lakhs as against Rs. 1,04,101.79 Lakhs during FY 2024-25, with a Increase of 3.85%. Net Profit after tax for FY 2025-26 was Rs. 10,540.80 Lakhs as against Rs. 16,214.49 Lakhs in the previous year.

For more details on the Consolidated and Standalone performance, please refer to Management Discussion and Analysis Report and the Financial Statements.



Board's Report (Contd.)

Industrial Salt Business

Industrial Salt remained a key revenue driver during the year and the division delivered steady performance, supported by consistent demand from the chlor-alkali, water treatment, and chemical processing industries. The Company's large-scale salt production infrastructure and cost-effective operations enabled it to remain a preferred supplier in both domestic and international markets.

Strategic initiatives focused on improving yield, optimizing logistics, and enhancing supply chain efficiencies contributed positively to the segment's overall performance.

Sulphate of Potash (SOP) Business

The Sulphate of Potash segment witnessed gradual growth during the year, driven by increasing awareness and adoption of high-value fertilizers in agriculture. SOP continued to gain traction due to its suitability for chloride-sensitive crops and its role in improving crop yield and quality.

The Company focused on strengthening its market presence, enhancing distribution networks, and promoting the agronomic benefits of SOP among farmers and agri-input stakeholders.

Market Outlook and Strategic Direction

Looking ahead, the Company remains optimistic about long-term growth prospects across all its business segments. Rising global demand for bromine derivatives, increasing industrialisation, and the growing need for sustainable agricultural inputs are expected to provide significant growth opportunities.

The Company will continue to focus on:

- Expanding its global footprint and customer base
- Enhancing operational efficiencies and cost competitiveness
- Investing in sustainability and environmentally responsible practices
- Strengthening value-added product offerings

Overall, FY 2025-26 has been a year of stable performance and strategic progress for ACIL. The Company remains well-positioned to capitalise on emerging opportunities and deliver sustained value to its stakeholders through its integrated business model and strong operational capabilities.

DIVIDEND

During FY 2025-26, the Board of Directors ("Board"/"Directors") has recommended a final dividend of

Rs. 3/- per equity share for the financial year ended March 31, 2025 and the same has been approved by the Members at the 16th Annual General Meeting of the Company held on June 02, 2025 and this entailed an outflow of Rs. 3,702.83 Lakhs with a pay-out ratio of 150%.

Your Directors have pleasure in recommending a dividend of Rs. 2.50/- per equity share for the financial year ended March 31, 2026 subject to the approval of Members at the ensuing Annual General Meeting ("AGM") of the Company. This would entail an outflow of Rs. 3086.46 Lakhs with a pay-out ratio of 125%. Upon approval of Members, it will be paid to all the Members whose name appears in the register of members as on June 05, 2026 (being the record date fixed for this purpose).

In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as "SEBI LODR"), the Directors of the Company has adopted a Dividend Distribution Policy which endeavours for fairness, consistency and sustainability while distributing profits to the members & the above recommendation of the dividend by the Board is in accordance with the "Dividend Distribution Policy" of the company and the same is available on the website under the link: <https://www.archeanchemicals.com/investor-relations/admin/assets/products/Dividend%20Distribution%20Policy.pdf>.

TRANSFER TO RESERVE

The Directors has decided to retain the entire amount of profits for FY 2025-26 in the retained earnings.

TAXATION

The Company has made a current tax provision of Rs. 5,384.87 Lakhs [PY: 6,531.62 Lakhs].

Current tax adjustments of earlier years is Rs. (31.33) Lakhs as against Nil during the previous year.

The deferred tax for the Financial Year ended March 31, 2026 is Rs. 235.58 Lakhs (PY: Rs. (47.28) Lakhs).

SHARE CAPITAL

During FY 2025-26, the paid-up capital of the Company has increased upon exercise of stock options by option grantees and allotment of shares pursuant to the same.

As on March 31, 2026, the authorised share Capital of the Company stood at Rs. 32,00,00,000 divided into 16,00,00,000 equity shares of Rs. 2/- each and consequent to the ESOP allotment made during the year, the



Board's Report (Contd.)

paid-up share capital of the Company increased from Rs. 24,68,55,364 divided into 12,34,27,682 equity shares of Rs. 2/- each to Rs. 24,69,16,788 divided into 12,34,58,394 equity shares of Rs. 2/- each.

Other than the above, there is no change in the capital structure of the Company during the year.

EMPLOYEE STOCK OPTION SCHEME

During FY 2025-26, the Board had allotted 30,712 equity shares of face value of Rs. 2/- each upon exercise of stock options granted under "Archean Employee Stock Option Plan 2022 (ESOP 2022)".

The Company has in place an Employee Stock Option Scheme to incentivise and retain select senior management personnel and key employees. The Nomination and Remuneration Committee ("NRC") administers and monitors the Scheme in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 (ESOP Regulations) and other applicable laws.

The details of the stock options granted under "ESOP 2022" and the disclosures in compliance with ESOP Regulations and Section 62(1)(b) of the Companies Act 2013, ("Act") read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is available on the website of the Company at www.archeanchemicals.com. The relevant disclosures in terms of the Act and in accordance with the said Regulations are enclosed as **Annexure I** to the Board's Report. The scheme is in compliance with the ESOP Regulations.

During the year, no ESOP were granted to Non-Executive Non-Independent Directors.

No Option grantee was granted options/shares during the year, equal to or exceeding 1% of the issued capital.

The Company does not have any Scheme for issue of sweat equity to the employees or Directors of the Company.

A certificate from Secretarial Auditor, with respect to implementation of the above Employee Stock Option Schemes in accordance with SEBI Regulations and the resolution passed by the Members of the Company, will be available electronically for inspection by the Members during the ensuing AGM and a copy of the same shall be available for inspection at the Corporate Office of the Company during normal business hours on any working day.

DEPOSITORY SYSTEM

Your Company's shares are in compulsorily tradable securities in electronic form. As on March 31, 2026, Equity Shares 12,34,58,394 representing 100% of the paid-up share are in dematerialised form.

INCOME TAX PROCEEDINGS

During the year under review, the Income Tax Department conducted search proceedings under Section 132 of the Income-tax Act, 1961 at certain offices, plants and other premises of the Company and its subsidiary companies, as well as at the residences of certain Directors and employees, during the period from September 04, 2025 to September 09, 2025. The proceedings were subsequently continued through certain revisits by the authorities.

The Company and its representatives extended full cooperation and provided the information and documents sought by the authorities from time to time. As on the date of this Report, no order or demand has been received by the Company pursuant to the said proceedings. The matter is being monitored by the Management and the impact thereof, if any, is presently not ascertainable.

BOARD OF DIRECTORS

As on March 31, 2026, your Board comprises of seven (7) Directors with an optimum combination of Executive and Non-Executive Directors. Out of seven (7), three (3) are Independent Directors including an Independent Woman Director, two (2) are Non-Executive Non-Independent Directors and two (2) are Executive Directors of the Company. Mr. P Ranjit, Executive Vice Chairman (Whole-Time Director), Mr. P Ravi, Non-Executive Director and M/s. Chemikas Speciality LLP are the Promoters of the Company.

During the year, following appointment/re-appointment of Directors took place:

- Retirement by rotation and re-appointment of Mr. S Meenakshisundaram, (DIN: 01176085) as Non-Executive Director.
- Mrs. Padma Chandrasekaran (DIN: 06609477) Independent Director, designated as the Non-Executive Chairperson of the Board.
- Elevated Mr. P. Ranjit (DIN: 01952929) from Managing Director to Executive Vice Chairman (Whole-Time Director).
- Appointment of Mr. Rampraveen Swaminathan (DIN: 01300682) as Managing Director of the Company.



Board's Report (Contd.)

The Company had formulated a Code of Conduct for the Directors and Senior Management Personnel and the same has been complied with.

Retirement by Rotation and Re-Appointment

In accordance with Section 152(6) of the Act and Articles of Association of the Company, Mr. P Ravi, (DIN: 02334379) a Non-Executive Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing AGM of the Company.

A brief resume of the Director being re-appointed, the nature of expertise in specific functional areas, names of companies in which he holds Directorships, Committee Memberships/Chairpersonships, his shareholding in the Company etc., have been furnished in the explanatory statement to the notice of the ensuing AGM.

Independent Directors

The Independent Directors of the Company hold office for a fixed term of five (5) years from the date of their appointment and are not liable to retire by rotation.

The Company has received declarations from all Independent Directors pursuant to Section 149(7) of the Act, confirming that they meet the criteria of independence prescribed under Section 149(6) of the Act and the SEBI LODR. The Independent Directors have also complied with the Code for Independent Directors as set out in Schedule IV to the Act.

In terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors have registered themselves with the Independent Directors Databank maintained by the Indian Institute of Corporate Affairs ("IICA") and are exempted/qualified the online proficiency self-assessment test, as applicable.

Based on the recommendation of the NRC, the Directors at its meeting held on May 11, 2026, has evaluated the performance and contribution of the following Independent Directors and recommended their re-appointment to the Members for a second term of five (5) consecutive years:

- Mr. Kandheri Munuswamy Mohandass (DIN: 00707839) – from December 06, 2026 to December 05, 2031
- Mr. Chittoor Ghatambu Sethuram (DIN: 01081951) – from December 06, 2026 to December 05, 2031

Both the above, Independent Directors are currently serving their first term from December 06, 2021 to December 05, 2026 and are eligible for re-appointment.

The Company had issued letter of appointment to the Directors. In accordance with Regulation 46 of the SEBI LODR, the terms and conditions of appointment of Independent Directors are available at the Company's website, at the following weblink: <https://www.archeanchemicals.com/investor-relations/admin/assets/products/Terms-and-conditions-of-appt-of-ID.pdf>.

Details of familiarisation programmes imparted to Independent Directors are provided in the Corporate Governance Report Section of this Annual Report and the same is available at the Company's website, at the following weblink: <https://www.archeanchemicals.com/investor-relations/annual-report.php?id=MTc0>.

Details of Remuneration to Directors

Details as required under the Act, in respect of remuneration paid to Directors, are given in Corporate Governance Section of this Annual Report and in the Annual Return uploaded in the Company's website, at the following weblink: <https://www.archeanchemicals.com/investor-relations/annual-report.php?id=MTY5>.

Number of meetings of the Board

The Board met 7 (Seven) times during FY 2025-26 on May 02, 2025, July 28, 2025, November 14, 2025, January 19, 2026, February 04, 2026 March 19, 2026 and March 25, 2026. The details of Board meetings and attendance of the Directors are provided in the Corporate Governance Report Section of this Annual Report.

Diversity

Your Company recognises that a diverse Board enhances the effectiveness of its deliberations and decision-making. An appropriate balance of skills, experience, industry knowledge and perspectives enables the Board to discharge its responsibilities efficiently and supports sustainable long-term value creation for stakeholders.

Policy on Directors' Appointment and Remuneration:

Your Company's policy is to maintain an appropriate mix of Independent and Non-Independent Directors to ensure Board independence and an effective separation between governance and management functions.

In accordance with Section 134 and 178 of the Act, the Policy on appointment of Board Members including criteria for determining qualifications, positive attributes, independence of a Director and the Policy on remuneration of Directors, KMP and other employees are outlined as part of Nomination and Remuneration Policy of the Company and salient features of the same are disclosed in this report.



Board's Report (Contd.)

NRC of your Board had fixed the criteria for nominating a person on the Board which inter alia include desired size and composition of the Board, age limit, qualification/experience, areas of expertise and independence of the individual.

BOARD EVALUATION

In accordance with the provisions of the Act and the SEBI LODR, the Board carried out the annual performance evaluation of the Board as a whole, its Committees and individual Directors, based on the criteria laid down by the NRC.

The evaluation criteria included, inter alia, attendance, participation, expertise, contribution at Board and Committee meetings, composition of the Board and Committees, commitment to good corporate governance practices, adherence to regulatory compliance, grievance redressal mechanism, financial performance oversight, existence of an integrated risk management system, flow of information, Board culture and diversity, execution of specific duties, obligations and governance responsibilities.

The evaluation was carried out through a structured questionnaire, circulated electronically and/or in physical mode, covering various aspects of Board functioning, Committee effectiveness, individual performance and governance processes.

In accordance with Regulation 25(4) of the SEBI LODR, the Independent Directors, at their separate meeting, evaluated the performance of the Chairman, Non-Independent Directors and the Board as a whole, and also assessed the quality, quantity and timeliness of flow of information between the Management and the Board.

In accordance with Regulation 17(10) of the SEBI LODR, the Board evaluated the performance of the Independent Directors and observed that their performance was satisfactory and that their participation and deliberations were beneficial to the Board and Committee meetings.

In accordance with Regulation 4(2) of the SEBI LODR, the Board reviewed the evaluation framework and observed that the same was adequate and effective.

The Board's observations on the evaluation for the year under review, carried out on May 11, 2026, were broadly in line with previous years and no specific action was warranted based on the current year evaluation. The Company will continue to familiarise its Directors with industry, technological, statutory and regulatory developments having a bearing on the Company and the industry, to enable them to effectively discharge their duties.

The Board is of the opinion that all Directors, including the Independent Directors, possess the requisite qualifications, integrity, expertise and experience in diverse fields such as science and technology, digitalisation, strategy, finance, governance, safety and sustainability etc.

BOARD COMMITTEES

The Board had following Committees during FY 2025-26:

- a) Audit Committee
- b) Stakeholders Relationship Committee
- c) Nomination and Remuneration Committee
- d) Corporate Social Responsibility Committee
- e) Risk Management Committee
- f) IPO Committee

The composition of the Directors and its Committees are in accordance with the Act and the SEBI LODR.

In accordance with the requirement of Section 177(8) of the Act, it is hereby disclosed that the Audit Committee comprises of Mr. K M Mohandass, Chairperson of the Committee, Mr. S Meenakshisundaram, Member and Mrs. Padma Chandrasekaran, Member. A detailed note on the attendance, composition of the Board and Committees along with other disclosures are provided in the Corporate Governance Report Section of this Annual Report.

Meetings of Board and Committees held during the year are in compliance with the Act & SEBI LODR read with circulars and notifications issued by Ministry of Corporate Affairs and SEBI in this regard.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Company's Directors make the following statement in terms of sub-section (5) of Section 134 of the Act, which is to the best of their knowledge and belief and according to the information and explanations obtained by them:

- a) In that the financial statements for the year ended March 31, 2026 have been prepared in conformity with Indian Accounting Standards (Ind AS) and requirements of the Act and that of guidelines issued by SEBI, to the extent applicable to the Company along with proper explanation relating to material departures, the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period,



Board's Report (Contd.)

- b) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,
- c) The directors had prepared the annual accounts on a going concern basis,
- d) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 2(51) and 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2026, are as follows:

- Mr. P Ranjit
Executive Vice Chairman (Whole-Time Director),
- Mr. Rampraveen Swaminathan
Managing Director,
- Mr. N R Kannan
KMP (Executive Director),
- Mr. R Natarajan
Chief Financial Officer; and
- Mr. Vijayaraghavan N E
Company Secretary & Compliance Officer.

During FY 2025-26, based on the recommendation of the NRC, the Directors at its meeting held on January 19, 2026, approved the appointment of Mr. Rampraveen Swaminathan as an Additional Director in the capacity of Managing Director with effect from January 22, 2026 and Mr. P. Ranjit, erstwhile Managing Director, was elevated as Executive Vice Chairman in the designation of Whole-Time Director of the Company with effect from January 22, 2026.

The aforesaid appointment and elevation/re-designation were subsequently approved by the Members through postal ballot on March 12, 2026.

Mr. N R Kannan, ceased to be a Key Managerial Personnel with effect from the close of business hours on April 30, 2026.

There were no other changes in the Key Managerial Personnel during the year under review.

REMUNERATION POLICY

In accordance with Section 178 of the Act, the NRC of your Company has formulated the Nomination and Remuneration Policy for the appointment and determination of remuneration of the Directors, Key Managerial Personnel and other employees of your Company. The Nomination and Remuneration Policy ensure that the level and composition of remuneration is reasonable and sufficient, to attract, retain and motivate Directors and employees, and that the relationship of remuneration to performance is clear and aligned with the long-term objectives of the Company. It also lays down the criteria for determining qualifications, positive attributes and independence of Directors.

The NRC has also developed the criteria for determining the qualifications, positive attributes and independence of Directors and for making payments to Executive and Non-Executive Directors of the Company. The NRC recommends to the Board the remuneration payable to Directors, which is within the limits prescribed under the Act and where required, approved by the Members.

The Company follows a compensation structure comprising fixed pay, benefits and performance-linked variable pay, based on the performance of the Company and individual performance assessed through an annual appraisal process.

The Erstwhile Managing Director Mr. P Ranjit, was paid a fixed monthly remuneration in the form of salary and paid commission annually based on the profits computed in accordance with Section 198 of the Act. The present Managing Director Mr. Rampraveen Swaminathan, was paid a fixed monthly remuneration in the form of salary and Performance Linked Annual Variable Pay. Non-Executive Directors are paid remuneration by way of sitting fees based on their participation in the Meetings and Commission paid annually.

The remuneration paid to Directors is within the limits prescribed under Section 197 of the Act and approved by the Board and Members, wherever applicable. Sitting fees paid to Directors for attending the Board Meeting & Committee Meetings.

In accordance with Section 178(4) of the Act, the salient features of the Nomination and Remuneration Policy are as follows:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully,



Board's Report (Contd.)

- The relationship of remuneration to performance is clear and meets appropriate performance benchmarks,
- Remuneration to Directors, Key Managerial Personnel ("KMP") and Senior Management Personnel shall be appropriate to the working of the Company and its goals, and
- Any other functions as mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable, are carried out.

The Policy ensures compliance with applicable statutory requirements and such other functions as may be mandated by the Board or regulatory authorities from time to time.

The said Policy and composition of the NRC are in compliance with the Act and SEBI LODR. The responsibilities of Compensation Committee as defined in SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, have been assigned to NRC. The said policy is available at the Company's website, at the following weblink: <https://www.archeanchemicals.com/investor-relations/annual-report.php?id=MTYx>.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The statement of disclosures with respect to the remuneration of Directors, KMP and Employees are in accordance with Section 197 of the Act and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules") is given below:

- a) Ratio of the remuneration of each director to the median remuneration of the employees of the Company:

Sl. No.	Name of the Director/KMP	Designation	Ratio to Median Remuneration	% Increase in the remuneration for the financial year
1	Mr. P Ranjit	Executive Vice Chairman (Whole-Time Director)	125.42:1	7%
2	Mr. Rampraveen Swaminathan	Managing Director	13.41:1	-
3	Mr. S Meenakshisundaram	Non- Executive Director	2.30:1	-
4	Mrs. Padma Chandrasekaran	Independent Director	2.30:1	-
5	Mr. C G Sethuram	Independent Director	2.30:1	-
6	Mr. K M Mohandass	Independent Director	2.30:1	-
7	Mr. P Ravi	Non- Executive Director	-	-

Note:

- The Commission to Whole-Time Director & Non-executive Directors including Independent Directors for the financial year ended March 31, 2026 will be paid subject to the approval of the financial statements for the year ended March 31, 2026 by the Members at the ensuing AGM of the Company.
 - The details of Sitting fee/commission to non-executive directors are provided in the Corporate Governance report.
- b) Percentage increase in remuneration of the following KMPs:

Sl. No.	Name of the Director/KMP	Designation	% increase in the remuneration for FY 2025-26
1	Mr. N R Kannan [#]	Executive Director-KMP	7%
2	Mr. R Natarajan [*]	Chief Financial Officer	NA
3	Mr. Vijayaraghavan N E [*]	Company Secretary & Compliance Officer	NA

[#]Mr. N R Kannan ceased to be a KMP w.e.f. from the close of business hours on April 30, 2026.

^{*}CFO appointed w.e.f. January 21, 2025 and Company Secretary & Compliance Officer appointed w.e.f. February 07, 2025.

- Percentage increase in the median remuneration of employees in the financial year: 4.08%.
- Number of permanent employees on the rolls of Company: 257.



Board's Report (Contd.)

- Average percentile increase already made in the salaries of employees other than the managerial personnel in FY 2025-26: 8% and its comparison with the percentile increase in the managerial remuneration in FY 2025-26: 9%. Justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: NIL.
- There was no variable component of remuneration availed by Directors, except Commission of Rs. 283.04 Lakhs paid to Mr. P Ranjit, Executive Vice Chairman-WTD (Erstwhile Managing Director) and Rs. 15 Lakhs each paid to Non-Executive Directors including Independent Directors except Mr. P Ravi, Non-Executive Director, who voluntarily waived his entitlement to commission for the period ended March 31, 2025.
- It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company to Directors, KMP and other Employees.
- No employee who was in receipt of remuneration in excess of that drawn by Whole-Time Director/ Managing Director, holds 2% or more of the equity shares of the Company by himself or along with his spouse and dependent children.

The information as per Rule 5(2) and Rule 5(3) of the Rules, forms part of this Report. However, as per first proviso to Section 136(1) of the Act and Second Proviso to Rule 5 of the Rules, the Annual Report is being sent to the Members of the Company excluding the statement of particulars of employees under Rule 5(2) and Rule 5(3) of the Rules. Any member interested in obtaining a copy of the said statement may write to the Company Secretary & Compliance Officer at the Registered Office of the Company. The said statement is also available for inspection by the members at Registered Office of the Company during office hours till the date of AGM.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company has 3 subsidiaries and 2 step down subsidiaries as on March 31, 2026.

The Audit Committee reviews the financial statements of subsidiaries, including the investments made therein, on a quarterly basis. The minutes of the Meetings of the subsidiary companies are periodically placed before the Board.

In accordance with Section 129(3) of the Act, read with Rule 5 of Companies (Accounts) Rules, 2014, statement

containing the salient features of the financial statements of the Subsidiary Company(ies) as per Form AOC-1 is enclosed as **Annexure II** to the Board's Report.

In accordance with Regulation 46(2)(s) of SEBI LODR, the separate audited/reviewed financial statements of the above subsidiary companies for FY 2025-26 are available at the Company's website at the following weblink: <https://www.archeanchemicals.com/investor-relations/annual-report.php?id=MTc4>.

Material Subsidiary

As per Regulation 16(1)(c) of the SEBI LODR, the Company does not have any material subsidiary as on March 31, 2026.

The Company has formulated a Policy for determining Material Subsidiaries. The Policy is available on the Company's website at the following weblink: <https://www.archeanchemicals.com/investor-relations/annual-report.php?id=MTYx>.

Consolidated Financial Statements

In accordance with Section 129(3) of the Act and Regulation 33 and 34 of SEBI LODR, the Company has prepared Consolidated Financial Statements in compliance with the applicable Indian Accounting Standards (Ind AS). The consolidated financial statements together with the Auditor's Report thereon are set out in this Annual Report and are available at the Company's website, at the following weblink: <https://www.archeanchemicals.com/investor-relations/annual-report.php?id=MTU5>.

Pursuant to Section 136 of the Act, the standalone and consolidated financial statements of the Company, along with the relevant documents and the separate audited financial statements of the subsidiary companies, are available on the website of the Company <https://www.archeanchemicals.com/investor-relations/annual-report.php?id=MTc4>.

These financial statements are also available for inspection by Members during normal business hours on any working day. A copy of the same will be provided to any Member upon request.

Subsidiary Company details:

The details of the subsidiary companies are as given below:

Idealis Chemicals Private Limited (ICPL)

ICPL, a wholly owned subsidiary of the Company, incorporated on October 05, 2023 and is engaged in the business of manufacture, processing and trading of specialty chemicals, including oilfield and mud chemicals.

**Idealis Mudchemie Private Limited ("IMPL") (Formerly known as Oren Hydrocarbons Private Limited)**

IMPL, originally incorporated on July 20, 1990, became a subsidiary of ICPL pursuant to its acquisition through an e-auction process under the liquidation proceedings approved by the National Company Law Tribunal ("NCLT") on July 09, 2024. Consequently, IMPL is a step-down subsidiary of the Company. The Company is engaged in oilfield services, including drilling and allied services, as well as manufacturing and trading of oilfield and mud chemicals.

During FY 2025-26, the Directors approved a Scheme of Amalgamation for the merger of ICPL with IMPL (reverse merger), as the surviving entity, subject to regulatory approvals.

The proposed amalgamation is aimed at rationalising the group structure and is expected to result in operational efficiencies, reduction in compliance requirements, better alignment of governance, and effective utilisation of resources. The Scheme has been filed with the Regional Director and is currently awaiting approval.

The Board is of the opinion that the proposed amalgamation is in the best interests of the Company and its stakeholders and will enhance long-term value.

Neun Infra Private Limited (Neun)

Neun Infra Private Limited, is a wholly owned subsidiary of the Company, incorporated on October 03, 2023 and is engaged in the business of energy storage solutions, including manufacture, assembly and trading of batteries, energy storage devices, and related components and systems.

SiCSem Private Limited (SiCSem)

SiCSem Private Limited is a subsidiary of Neun Infra Private Limited was incorporated on December 30, 2023 and has been established to develop India's domestic capabilities in compound semiconductor manufacturing, with a particular focus on silicon carbide (SiC)-based power semiconductor devices. SiCSem is setting up an integrated Silicon Carbide compound semiconductor facility (Fab + Atpm) at Info Valley, Bhubaneswar, Odisha. The project has been approved under the India Semiconductor Mission and it is the first commercial compound semiconductor fab approved by India Semiconductor Mission in the country. The approved project investment is approximately Rs. 2,066 cr. The facility is proposed to have a production capacity of 5,000 wafers per month, equivalent to 60,000 wafers per year, and a packaging capacity of 8 million units per month, equivalent to 96 million units per year. The facility will manufacture

silicon carbide devices and package power semiconductor products for high-growth and strategically important sectors.

The proposed products are expected to serve applications across electric vehicles, fast chargers, renewable energy systems, solar power inverters, railway, data centre infrastructure, consumer appliances, and other high-power electronics applications.

The state government has allotted ~25 acres land at Infovalley-II, Bhubaneswar for this prestigious project and approved the project under the Odisha Semiconductor & Fabless Policy - 2023. SiCSem is in the process of executing the Fiscal Support Agreement ("FSA") with the India Semiconductor Mission ("ISM") under the Semicon India Programme of the Government of India for establishment of India's Silicon Carbide (SiC) based Compound Semiconductor Fab and ATMP facility. The FSA formalises the fiscal support framework for eligible capital expenditure assistance under the said scheme.

SiCSem Star Pte. Ltd, Singapore (SiCSem Star)

SiCSem Star Pte. Ltd. Singapore ("SiCSem Star") is incorporated on November 10, 2025. SiCSem Star will serve as a focused R&D and technology support platform for the India manufacturing project.

It will Support advanced product design and process optimisation, Develop next-generation SiC and compound semiconductor technologies and facilitate collaborations with leading Singapore research institutions.

Through the establishment of SiCSem Star, SiCSem aims to enhance its technological capabilities, foster a culture of innovation and strengthen its strategic growth initiatives through the proposed investment in SiCSem Star.

Acume Chemicals Private Limited (Acume)

Acume Chemicals Private Limited, a wholly owned subsidiary of the Company, was incorporated on November 18, 2021 and is engaged in the business of manufacturing and marketing of specialty chemicals, including bromine derivatives, marine chemicals and allied products.

During the year under review, Acume launched 5 in-organic derivatives and 1 organic derivative. It expanded its marketing footprint by engaging with customers across domestic and international markets for its specialty and fine chemicals for applications in oil & gas, pharmaceuticals intermediates and agrochemicals precursor segments. Its key products received Global Approvals at Global MNCs engaged in Oil & Gas Industry and Agrochemical Industry. Acume's products are well accepted in Middle East Africa

region and India. It is also exploring opportunities in China and Asia Pacific Region. One of its In-Organic Bromide also received approval for use in batteries which will open newer opportunities. With this Acume's revenue in FY 2025-26 quadruplicate compared to FY 2024-25. Acume also started participating in Trade Shows promoting its products and chemistry capabilities.

To solidify its standing with Global MNCs, Acume also received Integrated Management Systems ISO 9001 (Quality), ISO 14001 (Environment), ISO 45001 (Occupational Health & Safety) Accreditation for its site. This has enhanced formalization of its operational standards. This unified framework simplifies audits and demonstrates a commitment to the "Safety, Sustainability, and Innovation" standards often required by global clients.

Going forward Acume will pursue the chemical industry's "Responsible Care" certification to align with global sustainability and safety benchmarks, a critical factor for long-term approvals from large-scale agrochemical and pharma partners.

During FY 2025-26, Acume also completed expansion of its dedicated state-of-the-art R&D facility supported with latest equipment and pilot facilities. Acume is also expanding its sales team to ensure expansion of its product portfolio as well as market reach.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of Loans, Guarantees or Investments covered under the provisions of Section 186 of the Act are set out in the notes to the financial statements.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Particulars of the same as referred in Section 188(1) of the Act, in the prescribed Form AOC-2 is enclosed as **Annexure III** to the Board's Report.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility is an integral part of the Company's ethos and the Company remains committed to conducting its business in a socially, economically and environmentally sustainable manner.

In compliance with Section 135 of the Act, the Directors had constituted a CSR Committee and adopted a CSR Policy, in accordance with **Schedule VII** of the Act.

As on March 31, 2026, CSR Committee comprises of Mr. S Meenakshisundaram, Chairperson, Mrs. Padma

Chandrasekaran, Member and Mr. P Ravi, Member. The Committee is responsible for formulating, monitoring and implementing the CSR policy of the Company.

The Annual Report on CSR activities as prescribed under Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed as **Annexure IV** to the Board's Report.

The Chief Financial Officer has certified that the CSR funds disbursed during FY 2025-26 have been utilised for the purposes and in the manner approved by the Directors.

The CSR Policy outlines, inter alia, the focus areas, implementation mechanisms and governance framework for undertaking CSR initiatives, and is available on the Company's website.

In accordance with Section 135(4) of the Act, the major contents of CSR policy are as follows:

Preamble: Corporate Social Responsibility (CSR) is the affirmation that the Archean Chemical Industries Limited is committed to its stakeholders to conduct its business operations in an economically, socially and environmentally sustainable manner.

Objectives: The objective of the CSR Policy is to:

- To create positive and sustainable impact on society and invest in improving lives of nearby community,
- To engage with nearby community in identifying local needs and requirements,
- To identify opportunity and initiatives to enhance - Social, Environmental and Economic Value to the Society along with desired impact,
- To Institute a process and a suitable mechanism for the implementation and monitoring of the CSR activities.

Implementation Process:

The CSR initiatives shall be undertaken by the Company as per its stated CSR Policy as Projects or Programs or Activities (either new or ongoing).

The CSR activities may be undertaken directly by the Company or through a registered trust or a registered society or a Company/firm/foundation established by the Company.

In addition to the above, CSR Policy also includes composition of CSR Committee, meetings & quorum, duties & responsibilities of CSR Committee/Board, CSR Activities/ expenditure/reporting etc., and the said policy is available at the Company's website, at the following weblink: <https://www.archeanchemicals.com/investor-relations/admin/assets/products/Corporate%20Social%20Responsibility%20Policy.pdf>.

**RISK MANAGEMENT**

Risk management is an integral part of the Company's governance framework and is embedded in its business processes.

In accordance with Regulation 21 of SEBI LODR, the Board has constituted the Risk Management Committee. Details of the composition, meetings and terms of reference of the Committee are provided in the Corporate Governance Report section of this Annual Report.

In accordance with Section 134(3)(n) of the Act and Regulation 17(9) of SEBI LODR, the Company has developed and implemented a Risk Management Policy aligned with the industry in which it operates. The Policy envisages identification of risk and procedures for assessment and minimisation of risk thereof. The said policy is available at the Company's website, at the following weblink: <https://www.archeanchemicals.com/investor-relations/admin/assets/products/Risk%20Management%20Policy-02.05.2025.pdf>.

The Company manages and monitors risks on a continuous basis through a dynamic risk management framework, commensurate with the size and nature of its operations. The framework is periodically reviewed and updated to align with changes in the business environment and the Company's activities, enabling effective achievement of both short-term and long-term strategic objectives.

In the opinion of the Board, there are no material risks which may threaten the existence of the Company or its operations.

INTERNAL FINANCIAL CONTROL SYSTEM

Your Company has established adequate internal financial controls in accordance with Section 134(5)(e) of the Act, commensurate with the size, scale and complexity of its operations. The Audit Committee, comprising professionally qualified Directors, periodically interacts with the Statutory Auditor, Internal Auditor and the Management to review the adequacy and effectiveness of the internal control systems.

The Management is responsible for establishing and maintaining internal controls over financial reporting. The Statutory Auditor have evaluated the adequacy and operating effectiveness of the Company's internal financial controls and have confirmed that the same are commensurate with the size and nature of the Company's business. They have also reviewed the internal controls pertaining to financial reporting of the Company to ensure that financial statements of the Company present a true and fair view of the state of affairs of the Company. The Statutory Auditor have further opined that the Company had, in all

material respects, adequate internal financial controls over financial reporting and that such controls were operating effectively as on March 31, 2026.

The Internal Auditor periodically review the adequacy and effectiveness of the internal control framework, and summaries of significant audit observations, together with status of implementation of corrective actions and risk mitigation measures, are placed before the Audit Committee on a quarterly basis. Residual risks, if any, are appropriately escalated to the Board.

Based on the internal financial control framework established by the Company, audit processes carried out by the internal, statutory, cost and secretarial Auditor, and the reviews undertaken by the Management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2025–26.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to provisions of Section 177(9) of the Act, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI LODR, your Company has adopted a Whistle Blower Policy on Vigil Mechanism which provides a formal mechanism for all Directors, Employees and other Stakeholders of the Company to report their genuine concerns or grievances about unethical behaviour, actual or suspected fraud and any violation of the Company's Code of Business Conduct and Ethics.

The Policy provides for adequate safeguards against victimisation of persons who use such mechanism and also provides direct access to the Chairperson of the Audit Committee in appropriate cases.

Brief details about the policy are provided in the Corporate Governance section of this Annual Report.

The Policy is available on the website of the Company at: <https://www.archeanchemicals.com/investor-relations/admin/assets/products/Whistle%20Blower%20and%20Vigil%20Mechanism%20Policy.pdf>.

RELATED PARTY TRANSACTIONS

Your Company has formulated a policy on Related Party Transactions (RPT). During the year, same has been reviewed, amended and approved by the Audit Committee & Board in its meeting held on February 04, 2026, which is available on the Company's website at <https://www.archeanchemicals.com/investor-relations/admin/assets/products/RPT%20Policy%2004.02.2026.pdf>.

All RPT entered during FY 2025–26 were in the ordinary course of business and on an arm's length basis, and were in compliance with the applicable provisions of the Act and the SEBI LODR.

During the year under review, the Company did not enter into any material RPT which could have had a potential conflict with the interests of the Company at large or which required approval of the Members.

All RPT were placed before the Audit Committee for prior approval. Omnibus approvals granted by the Audit Committee were reviewed periodically in accordance with the applicable provisions of the Act and the SEBI LODR.

The disclosures as required under the applicable Indian Accounting Standards (Ind AS) have been made in the Financial Statements forming part of this Annual Report.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company is committed to providing a safe and conducive work environment and has zero tolerance towards sexual harassment at workplace. Your Company has in place a Policy on Prevention of Sexual Harassment in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("PoSH Act") and the Rules made thereunder.

In accordance with Rule 8(5) of Companies (Accounts) Rules, 2014 and in compliance with the provisions of the PoSH Act, the Company has constituted an Internal Complaints Committee ("ICC") for redressal of complaints relating to sexual harassment at workplace. Awareness programmes and sensitisation initiatives are conducted periodically for employees.

The following is a summary of complaints received and disposed of during the year under review:

Sl. No	Particulars	Action Taken
1	Number of complaints received in the year	Nil
2	Number of Complaints disposed off during the year	Nil
3	Number of cases pending for more than 90 days	Nil
4	Number of workshops or awareness programmes carried out	1
5	Nature of action taken by the employer or distinct officer	Not Applicable

The Policy is uploaded on the website of the Company at:

<https://www.archeanchemicals.com/investor-relations/admin/assets/products/ACIL%20PoSH%20Policy%20-%20October%202025.pdf>.

STATUTORY AUDITOR

In accordance with section 139 of the Act, read with the Companies (Audit and Auditor) Rules, 2014, the Members of the Company at the 12th AGM, approved the appointment of M/s PKF Sridhar & Santhanam LLP, Chartered Accountants (Firm Registration Number: 003990S/S200018), as the Statutory Auditor of the Company for a term of Five (5) consecutive years i.e. from the conclusion of 12th AGM till the conclusion of the 17th AGM of the Company, to be held in the FY 2026-27.

Based on the recommendation of the Audit Committee, and considering, inter alia, the experience, expertise, industry understanding, audit quality, independence, peer review status and continuity in the audit process, the Directors has recommended the re-appointment of M/s. PKF Sridhar & Santhanam LLP, Chartered Accountants, as the Statutory Auditor of the Company for a second term of four (4) consecutive years, within the overall tenure permissible under the applicable provisions of the Act, commencing

from the conclusion of the 17th AGM until the conclusion of the 21st AGM of the Company, subject to approval of the Members at the ensuing AGM, at such remuneration as may be mutually agreed between the Directors and the Statutory Auditor, in addition to applicable taxes and reimbursement of out-of-pocket expenses.

Pursuant to Sections 139 and 141 of the Act and the applicable Rules framed thereunder, the Company has received written consent and a certificate from the Statutory Auditor confirming that their re-appointment, if approved, would be in accordance with the provisions of the Act and that they satisfy the eligibility criteria prescribed thereunder. The Statutory Auditor also hold a valid Peer Review Certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ("ICAI").

Details of remuneration paid to the Statutory Auditor are disclosed in the Corporate Governance Report forming part of this Annual Report.

**COST AUDITOR**

In accordance with Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Directors, based on the recommendation of the Audit Committee, has re-appointed Mr. G. Sundaresan, Cost Accountant, as the Cost Auditor of the Company for the FY 2026-27.

The remuneration payable to the Cost Auditor is subject to ratification by the Members at the ensuing AGM.

The Company has received consent and eligibility certificate from the Cost Auditor confirming that his appointment is in accordance with the applicable provisions of the Act and that he is not disqualified under Section 141 of the Act. The Cost Auditor has also confirmed his independence and arm's length relationship with the Company.

Pursuant to Section 148 of the Act, the Company is required to maintain cost records and accounts, and accordingly such records and accounts are made and maintained by the Company. The Cost Audit Report for the financial year under review will be filed with the Central Government within the prescribed timelines.

SECRETARIAL AUDITOR

In accordance with Section 204 of the Act, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A SEBI LODR read with SEBI LODR (Third Amendment) Regulations, the Members of the Company at the 16th AGM approved the appointment of HVS & Associates, peer reviewed Practising Company Secretaries (FCS NO: 10974), Chennai as Secretarial Auditor of the Company for a period of 5 years from FY 2025-26 to FY 2029-30.

The Company has obtained a certificate from the Secretarial Auditor affirming their eligibility to remain in their role as Auditor. Additionally, the Auditor have verified that they have participated in the peer review process and possess a valid certificate issued by the Peer Review Board of the Institute of Company Secretaries of India ("ICSI").

COMMENTS ON AUDITOR' REPORT

The Statutory Auditor, Secretarial auditor and Internal Auditor of the Company have not reported any fraud to the Audit Committee or to the Directors during the year under Section 143(12) of the Act, read with rules made thereunder.

There were no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditor and the Secretarial Auditor in their respective reports.

The Statutory Audit Report in the prescribed format issued by Statutory Auditor is provided in this Annual Report. The Secretarial Auditor's Report in the prescribed format issued by the Secretarial Auditor is enclosed as **Annexure V** to the Board's Report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required under Section 134(3) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are enclosed as **Annexure VI** to the Boards Report.

MANAGEMENT DISCUSSION AND ANALYSIS

In accordance with Regulation 34 of SEBI LODR, the Management Discussion and Analysis (MDNA) Report is set out in this Annual Report.

CORPORATE GOVERNANCE

Your Company is committed to maintaining the highest standards of corporate governance and believes that sound governance practices are essential for enhancing long-term shareholder value and protecting the interests of all stakeholders.

In accordance with Regulation 34 (3) read with **Schedule V (C)** of the SEBI LODR, a report on Corporate Governance is set out in this report.

The requisite certificate from the Statutory Auditor confirming compliance with the conditions of Corporate Governance, as stipulated under Schedule V(E) of the SEBI LODR, is annexed to the Corporate Governance Report.

All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct adopted by the Company.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY

As per Regulation 34(2)(f) of the SEBI LODR, the top one thousand listed entities based on market capitalisation are required to include a Business Responsibility and Sustainability Report ("BRSR") as part of their Annual Report.

For the FY ended March 31, 2026, the Company falls within the top one thousand listed entities based on market capitalisation on BSE Limited and National Stock Exchange of India Limited.

The BRSR contains disclosures on the Company's environmental, social and governance initiatives and performance against the nine principles of the National

Guidelines on Responsible Business Conduct ("NGRBC"). The Company continues to undertake various sustainability and responsible business initiatives in line with its Business Responsibility and Sustainability Policy.

The BRSR in terms of above regulation for FY 2025-26 is set out in this report.

ANNUAL RETURN

In accordance with Section 92(3) read with section 134(3) (a) of the Act, the Annual Return of the Company is available on the website of the Company at <https://www.archeanchemicals.com/investor-relations/annual-report.php?id=MTY5>.

The annual return hosted on the website is subject to filing with the Ministry of Corporate Affairs ("MCA") and the final version, upon filing, shall continue to remain available at the same location on the Company's website.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION & PROTECTION FUND

In accordance with Sections 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends remaining unpaid or unclaimed for a period of seven consecutive years are required to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government.

Further, in accordance with the IEPF Rules, shares in respect of which dividend has remained unpaid or unclaimed for seven consecutive years or more are also required to be transferred to the demat account of the IEPF Authority.

During FY 2025-26, there were no amounts or shares required to be transferred by the Company to the IEPF.

CODE OF CONDUCT

All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct adopted by the Company. A declaration to this effect, signed by the Managing Director, is set out in this report.

MANAGING DIRECTOR/CHIEF FINANCIAL OFFICER CERTIFICATE

The certificate issued by the Managing Director and the Chief Financial Officer as stipulated under Regulation 17 (8) read with Part B of Schedule II of SEBI LODR is set out in this report.

COMPLIANCE WITH MATERNITY BENEFIT ACT 1961

The Company has complied with the applicable provisions of the Maternity Benefit Act, 1961 and the rules made thereunder.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with applicable Secretarial Standards issued by ICSI.

OTHER DISCLOSURES

Your Directors state that disclosure or reporting in respect of the following matters is not applicable/not required, as there were no transactions or events during the year under review:

- Proceedings under Insolvency and Bankruptcy Code 2016:** No application was made, nor were any proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review.
- Deposits:** The Company has not accepted any deposit from the public within the meaning of Section 76 of the Act, for the year ended March 31, 2026.
- Significant and Material Orders:** No significant or material orders were passed by any Regulators, Courts or Tribunals impacting the going concern status of the Company or its future operations.
- Change in the nature of business, if any:** No change in the nature of business of the Company during the year under review.
- Material changes and commitments:** No material changes and commitments affecting the financial position of the Company occurred between April 01, 2026, and the date of this report.
- Shares with differential rights:** The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise during FY 2025-26.
- Sweat Equity Shares:** The Company has not issued any shares (including Sweat Equity Shares) to employees of the Company under any Scheme during FY 2025-26.
- One time settlement with Banks:** The Company has not entered into any one-time settlement for loans taken from the Banks or Financial Institutions during FY 2025-26.
- Revision in the financial statements and Boards Report:** No revision of the Financial Statements or the Board's Report during the year under review.



Board's Report (Contd.)

ACKNOWLEDGEMENTS

The Directors place on record its sincere appreciation for the continued support and cooperation extended by Banks, Financial Institutions, customers, vendors, business associates, regulatory authorities, bankers and other stakeholders.

The Directors also acknowledge with gratitude the dedication, commitment and contribution of the employees at all levels, whose continued efforts have significantly contributed to the Company's performance and growth.

The Board expresses its gratitude to the members for their continued confidence, trust and support.

For and on behalf of the Board of Directors

Rampraveen Swaminathan

Managing Director
DIN: 01300682

P Ranjit

Executive Vice Chairman (WTD)
DIN: 01952929

Date: May 11, 2026
Place: Chennai



Board's Report (Contd.)

Annexure to Directors' Report:

1. Annexure I – ESOP
2. Annexure II – Form AOC – 1 Statement of Subsidiaries
3. Annexure III – Form AOC – 2 Particulars of Contracts or Arrangements with Related Parties
4. Annexure IV – Annual Report on CSR Activities for FY 2025-26
5. Annexure V – Secretarial Audit Report in Form MR-3
6. Annexure VI – Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo



Annexure I

EMPLOYEE STOCK OPTION SCHEME

DISCLOSURE MADE UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

I. Details of Employee Stock Option plan:

The Company had instituted Employee Stock Option Plan (ESOP) for the benefit of eligible persons, with the following objectives:

- Encourage employees to continue contributing to the success and growth of the organisation;
- Attract, retain and motivate employees;
- Create a sense of ownership within the organisation;
- Encourage and align the interest and performance of the employees with those of the organisation;
- Reward employees with ownership in proportion to their contribution;

In line with the above, ESOP Scheme had been formulated by the Company, which is given below:

Employee Stock Option Plan, 2022 (ESOP 2022):

At the Extra-Ordinary General Meeting held on February 01, 2022, the Members had approved issue of 12,90,926 stock options convertible into equity shares of Rs. 2 each. Subsequently the same was ratified by the Members at the Annual General Meeting held on June 28, 2024. The Company in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, (as amended from time to time) 1999, framed a detailed scheme in this regard. The options granted have a vesting period of 1 year and exercise period of 5 years from the date of the vesting of the final lot.

Details of option granted:

Date of Meeting	No. of options granted	Price per option (Rs.)
October 07, 2022	4,91,400	Rs. 2/-

Details of option allotted:

Date of Meeting	No. of options allotted	Price per option (Rs.)
November 03, 2023	98,280	Rs. 2/-
December 02, 2023	2,45,700	Rs. 2/-
October 16, 2024	30,713	Rs. 2/-
November 14, 2025	30,712	Rs. 2/-

II. Method used to account for ESOP - Intrinsic

III. 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:

The Company recognises compensation expenses relating to share based payments in accordance with Ind AS 102 Share-based Payment. Stock options granted by the Company to its employees are accounted as equity settled options. Accordingly, the estimated fair value of options granted that is determined on the date of grant, is charged to statement of Profit and Loss on a straight-line basis over the vesting period of options, with a corresponding increase in equity.



Annexure I (Contd.)

IV. Option movement during FY 2025-26:

Sl. No.	Particulars	ESOP 2022
1	Number of options outstanding at the beginning of the period	92,137
2	Number of options granted during the year	Nil
3	Number of options forfeited/lapsed during the year	-
4	Number of Options vested during the year	30,712
5	Number of options exercised during the year	30,712
6	Number of shares arising as a result of exercise of options	30,712
7	Money realised by exercise of options (Rs.) if scheme is implemented directly by the Company	Rs. 61,424.00
8	Loan repaid by the Trust during the year from exercise price received	N.A.
9	Number of options outstanding at the end of the year	61,425
10	No. of options exercisable at the end of the year	61,425
11	Method of calculation of employee compensation cost	Intrinsic
12	Fair value of the options (net off reversals due to resignation of Option Grantees) for FY 2025-26 (using Black Scholes Merton model)	NA
13	Difference between employee compensation cost so computed using the intrinsic value for expensing of the options computed at Sl. No. 11 above and the employee cost that shall have been recognised if fair value of options computed at Sl. No. 12 above is used	NA
14	The impact of the difference mentioned in Sl. No. 13 above on profits and on EPS of the Company	NA
15	Weighted Average exercise prices and Weighted Average fair values of options for options whose exercise price either equals or exceeds or is less than the market price of the stock	Rs. 2/- Weighted average exercise prices and Exercise price is less than market price of the Stock at the time of exercising.
16	Weighted average share price at the date of exercise	The weighted average share price arising upon exercise of Options, based on the closing market price on National Stock Exchange of India Limited, on the date of exercise of options (the date of allotment of shares) for the year ended March 31, 2026 was Rs. 2/-.
17	Range of Exercise Prices & Weighted Average remaining contractual life	NA
18	Assumptions used during the year to estimate the fair values of options, including the following weighted-average information:	
I	risk-free interest rate	NA
II	expected life	5 Years
III	expected volatility	-
IV	expected dividends	As per Company Policy
V	the price of the underlying share in market at the time of option grant (Granted on October 07, 2022 when it was unlisted. Hence, the first day listing price have been considered i.e. 21.11.2022)	Rs. 476/-



Table 2 – Details of options granted in FY 2025-26 to:

a	Key Managerial Personnel	NIL
b.	Employees who received a grant in the year amounting to 5% or more of options granted during the year	NIL
c.	Identified employees who were granted option, during the year equal to or exceeding 1% of the Issued Capital (excluding outstanding warrants and conversions) of the Company at the time of grant	NIL

For and on behalf of the Board of Directors

Rampraveen Swaminathan

Managing Director

DIN: 01300682

P Ranjit

Executive Vice Chairman (WTD)

DIN: 01952929

Date: May 11, 2026

Place: Chennai

Annexure II

FORM AOC-1

Statement containing salient features of the financial statement
of subsidiaries or associate companies or Joint ventures

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

Part A – Subsidiaries:

(Information in respect of each subsidiary to be presented with amounts in Rupees Lakhs, unless otherwise stated)

Name of the subsidiary	Acume Chemicals Private Limited	Neun Infra Private Limited	Idealis Chemicals Private Limited	Sicsem Private Limited	Idealis Mudchemie Private Limited (Step down)
CIN/ any other registration number of Subsidiary Company	U24290TN2021 PTC148007	U20299TN2023 PTC164041	U20299TN2023 PTC164103	U46521TN2023 PTC166415	U73100TN1990 PTC019419
The date since when subsidiary was incorporated/ acquired	November 18, 2021	October 03, 2023	October 05, 2023	December 30, 2023	July 15, 2024
Provisions pursuant to which the Company has become a subsidiary (Section 2(87)(i)/ Section 2(87)(ii))	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)	Section 2(87)(ii)
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	From April 2025 – to March 2026				
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	INR				
Share capital	500.00	300.00	330.00	5.00	500.00
Reserves and surplus	(5,109.84)	31.02	(320.46)	(487.36)	164.48
Total assets	28,649.78	37,799.28	9,728.90	39,469.61	11,556.17
Total Liabilities	33,259.62	37,468.26	9,719.36	39,951.97	10,891.69
Investments	-	3.50	500.00	-	-
Turnover	8,111.53	-	-	-	129.32
Profit/(Loss) before taxation	(4,218.11)	14.44	(75.76)	(483.80)	(1,427.76)
Provision for taxation	(705.09)	3.63	-	-	(718.88)
Profit/(Loss) after taxation	(3,513.02)	10.81	(75.76)	(483.80)	(708.88)
Proposed Dividend	-	-	-	-	-
Extent of shareholding (in percentage)	100%	100%	100%	70% held by Neun Infra Private Limited	100% held by Idealis Chemicals P Ltd.

Notes:

- Names of subsidiaries which are yet to commence operations – Neun Infra Private Limited (CIN: U20299TN2023PTC164041), Idealis Chemicals Private Limited (CIN: U20299TN2023PTC164103) and Sicsem Private Limited (CIN:U46521TN2023PTC166415) are yet to commence its commercial operations.
- No subsidiaries have been liquidated or sold during the year.

Part B – Associate Companies & Joint ventures

The Company does not have any associate or joint venture Companies as on March 31, 2026.

For and on behalf of the Board of Directors

Rampraveen Swaminathan

Managing Director

DIN: 01300682

P Ranjit

Executive Vice Chairman (WTD)

DIN: 01952929

Date: May 11, 2026

Place: Chennai

Natarajan Ramamurthy

Chief Financial Officer

Vijayaraghavan N E

Company Secretary & Compliance Officer

M. No: A-41671



Annexure III

FORM NO. AOC-2

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

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

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

S.No	Particulars	Details
a)	Corporate identity number (CIN)	NIL
b)	Name (s) of the related party & nature of relationship	
c)	Nature of contracts/arrangements/transaction	
d)	Duration of the contracts/arrangements/transaction	
e)	Salient terms of the contracts or arrangements or transaction including the value, if any	
f)	Justification for entering into such contracts or arrangements or transactions	
g)	Date of approval by the Board	
h)	Amount paid as advances, if any	
i)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	
j)	SRN of MGT-14	

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

S.No	Particulars	Details
a)	Corporate identity number (CIN)	NIL
b)	Name(s) of the related party and nature of relationship	
c)	Nature of contracts/arrangements/transactions	
d)	Duration of the contracts/arrangements/transactions	
e)	Salient terms of the contracts or arrangements or transactions including the value, if any	
f)	Date(s) of approval by the Board, if any	
g)	Amount paid as advances, if any	

For and on behalf of the Board of Directors

Rampraveen Swaminathan

Managing Director

DIN: 01300682

P Ranjit

Executive Vice Chairman (WTD)

DIN: 01952929

Date: May 11, 2026

Place: Chennai



Annexure IV

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2025-26

1	Brief outline on CSR policy of the company	The Company in its endeavour to contribute to the sustained development and growth of the Society has formulated its CSR Policy to achieve any or all of the following objectives. a) To create positive and sustainable impact on society and invest in improving lives of community. b) To engage with nearby community in identifying local needs and requirements. c) To identify opportunity and initiatives to enhance - Social, Environmental and Economic Value to the Society along with desired impact. d) To Institute a process and a suitable mechanism for the implementation and monitoring of the CSR activities.
---	--	---

2. Composition of CSR Committee as on March 31, 2026

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. S Meenakshisundaram	Chairman	2	2
2	Mr. P Ravi	Member	2	1
3	Mrs. Padma Chandrasekaran	Member	2	2

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	https://www.archeanchemicals.com/investor-relations/admin/assets/products/Corporate%20Social%20Responsibility%20Policy.pdf
4	Provide the 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, if applicable	Not Applicable
5	(a) Average net profit of the company as per sub-section (5) of Section 135	Rs. 38,395.36 Lakhs
	(b) Two percent of average net profit of the company as per sub-section (5) of Section 135	Rs. 767.91 Lakhs
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	NIL
	(d) Amount required to be set-off for the financial year, if any	NIL
	(e) Total CSR obligation for the financial year {(b)+(c)-(d)}	Rs. 767.91 Lakhs
6	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	Rs. 796.31 Lakhs
	(b) Amount spent in Administrative Overheads	Nil
	(c) Amount spent on Impact Assessment, if applicable	Not Applicable
	(d) Total amount spent for the Financial year [(a)+(b)+(c)]	Rs. 796.31 Lakhs
	(e) CSR amount spent or unspent for the financial year	Spent: Rs. 796.31 Lakhs

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	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
796.31 Lakhs	Nil	Nil	Nil	Nil	Nil



Annexure IV (Contd.)

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (Rs. In Lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	767.91
(ii)	Total amount spent for the Financial Year	796.31
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	28.41
(iv)	Surplus arising out of the CSR Projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	28.41

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No	Preceding financial year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in Rs.)	Balance amount in Unspent CSR Account under sub-section (6) of Section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Year (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of transfer		
1	FY - 1	190 Lakhs	165 Lakhs	25 Lakhs	Nil	Nil	165 Lakhs	Nil
2	FY - 2							
3	FY - 3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No.**

If Yes, enter the number of Capital assets created/acquired - **Not Applicable.**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
					(1)	(2)	(3)
1.	Not Applicable						

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per sub-section (5) of section 135: **Not Applicable.**

For and on behalf of the Board of Directors

Rampraveen Swaminathan

Managing Director

DIN: 01300682

S Meenakshisundaram

Chairman of CSR Committee

DIN: 01176085

Date: May 11, 2026

Place: Chennai



Annexure V

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2026

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

To,

The Members,

ARCHEAN CHEMICAL INDUSTRIES LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ARCHEAN CHEMICAL INDUSTRIES LIMITED (CIN: L24298TN2009PLC072270)** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year **1st April 2025 to 31st March 2026**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the financial year ended on **31st March 2026**, made available to us, according to the provisions of the following Laws and Regulations, as applicable to the Company, during the period of audit:

- The Companies Act, 2013 (the Act) and the Rules made there under;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to extent applicable;

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

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (There are no reportable event during the review period);
- Securities and Exchange Board of India (Issue of capital and Disclosure Requirements) Regulations, 2018;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (There are no reportable event during the review period)
- The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (There are no reportable event during the review period);
- (vi) The Management has identified and confirmed the Sector Specific Laws as applicable to the Company, being in Chemical Sector as given in **Annexure – A.**

**During the period under review, we have also examined compliance with the applicable clauses of the following:**

- a) Secretarial Standards issued by The Institute of Company Secretaries of India with effect from 1st July 2015, as amended from time to time.
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder ("the Listing Regulations").

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

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the Act, 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.
- (iii) Based on the Minutes made available to us, we report that majority decision is carried through and that there were no dissenting votes from any Board member that was required to be captured and recorded as part of the minutes.
- (iv) As represented by the Management and relied upon the same by us, there are adequate systems and processes in the Company commensurate with size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- (v) The Compliance by the Company of applicable financial laws like Direct and Indirect Tax Laws, and other financial laws has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals.
- (vi) The Company entered into a Memorandum of Understanding (MoU) dated August 10, 2010, with the Government of Gujarat (GoG) for a land lease, which expired on July 31, 2018. The Company submitted an application for renewal on December 28, 2017. As per the MoU with GoG, the lease term may be extended

for a duration and under conditions mutually agreed upon at the time of renewal. Additionally, GoG Circular No. 1597/13 721/ख, dated October 09, 2017, which states that such leases can be extended for a period of thirty years. The Company has been receiving annual demand notes for the revised lease rent in accordance with the said circular and has been making the corresponding payments. Based on the facts outlined above and considering similar experiences with lease renewals in other group companies, the management is confident of securing the renewal of the land lease. The useful life of Property, Plant and Equipment (PPE) and Right-of-Use (ROU) assets has been determined by the management on the assumption that the lease will be extended. The entire production facility is situated on this leased land.

- (vii) During the reporting period, the Income Tax Department conducted a search and seizure operation from September 04, 2025 to September 09, 2025 at various locations of the Company's offices, plants, its subsidiary companies and residence of KMP's, directors, senior executives and employees under section 132 of the Income Tax Act, 1961. The management represented that the Company, its directors, senior executives, employees extended full cooperation to the Authorities. No demand received as of year ended. Further, the Company is in the process of responding to the notice received u/s 158BC of the Income Tax Act, 1961 for block assessment from the Income Tax Authorities. Management is confident that the said event will not have any material adverse impact on the financial position and operations of the Company. In the absence of any final outcome from the concerned authorities, the impact and implications, if any, arising out of the said proceedings cannot be presently ascertained.
- (viii) At the Board of Directors meeting held on October 25, 2024, the Company approved the following investments in Clas-SiC Wafer Fab Limited, U.K. and Offgrid Energy Labs Inc., Delaware, USA to be made in one or more tranches:
 - (a) Clas-SiC Wafer Fab Limited, U.K. ("Clas-SiC") – Approval was granted for an equity investment of GBP 15 Mln, along with an additional investment of up to GBP 2 Mln in the form of a floating rate unsecured loan to Clas-SiC. Accordingly, the Company subscribed to shares in Clas-SiC for GBP 10 Mln on October 2024 (A-0 Class – 18,51,852 shares of GBP 0.01 each, acquired at a price of GBP 5.40 per share). Payment of GBP 2.50 Mln was made on November 2024 towards

the purchase of A-1 Class – 4,62,963 shares at the same price, and share certificates were received for the same. The balance payment of GBP 2.50 Mln was made on May 2025 towards the purchase of A-1 Class – 4,62,963 shares at the same price, and share certificates were received for the same.

- (b) Offgrid Energy Labs Inc., Delaware, USA ("Offgrid") – Approval was granted for an equity investment of USD 12 Mln, representing a 21% shareholding in Offgrid. Accordingly, the Company subscribed to 30,669,250 A1 Preferred Stocks having a face value of USD 0.00001 per share at an acquisition price of USD 0.32606 per share on May 2025, securing an 18.14% stake in Offgrid, and the remaining commitment is expected to be made in the subsequent years.

We further report that during the audit period:

- a) The Company had allotted equity shares against the exercise of the 30,712 Options, granted to certain employees of the Company at face value of Rs. 2/- each fully paid-up under the Archeon Employee Stock Option Plan 2022' ("ESOP 2022"/"Plan").
- b) During the year under review there were no instances of buy-back of securities.

- c) During the year under review there were no instances of Merger/amalgamation/reconstruction, etc. other events involving the Company. However, on 19th March 2026 the Company has approved the merger of its wholly Owned Subsidiary Company Idealis Chemicals Private Limited (ICPL), with its wholly Owned Subsidiary Company Idealis Mudchemie Private Limited (IMPL).
- d) Foreign technical collaborations- No foreign technical collaborations were entered into by the Company, except for the investment made by the Company during the year under review.

For **HVS & Associates**
Company Secretaries
Firm Unique Code: P2016TN048300
Peer Review No: 5993/2024

HARI BABU POTHAPU

M. No: F10974, CoP: 15576
UDIN: F010974H000322505

Place: Chennai
Date: 11/05/2026

**ANNEXURE -A****SECTOR SPECIFIC LAWS AS APPLICABLE TO THE COMPANY, BEING IN CHEMICAL INDUSTRY**

- The Air (Prevention and Control of Pollution) Acts, 1981
- The Water (Prevention and Control of Pollution) Act, 1974
- The Environment Protection Act, 1986 read with Environment (Protection) Rules, 1986
- The Atomic energy Act, 1962
- The Factories Act, 1948
- The Explosives Act, 1884 and Gas Cylinders Rules, 2016
- The Indian boilers Act, 1923
- The Petroleum Act, 1934 with Petroleum Rules, 2002
- The Gujarat state specific laws
- The Tamil nadu state specific laws
- The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
- The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996
- The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989
- The Foreign Trade (Development and Regulation) Act, 1992
- The Public Liability Insurance Act, 1991
- The Bureau of Indian Standards Act, 2016
- The Industrial Dispute Act, 1947

For **HVS & Associates**
Company Secretaries
Firm Unique Code: P2016TN048300
Peer Review No: 5993/2024

HARI BABU POTHAPU
M. No: F10974, CoP: 15576
UDIN: F010974H000322505

Place: Chennai
Date: 11/05/2026

This Report is to be read with our letter of even date which is annexed as Annexure and Forms an integral part of this report.

**ANNEXURE TO THE SECRETARIAL AUDIT REPORT**

To,

The Members,

ARCHEAN CHEMICAL INDUSTRIES LIMITED

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

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) The Compliance of the provisions of Corporate and other applicable laws, rules and regulations, standards are the responsibility of the management. 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. Subject to paragraph 1 above of this Annexure, our examination was limited to the verification of procedure 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 Management Representation from the Company and relied upon the same with regard to the compliance of laws, rules and regulations and happenings of events, etc.
- 5) The Secretarial audit 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 **HVS & Associates**
Company Secretaries
Firm Unique Code: P2016TN048300
Peer Review No: 5993/2024

HARI BABU POTHAPU
M. No: F10974, CoP: 15576
UDIN: F010974H000322505

Place: Chennai
Date: 11/05/2026



Annexure VI

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are under:

a. Conservation of energy:

(i)	<p>The steps taken or impact on conservation of energy</p> <p>During FY 2025–26, the Company successfully harvested 2,281,319 KL of rainwater from the Rann surface, thereby significantly reducing dependence on third-party water sources. This initiative supports our commitment to optimized water resource management, contributes towards achieving water-positive status, and strengthens our overall ESG performance and disclosures.</p> <p>As part of our FY 2025–26 ESG initiatives, the Company implemented several energy efficiency measures to reduce energy consumption and improve operational performance:</p> <ol style="list-style-type: none"> 1. Installation of a 132 kW Variable Frequency Drive (VFD) panel for high power-consuming cooling tower pumps, resulting in improved energy efficiency and reduced power consumption. 2. Installation of a 55 kW VFD for the bromine plant compressor to enhance operational efficiency and optimize energy usage. 3. Installation of an Automatic Power Factor Correction (APFC) panel at PS-9, leading to improved power factor, optimized electricity consumption, and enhanced electrical system efficiency. <p>These initiatives reflect the Company's continued focus on sustainable operations, resource efficiency, and alignment with BRSR and ESG principles.</p>
(ii)	<p>The steps taken by the Company for utilizing alternate sources of energy</p> <p>The Company has transitioned its power generation source from coal-based captive generation to 100% grid, hybrid, and renewable energy sources, thereby significantly reducing reliance on fossil fuels and associated emissions.</p> <p>During FY 2025–26, the Company sourced electricity as follows:</p> <ul style="list-style-type: none"> • 42,679,350 kWh from Grid power (HT – 66 kV) • 24,239,337 kWh from Hybrid power sources • 1,946,335 kWh from in-house solar power generation <p>This transition reflects the Company's strong commitment towards decarbonization, clean energy adoption, and alignment with ESG and BRSR principles, contributing to a lower carbon footprint and improved environmental performance.</p>
(iii)	<p>The capital investment on energy conservation equipment's</p> <p>Rs. 5.95 Cr. Approx</p>



Annexure VI (Contd.)

b. Technology absorption:

(i)	<p>The effort made towards technology absorption</p>	<ul style="list-style-type: none"> • VFD installation • APFC panel • Solar system • Process automation/instrumentation upgrades
(ii)	<p>The benefits derived like product improvement cost reduction product development or import substitution</p>	<ul style="list-style-type: none"> • Reduction in energy consumption • Cost savings • Enhanced process efficiency and reliability • Reduction in carbon footprint • Improved electrical system performance • Optimized resource utilization
(iii)	<p>In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) and its details like: the details of technology imported, the year of import, whether the technology been fully absorbed and if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.</p>	<p>NIL</p>
(iv)	<p>The expenditure incurred on Research and Development</p>	<p>NIL</p>

c. Foreign exchange earnings and outgo:

(Amount in ₹ Lakhs)

Particulars	Financial Year ended March 31, 2026	Financial Year ended March 31, 2025
Foreign Exchange Earnings	87,617.11	90,447.84
Foreign Exchange Outgo	21,237.80	23,231.00

For and on behalf of the Board of Directors

Date: May 11, 2026
Place: Chennai

Rampraveen Swaminathan
Managing Director
DIN: 01300682

P Ranjit
Executive Vice Chairman (WTD)
DIN: 01952929

Report on Corporate Governance

Report on Corporate Governance

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's governance philosophy is anchored on the principles of integrity, transparency, accountability, professionalism and ethical business conduct. The Company believes that sound corporate governance practices are essential for enhancing stakeholder value, sustaining long-term growth and maintaining investor confidence. Corporate governance forms an integral part of the Company's business philosophy and operational framework guiding the Company in conducting its affairs in a fair, transparent and responsible manner while balancing the interests of all stakeholders.

The Company believes that an effective Board with an optimum combination of Executive, Non-Executive and Independent Directors, supported by robust governance practices, strengthens oversight and promotes balanced decision-making. The diversity of skills, experience, industry knowledge and perspectives on the Board enables the Company to effectively address evolving business opportunities and challenges. The Company also recognises sustainability, risk management and ethical conduct as integral elements of good governance.

Your Company is cognizant of the fact that effective corporate governance is fundamental to creating long-term sustainable value for its stakeholders. While the Company strives to achieve the highest standards of governance, it continues to strengthen and refine its governance practices in line with evolving business and regulatory expectations.

The Company continuously strives to adopt and follow best governance practices and disclosures in line with the applicable provisions of the Companies Act, 2013

("the Act"), and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

The Company has complied with the requirements of Regulations 17 to 27 and other applicable provisions read with Schedule V, as well as clauses (b) to (i) and (t) of Regulation 46(2) of the SEBI LODR related to Corporate Governance. The detailed Corporate Governance Report for the financial year ended March 31, 2026 as per Regulation 34(3), read with above provisions is set out below.

BOARD OF DIRECTORS

The Board of Directors of the Company comprises an optimum combination of Executive, Non-Executive and Independent Directors with diverse expertise, experience and knowledge across various fields such as business management, finance, strategy, operations, governance and industry practices. The Board also includes Independent Directors and Women Director in compliance with the applicable statutory and regulatory requirements.

The Directors bring with them significant professional experience, leadership qualities, strategic guidance and financial expertise, and are committed to upholding the highest standards of corporate governance and ethical business conduct.

In accordance with Regulation 26(1) of the SEBI LODR, none of the Directors is a member in more than ten (10) Committees or act as a chairperson of more than five (5) Committees across all listed entities in which they are Directors. Further pursuant to Regulation 17A of the SEBI LODR, none of the Directors holds Directorship in more than Seven (7) listed entities and not holding position as Independent Director in more than seven (7) listed entities.

The composition of the Board is in conformity with Regulation 17 of the SEBI LODR and the applicable provisions of the Act. As on March 31, 2026, the Board comprised of Seven (7) Directors, and was chaired by Non-Executive Independent Director, details of which are set out below:

Sl. No.	Name of the Directors /DIN/Category	No. of Directorship in other public limited Companies in India*		Number of committee positions in other public limited companies**		No. of shares held in the Company***
		Chairperson	Director	Chairperson	Member	
1	Mrs. Padma Chandrasekaran DIN: 06609477 Chairperson-Independent Director	Nil	1	Nil	1	-
2	Mr. P Ranjit DIN: 01952929 Executive Vice Chairman (Whole-Time Director)	Nil	Nil	Nil	Nil	2,82,65,965



Sl. No.	Name of the Directors /DIN/Category	No. of Directorship in other public limited Companies in India*		Number of committee positions in other public limited companies**		No. of shares held in the Company***
		Chairperson	Director	Chairperson	Member	
3	Mr. Rampraveen Swaminathan DIN: 01300682 Managing Director	Nil	1	Nil	1	-
4	Mr. P Ravi DIN: 02334379 Non-executive Director	Nil	Nil	Nil	Nil	-
5	Mr. S Meenakshisundaram DIN: 01176085 Non-executive Director	Nil	Nil	Nil	Nil	1,35,000****
6	Mr. K M Mohandass DIN: 00707839 Independent Director	Nil	Nil	Nil	Nil	-
7	Mr. C G Sethuram DIN: 01081951 Independent Director	Nil	Nil	Nil	Nil	-

*Public Limited Companies, other than Archean Chemical Industries Limited. Excludes directorships in private limited companies, foreign companies and Section 8 (Not for profit) companies.

**Audit Committee and Stakeholders Relationship Committee of Public Limited Companies, other than Archean Chemical Industries Limited.

***Shareholding in Archean Chemical Industries Limited.

**** Shareholding includes holding through HUF.

Note: The Committee positions held by the Directors across all public/listed entities are within the limits prescribed in accordance with Regulation 26 of the SEBI LODR.

Mr. P Ravi, Non-Executive Director is related to Mr. P Ranjit, Executive Vice Chairman (WTD), being his brother. Except as stated above, none of the Directors are inter-se related to each other.

There were no Alternate Directors on the Board during the year. The Woman Director on the Board is an Independent Director and also serves as the Chairperson of the Board.

In the opinion of the Board, the Independent Directors fulfil the conditions of independence as specified under the applicable provisions of the SEBI LODR and the Act and are independent of the Management.

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every Financial Year ("FY"), provides a declaration under Section 149(7) of the Act confirming that he/she meets the criteria of independence as required under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI LODR.

All Independent Directors have confirmed that they have registered their names in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

Your Company has issued formal letter of appointment to all Independent Directors and the terms and conditions of their appointment are available on the website of the Company. No Independent Directors resigned during the year under review.

The Directors periodically notify the Company about changes if any, in the Directorship/Committee positions in other entities as and when they take place. The names of the listed entities (including Archean) in which the Directors hold directorships and the category of such directorships as on March 31, 2026, are provided below:

Name of the Director	Name of the Listed Entity	Category of Directorship	No. of Membership/ Chairmanship in any other public limited companies
Mrs. Padma Chandrasekaran	Archean Chemical Industries Limited	Independent	1 (Independent)
Mr. P Ranjit	Archean Chemical Industries Limited	Executive	-
Mr. Rampraveen Swaminathan	Archean Chemical Industries Limited	Executive	-
	Dodla Dairy Limited	Independent	1 (Independent)
Mr. P Ravi	Archean Chemical Industries Limited	Non-executive	-
Mr. S Meenakshisundaram	Archean Chemical Industries Limited	Non-executive	-
Mr. K M Mohandass	Archean Chemical Industries Limited	Independent	-
Mr. C G Sethuram	Archean Chemical Industries Limited	Independent	-

Attendance at Board Meetings and last Annual General Meeting (AGM)

During FY 2025-26, the Board met seven (7) times on May 02, 2025, July 28, 2025, November 14, 2025, January 19, 2026, February 04, 2026, March 19, 2026 and March 25, 2026.

The gap between any two consecutive meetings did not exceed the period prescribed under the Act. The requisite quorum was present throughout all the meetings. The attendance of the Directors at the Board Meetings and the last Annual General Meeting ("AGM") is provided below:

Name of the Director	No. of Board meetings held during the year	No. of Board meetings attended	Attendance at AGM held on June 02, 2025
Mrs. Padma Chandrasekaran	7	7	Yes
Mr. P Ranjit	7	7	Yes
Mr. Rampraveen Swaminathan	3	3	NA
Mr. P Ravi	7	3	Yes
Mr. S Meenakshisundaram	7	7	Yes
Mr. K M Mohandass	7	7	Yes
Mr. C G Sethuram	7	7	Yes

During the FY 2025-26, there were no pecuniary transactions with Non-Executive Directors.

Chart/matrix setting out the skills/expertise/competence of the Directors

The Board comprises Directors with diverse qualifications, professional experience, industry knowledge and expertise across various functional areas. The collective skills, expertise and competencies of the Directors enable effective oversight of the Company's business and governance functions and support informed decision-making.

The Board periodically identifies and reviews the core skills, expertise and competencies required in the context of the Company's business and industry. The Directors possess expertise in areas such as industry and business management, finance and accounts, corporate governance, leadership, technology, strategy, sales and marketing, and business development.

The following matrix summarises the key skills, expertise and competencies available with the Board as on March 31, 2026:

Name of the Director	Mrs. Padma Chandrasekaran	Mr. P Ranjit	Mr. Rampraveen Swaminathan	Mr. P Ravi	Mr. S Meenakshi Sundaram	Mr. K M Mohandass	Mr. C G Sethuram
Experience and Industry knowledge	✓	✓	✓	✓	✓	✓	✓
Finance & Accounts	✓	✓	✓	✓	✓	✓	✓
Corporate Governance	✓	✓	✓	✓	✓	✓	✓
General Management & Leadership	✓	✓	✓	✓	✓	✓	✓



Name of the Director	Mrs. Padma Chandrasekaran	Mr. P Ranjit	Mr. Rampraveen Swaminathan	Mr. P Ravi	Mr. S Meenakshi Sundaram	Mr. K M Mohandass	Mr. C G Sethuram
Technology and Development	-	✓	✓	✓	-	-	✓
Sales & Marketing	-	✓	✓	✓	-	-	-
Business Development	-	✓	✓	✓	-	-	-

The brief profiles of the Directors are available in the website at the following weblink: <https://www.archeanchemicals.com/investor-relations/admin/assets/products/Disclosure-under-Regulation-new.pdf>

Familiarisation program

In accordance with Regulation 25(7) of SEBI LODR, the Company is required to conduct programs for the Independent Directors of the Company to familiarise them with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

The details of familiarisation programme imparted to Directors can be accessed in the Company's website, at the following weblink: <https://www.archeanchemicals.com/investor-relations/annual-report.php?id=MTc0>.

BOARD COMMITTEES

Audit Committee

Terms of reference

The terms of reference, roles & responsibilities of the Audit Committee are in compliance with the provisions of Section 177 of the Act and Regulation 18 of SEBI LODR, read with Part C of Schedule II of the said Regulations.

The primary terms of reference is to assist the Board in overseeing the integrity of the Company's financial reporting process, adequacy and effectiveness of internal financial controls, risk management systems, internal and statutory audit functions, compliance with legal and regulatory requirements, related party transactions and the overall audit process.

Composition, Meetings and Attendance

The composition of the Audit Committee of the Board is in compliance with the requirements of Section 177 of the Act and Regulation 18 of the SEBI LODR.

During FY 2025-26, the Committee met Six (6) times on May 02, 2025, July 28, 2025, November 14, 2025, February 04, 2026, March 19, 2026 and March 25, 2026. The requisite quorum was present throughout all the meetings. The Company Secretary acts as the Secretary to the Committee. Chief Financial Officer attend meetings of the Audit Committee, as invitee. The Statutory Auditors/Internal Auditor attend the Audit Committee Meetings for matters relating to discussion on financials results/respective audit reports.

The details of composition of the Committee and attendance of the Members are provided below:

Name	Category	No. of Meetings	
		Held	Attended
Mr. K M Mohandass, Chairperson	Independent Director	6	6
Mr. S Meenakshisundaram, Member	Non-executive Director	6	6
Mrs. Padma Chandrasekaran, Member	Independent Director	6	6

All the recommendations made by the Audit Committee during the FY 2025-26 were considered and approved by the Board. The Chairperson of the Audit Committee was present at the last AGM of the Company held on June 02, 2025.

Nomination and Remuneration Committee

Terms of Reference

The terms of reference, roles & responsibilities of the Nomination and Remuneration Committee ("NRC") is in accordance with the provisions of the Section 178 of the Act and Regulation 19 of the SEBI LODR.

The NRC assists the Board in identifying persons who are qualified to become Directors and who may be appointed in Senior Management and Key Managerial Personnel ("KMP") positions in accordance with the criteria laid down by the Committee. The Committee is also responsible for evaluating the balance of skills, experience, independence and diversity on the Board and recommending to the Board a policy relating to the remuneration of Directors, KMP's and Senior Management Personnel. Further, the Committee evaluates the qualifications, expertise, experience, integrity and other attributes of persons considered for appointment and determines their suitability for the respective positions.

Composition, Meetings and Attendance

The composition of the NRC of the Board is in compliance with the requirements of Section 178 of the Act and Regulation 19 of the SEBI LODR read with Part D of Schedule II of the said Regulations.

During FY 2025-26, the Committee met two (2) times on May 02, 2025, and January 19, 2026. The requisite quorum was present throughout all the meetings. The Chairperson of the NRC was present at the last AGM of the Company held on June 02, 2025. The NRC also functions as the Compensation Committee in accordance with the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 for administering and supervising the Employee Stock Option Schemes of the Company and exercising such powers and functions as prescribed thereunder.

The details of composition of the Committee and attendance of the Members are provided below:

Name	Category	No. of Meetings	
		Held	Attended
Mr. K M Mohandass, Chairperson	Non-executive and Independent	2	2
Mrs. Padma Chandrasekaran, Member	Non-executive and Independent	2	2
Mr. S Meenakshisundaram, Member	Non-executive and Non-Independent	2	2

During the FY 2025-26, Mr. K. M Mohandass, Member of the Committee, was designated as the Chairperson of the Nomination and Remuneration Committee with effect from January 22, 2026 and Mrs. Padma Chandrasekaran ceased to be the Chairperson and continued as a Member of the Committee.

Nomination and Remuneration policy

The remuneration payable to Directors & KMP shall be based on factors such as scope of duties, role and nature of responsibilities, level of skill, knowledge and experience, core performance, requirements, the Company's performance and such other parameters as may be considered appropriate by the Company from time to time.

The remuneration of Senior Management Personnel ("SMP") and Key Managerial Personnel (KMP) is reviewed and recommended by the NRC. Pursuant to the framework approved by the NRC, the Executive Vice Chairman and/or Managing Director undertake performance evaluation of the KMP and SMP and place the same before the NRC for its review and recommendation. The evaluation and remuneration of other employees are governed in accordance with the policies and framework approved by the Company from time to time.

The criteria for payment of remuneration to Non-Executive Directors are in accordance with the Nomination and Remuneration Policy framed by the NRC. The salient features of the said Policy form part of the Board's Report. The criteria for performance evaluation of the Board, Committees, Executive Directors, Independent Directors and Non-Independent Directors are also disclosed in the Board's Report.

The remuneration policy of the Company can also be accessed in the Company's website at the following weblink: <https://www.archeanchemicals.com/investor-relations/admin/assets/products/Nomination%20and%20Remuneration%20Policy.pdf>.

**Performance Evaluation of non-executive and Independent Directors**

Pursuant to the provisions of the Act and SEBI LODR, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Statutory Committees constituted by the Board.

The evaluation was carried out through a structured evaluation mechanism covering various aspects such as composition of the Board and its Committees, Board diversity, effectiveness of Board processes and information flow, participation in deliberations, execution and performance of specific duties, obligations and governance responsibilities. The Directors also carried out peer evaluation of other Directors.

Criteria for making payments to Non-Executive Directors

The Non-Executive Directors of the Company are paid sitting fees for attending the meetings of the Board and Committees thereof and may also be paid commission, in accordance with the criteria laid down by the NRC and the Board, within the limits approved by the Members and as permissible under the applicable provisions of the Act. Such criteria may include the performance of the Company, attendance and participation in Board and Committee Meetings, roles and responsibilities, position held in Committees and the time devoted by the Directors towards the affairs of the Company. The details on the criteria for making payments to the Non-Executive Director(s) is available on the Company's.

Stakeholders Relationship Committee**Terms of reference**

The terms of reference, roles & responsibilities of the Stakeholders Relationship Committee ("SRC") is in accordance with the provisions of the Section 178(5) of the Act and Regulation 20 read with Part D of Schedule II of SEBI LODR.

The SRC oversees and reviews matters relating to investor grievances, unpaid dividend and other stakeholder-related matters.

Composition, Meetings and Attendance

The Committee consists of Mr. S Meenakshisundaram as Chairperson, Mr. P Ranjit and Mr. C G Sethuram as its Members. Mr. Vijayaraghavan N E, Company Secretary & Compliance Officer of the Company, acts as the Secretary to the Committee. During FY 2025-26, the Committee met once (1) on March 19, 2026. The meeting was attended by all the Members of the Committee and the requisite quorum was present throughout the meeting. The Chairperson of the SRC was present at the last AGM of the Company held on June 02, 2025.

The Committee periodically reviews the status of investor grievances and related matters in accordance with the applicable provisions of the SEBI LODR. During the year, no investor complaints were received from the Members and there were no investor complaints pending as on March 31, 2026.

Risk Management Committee**Terms of Reference**

The terms of reference, roles & responsibilities of the Risk Management Committee ("RMC") is in accordance with Regulation 21(4) read with Part D of Schedule II of SEBI LODR.

The RMC assists the Board in overseeing the risk management framework of the Company, including identification, assessment, monitoring and mitigation of various business, operational, regulatory, strategic risks etc. The Committee periodically reviews the risk management policy, risk mitigation measures and overall risk management practices of the Company and performs such other functions as may be delegated by the Board from time to time. The risk management policy is available on the Company's website at the following weblink: <https://www.archeanchemicals.com/investor-relations/admin/assets/products/Risk%20Management%20Policy-02.05.2025.pdf>.

Composition, Meetings and Attendance

The Company Secretary acts as the Secretary to the Committee. During FY 2025-26, the Committee met twice (2) on October 14, 2025 and March 25, 2026. The requisite quorum was present throughout all the meetings.

The details of composition of the Committee and attendance of the Members are provided below:

Name	Category	No. of Meetings	
		Held	Attended
Mr. S Meenakshisundaram Chairperson	Non-Executive Director	2	2
Mr. P Ranjit	Executive Vice Chairman (WTD)	2	2
Mr. C G Sethuram	Independent Director	2	2
Mr. Natarajan Ramamurthy	Chief Financial Officer	2	2

Senior Management Personnel

In accordance with Regulation 16(1)(d) of SEBI LODR, the particular of Senior management is given below:

Sl. No.	Name of SMP	Designation
1	Mr. P Ranjit	Executive Vice Chairman (WTD)
2	Mr. Rampraveen Swaminathan	Managing Director
3	Mr. N R Kannan	Executive Director (KMP)
4	Mr. R Natarajan	Chief Financial Officer
5	Mr. Vijayaraghavan N E	Company Secretary
6	Mr. Rajeev Kumar	Head of Strategy
7	Mr. Vijaykumar Vyas	Head of Sales & Marketing

During the FY 2025-26, except for the following changes, there are no changes in the Senior Management Personnel of the Company:

1. Appointment of Mr. Rampraveen Swaminathan as Managing Director w.e.f. January 22, 2026.
2. Cessation of Mr. N R Kannan, Executive Director (KMP) w.e.f. April 30, 2026.

Corporate Social Responsibility Committee

The terms of reference, roles & responsibilities of the Corporate Social Responsibility Committee ("CSR Committee") is in accordance with the Section 135 of the Act and rules made thereunder.

The CSR Committee formulates and recommends to the Board, a CSR Policy and the annual action plan indicating the CSR activities to be undertaken by the Company in accordance with Schedule VII of the Act. The CSR Committee also recommends the amount of expenditure to be incurred on the CSR activities and monitors the implementation of the CSR Policy and annual action plan.

The Chairperson of the Committee is a Non-Executive Director. The Committee comprises Two (2) Non-Executive Directors and One (1) Independent Director. The Company Secretary acts as the Secretary to the Committee. During FY 2025-26, the Committee met twice (2) on May 02, 2025, and February 04, 2026. The requisite quorum was present throughout all the meetings.

The details of composition of the Committee and attendance of the Members are provided below:

Name of the Directors	No. of Meetings	
	Held	Attended
Mr. S Meenakshisundaram, Chairperson, Non-Executive Director	2	2
Mr. P Ravi, Non-Executive Director	2	1
Mrs. Padma Chandrasekaran, Independent Director	2	2

**Independent Directors' Meeting**

In accordance with Schedule IV of the Act and Regulation 25(3) of the SEBI LODR, a Separate Meeting of the Independent Directors of the Company were held on March 19, 2026 without the presence of Non-Independent Directors and Members of the Management. All the Independent Directors attended the meeting.

The Independent Directors inter alia, reviewed and evaluated the performance of the non-Independent Directors, Chairperson and the Board as a whole. The evaluation was carried out taking into account the factors such as attendance, quality and effectiveness of deliberations, flow of information between the Management and the Board and the effectiveness of the Board in discharging its responsibilities and duties.

REMUNERATION OF DIRECTORS

During the FY 2025-26, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than payment of sitting fees, commission and reimbursement of expenses if any incurred by them for attending Meetings of the Company.

The remuneration paid to the Directors is in accordance with the applicable provisions of the Act and is within the limits approved by the Members of the Company.

Details of the Remuneration to Non-Executive Directors during FY 2025-26

S. No	Name of the Director	Commission (Rs.)	Sitting fees (Rs.)	Total (Rs.)
1	Mrs. Padma Chandrasekaran	15,00,000	12,50,000	27,50,000
3	Mr. P Ravi*	-	3,50,000	3,50,000
3	Mr. S Meenakshisundaram	15,00,000	13,50,000	28,50,000
4	Mr. K M Mohandass	15,00,000	11,50,000	26,50,000
5	Mr. C G Sethuram	15,00,000	9,00,000	24,00,000

*During the year, Mr. P. Ravi voluntarily waived his entitlement to commission.

Details of Remuneration to Executive Director during FY 2025-26

S. No	Particulars of Remuneration	Mr. P Ranjit, Executive Vice Chairman (Whole-Time Director)
1	Gross Salary (Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 and Value of perquisites under Section 17(2) of the Income-tax Act, 1961)	7,62,00,823.00
2	Contribution to PF & Gratuity	54,93,099.00
3	Others (Commission on the Net Profit) for the year ended March 31, 2025	2,83,04,437.00

Service Contract, Severance Fees and Notice Period

Terms of agreement	Mr. P Ranjit Whole-Time Director
Period of Contract	5 years from January 22, 2026

S. No.	Particulars of Remuneration	Mr. Rampraveen Swaminathan, Managing Director
1	Gross Salary (Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 and Value of perquisites under Section 17(2) of the Income-tax Act, 1961)	84,77,925.00
2	Contributions to PF & Gratuity	2,57,657.00
3	Others (Commission on the Net Profit)	-

Service Contract, Severance Fees and Notice Period:

Terms of agreement	Mr. Rampraveen Swaminathan, Managing Director
Period of Contract	5 years from January 22, 2026

The service contracts, notice period and severance fees are not applicable to Non-Executive and Independent Directors of the Company. The appointment of the Managing Director is governed by the Articles of Association of the Company, resolutions passed by the Board and the Members of the Company and the terms of the applicable service/employment contract.

Stock options

During the FY 2025-26, no Stock Options were granted to Non-Executive Non-Independent Directors of the Company. Stock Options have so far been granted only to one Non-Executive Non-Independent Director, viz., Mr. S Meenakshisundaram. The details relating to stock options, including grant details, issue price, exercise price and vesting/exercise period etc., are given in **Annexure I** to the Board's Report.

SHAREHOLDERS INFORMATION - DETAILS OF GENERAL BODY MEETINGS**a) Location and time where the last three AGMs were held and the Special Resolutions passed thereat:**

FY 2024-25	Date	June 02, 2025
	Location	Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM")
	Time	10.00 A.M.
	Special Resolutions Passed	Nil
FY 2023-24	Date	June 28, 2024
	Location	Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM")
	Time	10.00 A.M.
	Special Resolutions Passed	Reappointment of Mrs. Padma Chandrasekaran as Independent Director of the Company for a further period of 5 years from November 13, 2024 to November 12, 2029. To ratify the "ARCHEAN CHEMICAL - EMPLOYEES STOCK OPTION PLAN, 2022" (ESOP 2022)
FY 2022-23	Date	July 26, 2023
	Location	Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM")
	Time	10.30 A.M.
	Special Resolution Passed	Reappointment of Mr. P Ranjit as Managing Director of the Company for a further period of 5 years from November 27, 2023 to November 26, 2028.

b) Extraordinary General Meeting:

No Extra-Ordinary General Meeting was held during FY 2025-26.

c) Postal Ballot:

The Company passed the below mentioned transactions by ordinary resolutions through postal ballot during FY 2025-26.

Sl. No.	Particulars
1.	Designating Mr. P. Ranjit (DIN: 01952929) as Executive Vice Chairman (Whole Time Director) for a period of 5 consecutive years commencing from January 22, 2026 to January 21, 2031
2.	Appointment of Mr. Rampraveen Swaminathan (DIN: 01300682) as Director
3.	Appointment of Mr. Rampraveen Swaminathan (DIN: 01300682) as Managing Director for a period of 5 consecutive years commencing from January 22, 2026 to January 21, 2031

Mr. V Sudarsan Babu, Company Secretary (Membership No: F13189), Proprietor of M/s. V Sudarsan Babu & Associates, was appointed as the Scrutiniser ("Scrutiniser") for conducting the Postal Ballot/e-voting process in a fair and transparent manner.

The Company engaged M/s. MUFG Intime India Private Limited ("MUFG Intime") for providing the remote e-voting facility to the Members.



Report on Corporate Governance (Contd.)

The Postal Ballot Notice dated January 19, 2026 was circulated to the Members through electronic mode on February 10, 2026. Pursuant to the applicable provisions of the Act and the Rules made thereunder, an advertisement regarding completion of dispatch of the Postal Ballot Notice and remote e-voting information was published on February 11, 2026.

The remote e-voting commenced at 9:00 A.M. (IST) on Wednesday, February 11, 2026 and concluded at 5:00 P.M. (IST) on Thursday, March 12, 2026.

Members holding shares as on Friday, February 06, 2026, being the cut-off date, were entitled to vote on the resolutions set out in the Postal Ballot Notice. All the resolutions were passed with the requisite majority on March 12, 2026.

No Special Resolution requiring approval through postal ballot is presently proposed.

MEANS OF COMMUNICATION

The Company recognises effective communication as an integral part of good corporate governance and is committed to maintaining timely, transparent and effective communication with its stakeholders, investors, analysts, regulators and the public at large.

The Company adopts various channels of communication to disseminate information relating to its business performance, financial results, material events and other relevant developments, thereby ensuring equitable and timely access to information for all stakeholders.

Financial Results:

The quarterly & annual financial results of the Company are approved by the Board of Directors and published in accordance with the timelines prescribed under the SEBI LODR in English and Tamil (vernacular) Newspapers.

The financial results, shareholding pattern, corporate governance report and other disclosures/filings made pursuant to applicable provisions of SEBI LODR, are also available on the websites of the Stock Exchanges and the Company at www.archeanchemicals.com.

Sl. No.	For the Quarter Ending	Date of Publication	Name of Newspaper Publication (English)	Name of Newspaper Publication (Tamil)
1	March 31, 2025	May 03, 2025	Business Standard	Makkal Kural
2	June 30, 2025	July 29, 2025	Business Standard	Makkal Kural
3	September 30, 2025	November 15, 2025	Business Standard	Makkal Kural
4	December 31, 2025	February 05, 2026	Business Standard	Makkal Kural

The Company sends the Annual Report containing the Audited Financial Statements, Board's Report and other relevant documents through electronic mode to those shareholders whose email addresses are registered with the Registrar and Share Transfer Agent ("RTA")/Depositories.

Analyst/Investor Meets

The Managing Director and the Management team periodically interact with analysts, investors and stakeholders to discuss the Company's performance and business developments. Investor presentations, press releases and audio/video recordings and transcripts of earnings calls are made available and can be accessed on the Company's website at www.archeanchemicals.com.

The recording of the meeting is available on the Company's website at the following weblink: <https://www.archeanchemicals.com/investor-relations/general-shareholder-info.php?id=MTc3>.

Stock Exchange Intimations

All material information and disclosures required under Regulation 30 and other applicable provisions of the SEBI LODR are promptly intimated to the Stock Exchanges where the securities of the Company are listed through their respective electronic filing systems: the National Stock Exchange of India Limited ('NSE') through NEAPS and BSE Limited ('BSE') via the BSE Listing Centre. Additionally, this information is made available on the Company's website at www.archeanchemicals.com.



Report on Corporate Governance (Contd.)

Company's Website:

The Company's website contains comprehensive information relating to its business operations, financial information, annual reports, corporate governance disclosures, policies, stock exchange filings, investor presentations and other relevant information for stakeholders and investors is made available on the Company's website at www.archeanchemicals.com.

GENERAL SHAREHOLDER INFORMATION

Financial Year	2025-26
Date of Annual General Meeting	June 12, 2026
Time	10.00 am
Venue	Video Conferencing (VC)/Other Audio-Visual Means (OAVM)
Date of book Closure/Record Date	June 05, 2026
Dividend Payment Date	On or before July 11, 2026
Annual General Meeting 2027	Tentatively in June/July, 2027
Approval of financial results/statements (both standalone and consolidated) for the Financial Year: April 01, 2026 to March 31, 2027	
Financial Reporting 2026-27	
quarter ending June 30	Second week of August 2026
September 30	Second week of November 2026
December 31	Second week of February 2027
March 31	Last week of May 2027
The above dates are only tentative in nature and may undergo changes based on the administrative/legal requirements.	
Listing on Stock exchanges (including its address)	National Stock exchange of India Ltd. (NSE) Exchange Plaza, Plot No. C/1, G block, Bandra Kurla Complex, Bandra (e), Mumbai - 400 051 BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
Listing fees	Annual listing fee for FY 2025-26 has been paid to both the Stock Exchanges.
ISIN Code in NSDL and CDSL	INE128X01021
Stock Code	NSE Symbol: ACI BSE Scrip code: 543657
Registrar and Share Transfer Agent	MUFG Intime India Private Limited (formerly Link Intime India Private Limited) C 101, Embassy247, L.B.S Marg, Vikhroli (West), Mumbai, Maharashtra-400083
Share Transfer System	As on March 31, 2026, the entire shares of the Company are in Demat mode and there is no physical shareholding.
Dematerialisation of shares and liquidity:	The Company's shares are compulsorily traded in dematerialised form on NSE and BSE. M/s MUFG Intime India Private Limited (formerly Link Intime India Private Limited) is the RTA of the Company for establishing connectivity with NSDL and CDSL to facilitate dematerialisation of the shares held by the Members. As on March 31, 2026, 100% of the equity shares are held in Dematerialised form.
Pattern of Shareholding as on March 31, 2026	Can be accessed in the Company's website, at the following weblink: https://www.archeanchemicals.com/investor-relations/general-shareholder-info.php?id=MTY3 .
Distribution of shareholding as on March 31, 2026	Data in statement form – forming part of this Report



Address for Investors' correspondence:	Registrar and Share Transfer Agents: MUFG Intime India Private Limited (formerly Link Intime India Private Limited) C 101, Embassy, 247, L.B.S Marg Vikhroli (West), Mumbai, Maharashtra-400083, Phone: 8108114949 Investor Correspondence/Compliance Officer Mr. Vijayaraghavan N E, Company Secretary & Compliance Officer Archeon Chemical Industries Limited, No.2, North Crescent Road, T Nagar, Chennai 600 017 Phone: 044 - 61099999 e-mail ID: secretarial@archeanchemicals.com .
Details of Unclaimed Shares/ Securities Suspense Account	Not Applicable
Details of Shares transferred to IEPF Authority during FY 2025-26	Not applicable

Distribution pattern

The Distribution of Shareholding of the Company as at March 31, 2026 is as follows:

Distribution Schedule

No. of shares	Shareholders		No. of shares	
	Number	%	Held	%
Upto 500	61,732	93.67	49,34,780	4.00
501 – 1,000	2,632	3.99	18,34,587	1.49
1,001 – 2,000	869	1.32	12,55,720	1.02
2,001 – 3,000	214	0.32	5,34,048	0.43
3,001 – 4,000	109	0.17	3,84,047	0.31
4,001 – 5,000	68	0.10	3,16,634	0.26
5,001 – 10,000	106	0.16	7,34,501	0.59
10,001 and above	176	0.27	11,34,64,077	91.90
Total	65,906	100.00	12,34,58,394	100.00

Global Deposit Receipts/American Deposit Receipts

There is no outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity.

Commodity price risk/foreign exchange risk and hedging activities

The Board has put in place a risk management policy to manage the risks inter-alia but not limited to risk arising out of foreign currency fluctuations. The Company enters into forward contracts to hedge the foreign currency risks. Refer the Note no.34 of the standalone financial statements for more details.

Plant locations

Hajjipir plant - Bhuj Taluk, Kutch District, Gujarat.

Details of credit ratings obtained by the Company are as under:

Credit ratings given by: CRISIL Limited

Name of the Instrument	Ratings as on March 31, 2026*
Long Term Rating for Term Loan	Crisil A/Negative

*CRISIL revised the Rating on September 18, 2025. Outlook revised from 'Stable', Rating Reaffirmed.

OTHER DISCLOSURES

- There were no materially significant related party transactions entered into by the Company during the financial year which may have potential conflict with the interests of the Company at large. All related party transactions were in the ordinary course of business and on an arm's length basis.
- There was no instance of non-compliance by the Company on any matters relating to the capital markets; nor was there any penalty/strictures imposed by the stock exchanges or SEBI or any other statutory authority on such matters during the last three years, except for the fine of Rs. 35,000 imposed by NSE in connection with delay in appointment of the Compliance Officer, which was duly paid by the Company.
- Vigil mechanism/whistle blower policy is in place in accordance with the Act and SEBI LODR. The Company affirm that no personnel has been denied access to the audit committee. The whistle blower policy is available on the Company's website at www.archeanchemicals.com.

- Compliance with mandatory requirements and adoption of non-mandatory requirements;

The Company has complied with the mandatory requirements of Part C of Sub-Paras (2) to (10) of Schedule V of the SEBI LODR.

The Company has also adopted the following non-mandatory requirements prescribed under Schedule II of the SEBI LODR:

- Reporting of Internal Auditor:** The Internal Auditor reports directly to the Audit Committee.
 - Audit Opinion:** The Company is already in the regime of financial statements with unmodified opinion.
- The policies on Material Subsidiaries are available on the Company's website at <https://www.archeanchemicals.com/investor-relations/admin/assets/products/Policy%20on%20Material%20Subsidiaries.pdf>.
 - The policies on Related Party Transactions are available on the Company's website at <https://www.archeanchemicals.com/investor-relations/admin/assets/products/RPT%20Policy%2004.02.2026.pdf>.
 - Disclosure of commodity price risks and commodity hedging activities:
The details about the price risk and hedging activities are provided in the Note no.34 of the standalone financial statements for more details.
 - Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI LODR – Not applicable.
 - A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority. – Certificate from M/s. HVS & Associates, Company Secretaries is enclosed as **Annexure I** to the Corporate Governance Report.
 - During FY 2025-26, there were no instances occurred where the Board had not accepted any recommendation of Committee of the Board, which was mandatorily required.
 - Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor are a part is given below:

	Rs. in Lakhs
Audit fees	51.60
Tax Audit fees	9.60
For Other Services	10.00
Reimbursement of expenses	24.35
Total	95.55



Report on Corporate Governance (Contd.)

- l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during FY 2025-26: Nil. Refer Boards Report page no. 33 for more details.
- m) Loans and advances: Refer Note no. 7 of the standalone financials.
- n) The Company is not having any material subsidiary as on March 31, 2026.
- o) There is no demat suspense account/unclaimed suspense account.
- p) Disclosure of Certain type of agreements binding the listed entity: During FY 2025-26, there were no agreements requiring disclosure under clause 5A of paragraph A part A of Schedule III of the SEBI LODR.
- q) The Company has complied with all the applicable requirements of Corporate Governance as specified in the SEBI LODR. During the FY 2025-26, there were no disclosures required to be made under Regulation 30A of the SEBI LODR.
- r) The Company complied with all mandatory requirements prescribed under SEBI LODR.
- s) Code of Conduct: The Board of ARCHEAN CHEMICAL INDUSTRIES LIMITED laid down a Code of Conduct applicable to all Directors and Senior Management Personnel of the Company. The Code of Conduct is available Company's website www.archeanchemicals.com. Pursuant to regulation 26(3) of SEBI LODR, all Directors and Senior Management Personnel have affirmed compliance with the said Code. A declaration to this effect signed by the Managing Director are enclosed as **Annexure II** to the Corporate Governance Report.
- t) In accordance with Regulation 17(8) read with Part B of Schedule II of SEBI LODR, the Managing Director and Chief Financial Officer of the Company have provided the annual compliance certification relating to financial statements and internal controls to the Board, which is enclosed as **Annexure III** to the Corporate Governance Report. The Managing Director and Chief Financial Officer also provide quarterly certifications on the financial results placed before the Board in accordance with the applicable provisions of the SEBI LODR.
- u) The certificate from the Statutory Auditors regarding compliance with the conditions of Corporate Governance as required under Schedule V(E) of the SEBI LODR are enclosed as **Annexure IV** to the Corporate Governance Report.

Report on Corporate Governance (Contd.)

Annexure I

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

The Members of

Archean Chemical Industries Limited,

No.2, North Crescent Road, T. Nagar,

Chennai - 600 017.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Archean Chemical Industries Limited** bearing CIN: L24298TN2009PLC072270 and having its registered office at No.2, North Crescent Road, T Nagar, Chennai – 600 017 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In 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 ended on **31st March, 2026** 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.

S No.	Name of Director	DIN	Date of appointment in Company
1.	Ranjit Pendurthi	01952929	27/11/2018
2.	Ravi Pendurthi	02334379	29/01/2022
3.	Subrahmanyam Meenakshisundaram	01176085	24/03/2010
4.	Rampraveen Swaminathan	01300682	22/01/2026
5.	Padma Chandrasekaran	06609477	13/11/2019
6.	Kandheri Munuswamy Mohandass	00707839	06/12/2021
7.	Chittoor Ghatambu Sethuram	01081951	06/12/2021

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 **HVS & Associates**

Company Secretaries

Firm Unique Code: P2016TN048300

Peer Review No: 5993/2024

HARI BABU POTHAPU

M. No: F10974, Cop: 15576

UDIN: F010974H000322538

Place: Chennai

Date: 11/05/2026



Code of Conduct Certification

Declaration from the Managing Director under Regulation 17(5) read with Schedule V(D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

As provided under Regulation 17(5) read with Schedule V(D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board Members and the Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year ended March 31, 2026.

For and on behalf of Archean Chemical Industries Limited

Rampraveen Swaminathan
Managing Director
DIN: 01300682

Place: Chennai
Date: May 11, 2026

CERTIFICATE

Compliance Certificate by Managing Director/Chief Financial Officer pursuant to Regulations 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

May 11, 2026

To
The Board of Directors
Archean Chemical Industries Limited
No.2, North Crescent Road
T Nagar, Chennai 600 017

Dear Sir/Mam,

We, the undersigned, in our respective capacity as Managing Director & Chief Financial Officer of the Company respectively to the best of our knowledge and belief certify that:

1. The Financial Results (standalone and consolidated) for the Year ended March 31, 2026, submitted to the Board do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading. We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2026 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material act or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of my knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial Reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Company's Auditors and the Audit Committee of Archean Chemical Industries Limited that:
 - a) significant changes, if any in the Company's internal control over financial reporting during the year;
 - b) significant changes, if any in accounting policies during the year and the same have been disclosed in the notes to the financial statements: and
 - c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of Archean Chemical Industries Limited

Rampraveen Swaminathan
Managing Director
DIN: 01300682

Natarajan Ramamurthy
Chief Financial Officer

**Annexure IV****AUDITORS CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To

The Board of Directors of Archean Chemical Industries Limited (Formerly known as Archean Chemical Industries Private Limited).

1. This Certificate is issued in accordance with the terms of our engagement letter dated January 05, 2026.
2. We have examined the compliance of conditions of Corporate Governance by Archean Chemical Industries Limited ('the Company') for the year ended March 31, 2026, as per Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of the conditions of Corporate Governance is the responsibility of the Management. The responsibility includes the designing, implementing, and maintaining operating effectiveness of internal controls to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express an opinion as to whether the Company has complied with the conditions of Corporate Governance as stated in the Paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Standards on Auditing, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI') and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information, according to the explanations provided to us and the representation made by the management, in our opinion, the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in the Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2026.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**Restrictions on use**

9. This certificate is addressed and provided to the Board of Directors of the Company solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **PKF Sridhar & Santhanam, LLP**
Chartered Accountants
Firm's Registration No. 003990S/S200018

S. Prasana Kumar

Partner

Membership No. 212354

UDIN: 26212354SUPSYZ6830

Place: Chennai

Date: May 11, 2026

Management Discussion and Analysis

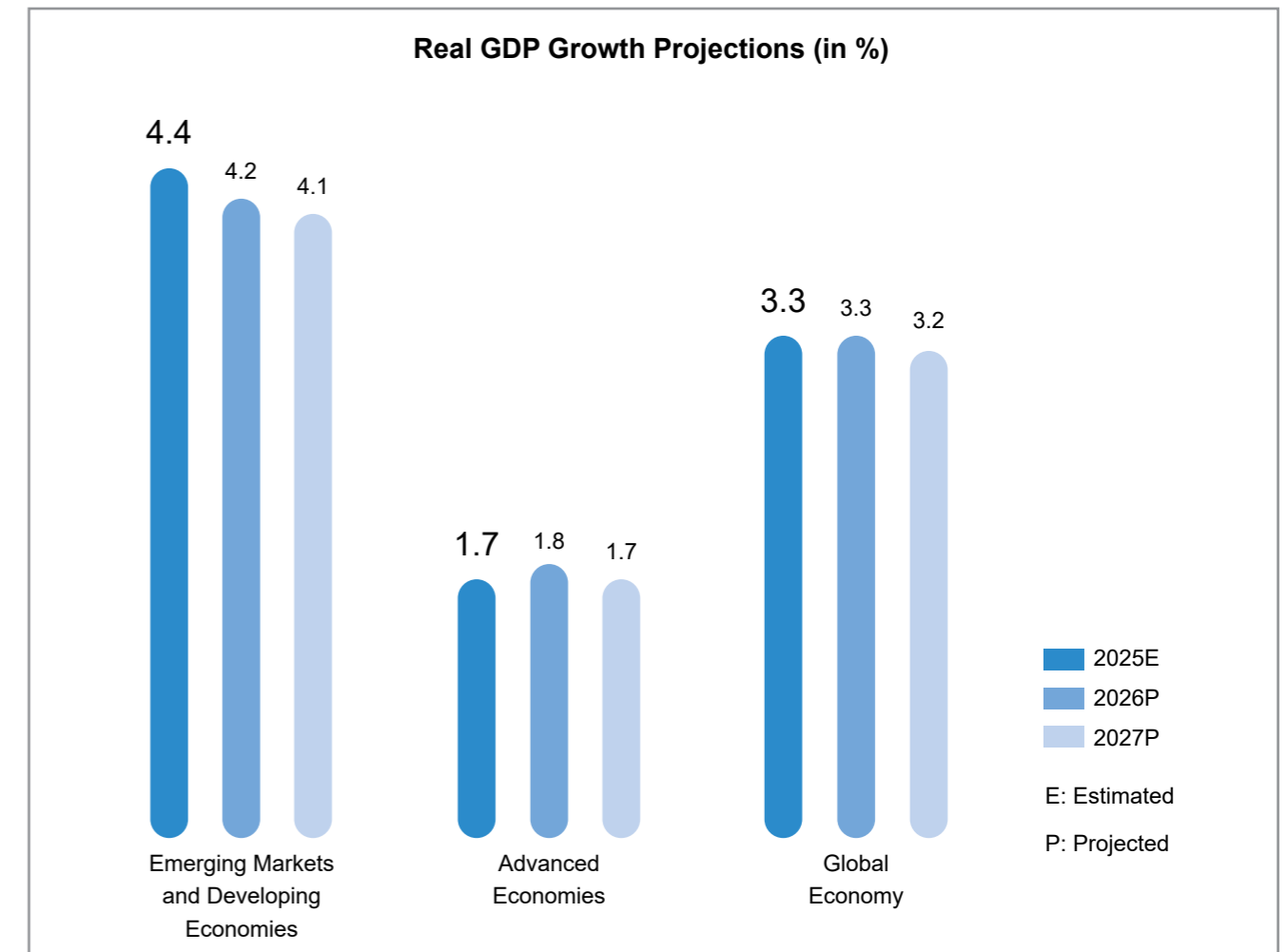
GLOBAL ECONOMY

The global economy in 2025 maintained a stable trajectory, registering moderate growth despite ongoing pressures from trade tensions, evolving US tariff regimes, policy uncertainty, shifting supply chains, and currency volatility across emerging markets. According to the IMF's World Economic Outlook, global growth is projected at around 3.3% for both 2025 and 2026. Global inflation trends indicate moderating price pressures, with headline inflation expected to ease to around 4.5% in 2025 and around 4.2% in 2026, supported by softer commodity prices, normalising supply chains, and calibrated monetary policy adjustments by major central banks.

However, geopolitical tensions in West Asia intensified following the US-Israel-Iran conflict in late February 2026, resulting in a partial blockade and disruption of shipping through the Strait of Hormuz, one of the world's most critical energy chokepoints. The disruption has resulted in a sharp surge in global oil prices and heightened concerns over energy supply routes and global supply chains. The resulting increase in crude prices is elevating energy and raw material costs, impacting energy-intensive industries such as refineries and chemical manufacturers. Asian economies, including China, India and Thailand remain particularly vulnerable due to their heavy reliance on Middle Eastern crude imports. For the highly energy-intensive chlor-alkali industry, the primary global consumer of industrial salt, surging electricity costs and escalating freight surcharges are significantly squeezing operating margins. Furthermore, as downstream vinyls production slows due to disrupted petrochemical feedstocks, the resulting moderation in chlor-alkali operating rates directly influences the global demand and pricing dynamics for raw materials like industrial salt.

(Source: <https://www.specialeurasia.com/2026/03/02/blockade-hormuz-maritime-economy/>
<https://www.thomsonreuters.com/en-us/posts/corporates/iran-war-economic-business-impact/>)

GDP Growth Projection (in %)



(Source: International Monetary Fund, World Economic Outlook Projections, January 2026)

Management Discussion and Analysis

**INDIAN ECONOMY**

With GDP growth estimated at around 7.4% for the year, India remained on a steady growth trajectory in FY 2025–26, reinforcing its position as the fastest-growing major economy globally. This momentum was supported by strong domestic demand, sustained public capital expenditure and a gradual recovery in private investment.

Private consumption remained a key driver, with rural demand recovering on the back of improved agricultural output, normal monsoon conditions and moderating inflation, while urban consumption stayed resilient, supported by formal employment growth, rising disposable incomes and steady credit expansion, albeit with selective moderation in discretionary spending. Government capital expenditure continued to play a counter-cyclical and crowding-in role, with sustained investments in infrastructure, logistics, railways, defence manufacturing and digital infrastructure enhancing supply-side efficiencies, reducing logistics costs and strengthening India's manufacturing competitiveness.

(Source: <https://mospi.gov.in/uploads/latestreleasesfiles/1767782498513-GDP%20Press%20Note%20on%20FAE%202025-26.pdf>)

INDIAN CHEMICAL INDUSTRY

The Indian chemical industry is navigating a mixed market environment in FY 2025–26, with near-term stabilisation following a period of macroeconomic uncertainty, geopolitical developments, and supply chain disruptions. While tariff-related sourcing uncertainties and softer demand in select segments persist, improving inquiry levels signal early signs of recovery.

Despite these short-term challenges, the industry's long-term outlook remains strong, supported by rising domestic consumption, government incentives, and global supply chain diversification. The market, valued at approximately USD 220 Bln in 2025, is projected to reach USD 383 Bln by 2030, with sustained expansion across both commodity and specialty segments. A roadmap by NITI Aayog highlights the potential for India to emerge as a global chemical powerhouse, targeting a market size of USD 1 Tln by 2040, while progress on proposed India-US and India-EU Free Trade Agreements is expected to create meaningful medium- to long-term opportunities for exporters.

(Source: <https://www.indianchemicalnews.com/opinion/resilience-to-rise-indias-chemical-sector-poised-for-strong-rebound-amid-global-realignment-27364>)

Key Opportunities**Rising Demand for Specialty Chemicals**

Rising demand for high-performance materials across sectors such as automotive, electronics, pharmaceuticals,

construction, and personal care presents significant opportunities for specialty chemical manufacturers. Increasing product innovation, contract manufacturing, and export-oriented production are expected to support sustained growth in this segment.

Supply Chain Diversification

Global companies are increasingly diversifying supply chains to reduce dependence on concentrated manufacturing geographies, driving a shift in sourcing strategies. This transition is creating significant opportunities for Indian specialty chemical producers to capture a larger share of global supply chains, expand export markets, and attract foreign direct investment. Supported by rapid capacity expansion, favourable policy initiatives, and a strong domestic, as well as export-oriented market base, India is steadily positioning itself as a key global hub for chemical manufacturing.

Shift in Global Chemical Manufacturing

The ongoing reduction in Europe's energy-intensive chemical production, driven by high energy costs and structural competitiveness challenges, is creating a supply gap in global markets. This is further underscored by a staggering sixfold increase in chemical plant closures across Europe since 2022, signalling a structural shift in global supply. This presents a significant opportunity for Indian specialty chemical companies to expand exports and address evolving customer demand. With global buyers increasingly diversifying sourcing, Indian manufacturers are well-positioned to emerge as reliable alternative suppliers, supported by cost competitiveness and a growing manufacturing base.

Green and Sustainable Chemicals

Growing regulatory emphasis on sustainability and environmental compliance is accelerating the adoption of green chemistry, bio-based chemicals, and circular manufacturing practices. Companies investing in environmentally responsible technologies are expected to gain competitive advantages in global markets.

Government Support and Policy Reforms

Policy initiatives like 100% FDI under the automatic route, development of Petroleum, Chemicals and Petrochemical Investment Regions (PCPIRs), and continued infrastructure investments are strengthening India's chemical manufacturing ecosystem and supporting long-term sectoral growth.

(Source: <https://www.indianchemicalnews.com/opinion/resilience-to-rise-indias-chemical-sector-poised-for-strong-rebound-amid-global-realignment-27364>)

Key Challenges**Raw Material Price Volatility**

Fluctuations in crude oil prices and feedstock costs continue to impact petrochemical pricing and margins, with volatility further exacerbated by geopolitical tensions, including the US-Iran-Israel conflict, which has heightened risks around global energy supply.

Environmental Regulations and Sustainability

Increasingly stringent environmental regulations are requiring companies to adopt cleaner production technologies, robust waste management systems, and more sustainable manufacturing practices. Restrictions on certain brominated flame retardants (BFRs) identified as persistent and bioaccumulative toxins across key markets like the US and EU, despite their long-standing use in plastics, electronics, and insulation, are one such instance. These evolving regulatory frameworks are accelerating the shift towards halogen-free and greener alternatives, often involving higher costs, reformulation efforts, and potential disruption to existing product portfolios.

Competition from Global Markets

Despite opportunities created by supply chain diversification, Indian manufacturers continue to face competition from established manufacturing hubs such as China, as well as emerging Southeast Asian markets.

Infrastructure and Supply Chain Constraints

Dependence on imported feedstocks and logistics bottlenecks can impact production planning and project execution timelines. Gaps in domestic infrastructure, including transportation networks, storage facilities, and utility reliability, can constrain scale-up and affect operational efficiency, particularly for export-oriented specialty chemical manufacturers.

R&D and Skilled Workforce Limitations

As the industry transitions towards higher-value specialty chemicals, stronger investments in research, innovation, and skilled technical talent will be essential to sustain long-term competitiveness.

(Source: <https://businessbase.com/chemical-industry-in-india/> <https://cen.acs.org/business/Indian-chemical-sectors-aspirations-face/104/web/2026/01>)

Outlook

Over the longer term, the industry has the potential to scale significantly, with projections indicating that it could grow into a USD 1 Tln market by 2040 as India strengthens its

position as a global chemical manufacturing hub. Specialty chemicals, agrochemicals, and green chemistry segments will lead this charge. Policy reforms, PLI schemes, and a push for sustainability and circular economy practices are set to enhance competitiveness. Capacity expansion, technology adoption, and sustainability-focused manufacturing practices are expected to enhance India's global competitiveness. Despite these positive growth drivers, the sector continues to face certain structural challenges including dependence on imported feedstocks, evolving regulatory requirements, and the need for stronger research and innovation capabilities.

(Source: <https://www.fortuneindia.com/business-news/niti-aayog-charts-roadmap-for-indias-chemical-sector-to-reach-1-trillion-by-2040/124591>)

INDIAN SEMICONDUCTOR INDUSTRY

The Indian semiconductor industry is entering a transformational phase in FY 2025–26, evolving from a predominantly design-led ecosystem into an integrated global manufacturing hub. Supported by strong domestic demand across consumer electronics, telecom (driven by 5G expansion), and the automotive sector (led by EV adoption), the market, valued at USD 59.78 Bln in 2025, is projected to clock in a CAGR of 11.95% to reach USD 180.20 Bln by 2034.

(Source: <https://www.imarcgroup.com/india-semiconductor-market>)

This rapid expansion is amplifying the need for next-generation, wide-bandgap semiconductor materials, particularly Silicon Carbide (SiC), both in India and globally. The accelerating shift toward electrification, renewable energy, and AI-driven digital infrastructure is placing a structural premium on power efficiency, positioning SiC as a critical enabler of high-performance, energy-efficient systems.

With its superior electrical and thermal properties, SiC is increasingly becoming indispensable in high-efficiency EV powertrains, renewable energy systems, and high-power electronics. As a result, the localisation of SiC-related capabilities presents a strategic, high-value opportunity for advanced specialty material manufacturers seeking to move up the value chain.

Policy support is further strengthening this opportunity. Targeted government initiatives such as the Production-Linked Incentive (PLI) schemes and the India Semiconductor Mission (ISM), alongside landmark investments in domestic fabrication and advanced packaging (ATMP/OSAT) facilities, are laying the groundwork for long-term self-reliance and ecosystem development in critical semiconductor components.



Key Application Segments

Automotive

The automotive sector is expected to dominate SiC demand, accounting for approximately 60-70% of the market by 2030. Battery electric vehicle (BEV) manufacturers are increasingly standardising SiC devices across traction inverters, onboard chargers, and DC-DC converters. The efficiency gains delivered by SiC directly enhance vehicle range, making it a key competitive differentiator and the primary driver of demand.

Renewable Energy Infrastructure

Renewable energy applications, including solar photovoltaic systems and energy storage, account for nearly 20% of demand and are expanding rapidly in line with global and domestic decarbonisation goals. Wind energy is also emerging as a high-growth segment, further reinforcing SiC's role in clean energy infrastructure.

Data Centres

The surge in AI workloads and hyperscale computing is placing power efficiency at the core of data centre economics. SiC-based power solutions, such as server power supplies and Uninterruptible Power Supply (UPS), enable higher efficiency and better thermal management, helping operators manage rising power densities while

optimising operating costs. This segment is expected to become an increasingly meaningful contributor to demand.

Industrials

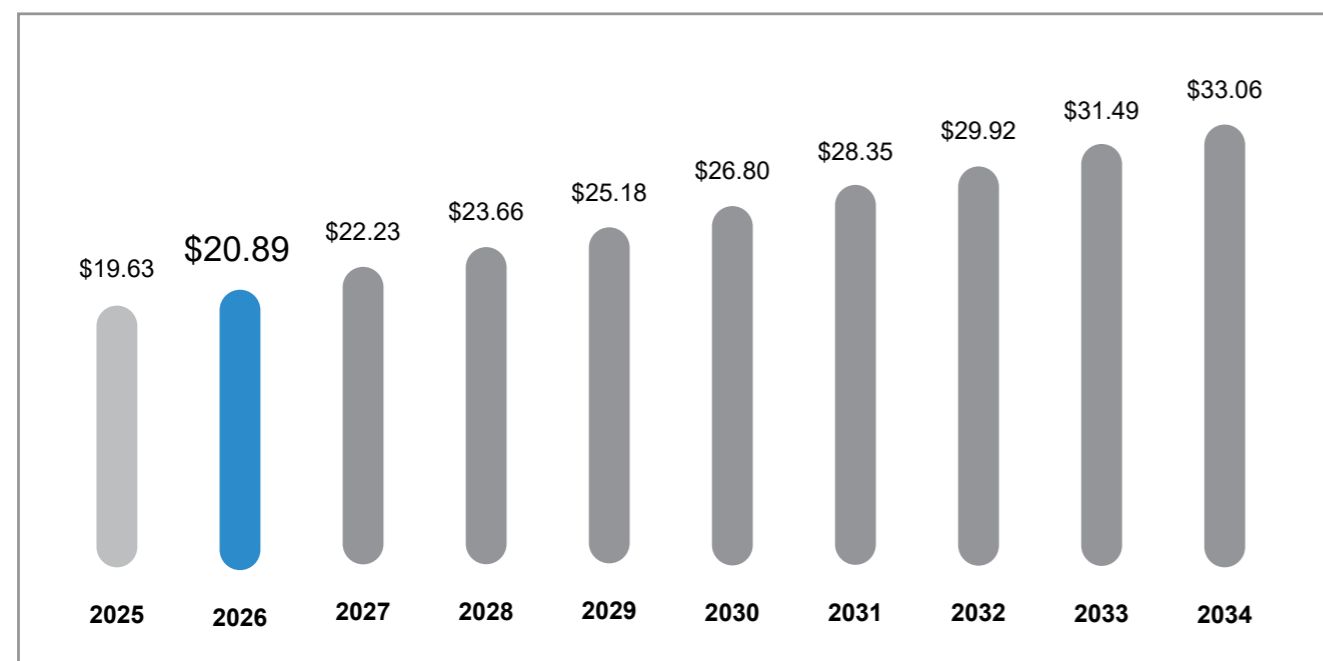
In the industrials segment, SiC adoption is expanding across motor drives, industrial power supplies, rail traction systems, and factory automation. These applications require high reliability and efficiency under continuous operation. Compared to automotive, industrial demand is relatively less cyclical, providing stability to the overall SiC demand mix.

(Source: <https://www.imarcgroup.com/india-semiconductor-market>)

INDUSTRIAL SALT MARKET

Industrial salt remains an essential raw material for a wide range of industries including chemical manufacturing, water treatment, agriculture, food processing, and de-icing applications. Globally, the industrial salt market is valued at USD 19.63 Bln in 2025 and is expected to reach USD 33.06 Bln by 2034, reflecting a CAGR of 6.01% during the same period. This growth is driven by chemical manufacturing, rising water treatment needs, and infrastructure demands. The Asia-Pacific region dominates global salt production and consumption, with China and India among the largest producers and consumers, driven by rapid industrialisation and strong demand from the chemical sector.

Global Industrial Salt Market 2025–2034 (USD Bln)

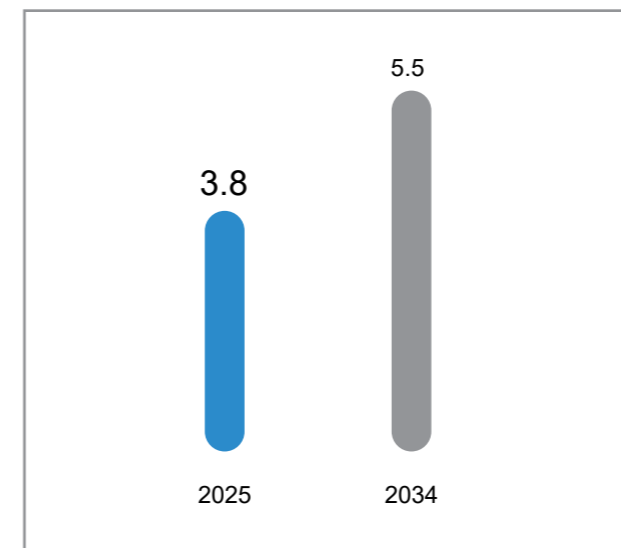


(Source: <https://www.precedenceresearch.com/industrial-salts-market>)

BROMINE MARKET

The global bromine market is projected to continue expanding steadily, supported by increasing demand across flame retardants, oil and gas drilling fluids, pharmaceuticals, and water treatment applications. The market is estimated to be valued at approximately USD 3.8 Bln in 2025 and is expected to grow to around USD 5.5 Bln by 2034, reflecting a CAGR of about 3.95% during the same period. Demand growth is particularly strong in the Asia-Pacific region, driven by expanding industrial activity and increasing applications in specialty chemicals and energy storage technologies such as zinc-bromine flow batteries.

Global Bromine Market 2025–2034 (USD Bln)



In India, the bromine market reached USD 118.7 Mln in 2024 and is projected to grow to USD 169.9 Mln by 2033 at a CAGR of 4.1%, driven by water treatment, flame retardants in construction/electronics, and fire safety regulations.

(Source: <https://www.imarcgroup.com/bromine-market> <https://www.imarcgroup.com/india-bromine-market>)

BROMINE DERIVATIVES MARKET

The global bromine derivatives industry is experiencing steady expansion, underpinned by stringent fire safety regulations and the evolving needs of advanced manufacturing. Flame retardants constitute the largest application segment, driven by the rapid electrification of vehicles, the miniaturisation of consumer electronics, and rigorous global construction safety standards. Demand for bromine-based flame retardants is rising rapidly, particularly across electronics, automotive, and construction sectors where fire safety is a critical priority. Increasing global awareness of fire hazards, coupled with stricter regulatory frameworks, has further accelerated their adoption, reinforcing their importance in

ensuring safety compliance across modern infrastructure and high-performance products.

(Source: <https://www.imarcgroup.com/bromine-market>)

OILFIELD CHEMICALS MARKET

The oilfield chemicals market is experiencing strong growth, driven by rising awareness and regulatory scrutiny around environmental impact and their critical role in enhancing oil and gas operations. Widely used across drilling, cementing, stimulation, and production, these chemicals improve efficiency, maximise recovery, and ensure well integrity. Increasingly stringent norms are accelerating the shift towards eco-friendly, high-performance formulations, supported by advancements in low-toxicity and biodegradable additives.

At the same time, the market is expanding into deepwater and frontier exploration, driven by declining conventional reserves and rising energy demand. This shift is fuelling demand for advanced drilling technologies and specialised chemical solutions suited for extreme conditions, reinforcing the importance of oilfield chemicals in enabling efficient, safe, and reliable operations.

(Source: *Oil Field Chemicals Market – A Global and Regional Analysis*, BIS Research, February 2025)

SILICON CARBIDE (SiC) MARKET

The silicon carbide (SiC) market serves a wide range of end-use sectors such as electronics and semiconductors, steel manufacturing, energy, automotive, aerospace and defence, among others. The global market is poised for strong growth, expanding from USD 4.82 Bln in 2025 to USD 8.79 Bln by 2031, at a CAGR of 10.69% (2026–2031). This momentum is being driven by demand across two key fronts:

- Advanced electronics, where SiC is increasingly used in power semiconductor substrates for applications such as traction inverters, data centre power systems, and renewable energy converters.
- High-performance industrial applications, including ceramics for blast furnaces, high-temperature heat exchangers, and ballistic protection systems.

(Source: <https://www.mordorintelligence.com/industry-reports/silicon-carbide-market>)

COMPANY OVERVIEW

Archean Chemical Industries Limited ('Archean' or 'The Company') is a leading India-based manufacturer of specialty marine chemicals with a robust footprint across global markets. Operating a unique, resource-backed marine chemicals complex, the Company derives high-quality Industrial Salt, Bromine, and Sulphate of Potash



Management Discussion and Analysis (Contd.)

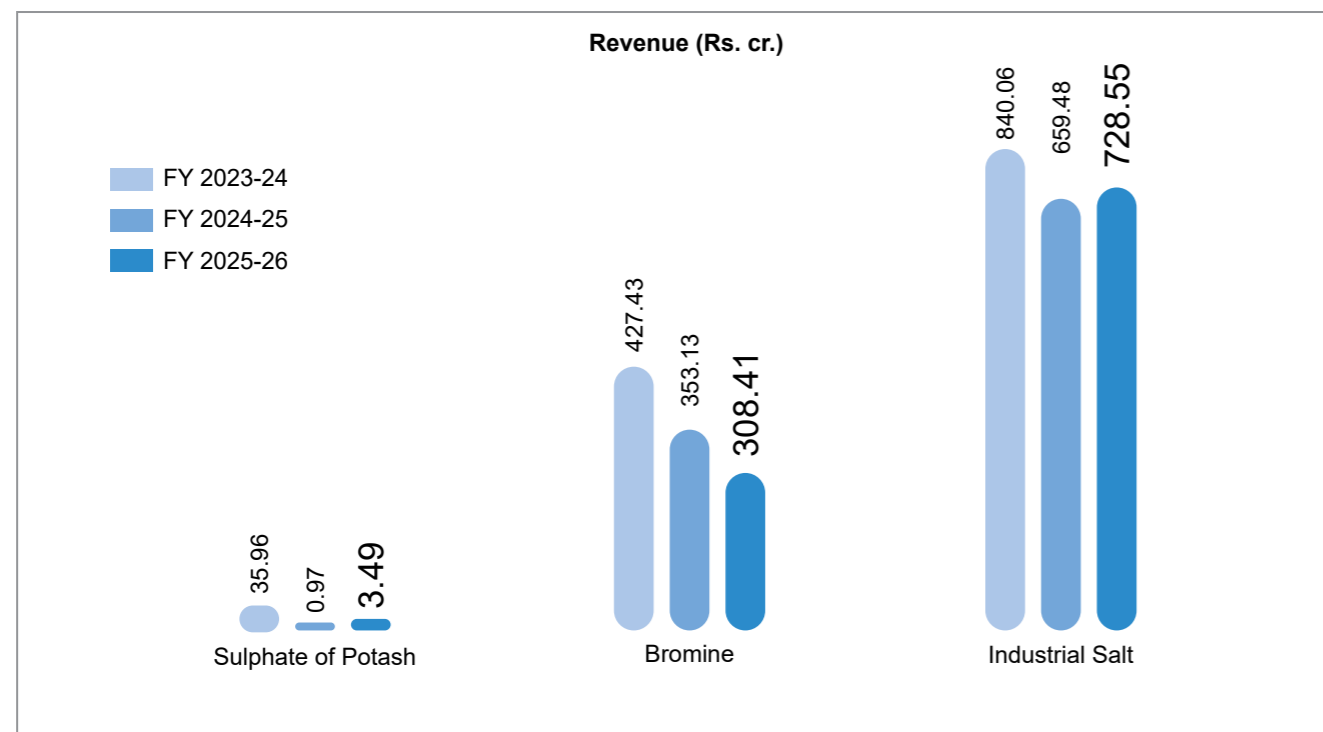
(SOP) directly from natural sea brine. This highly integrated operating model yields strong, sustainable cash flows, providing a resilient financial bedrock to fund the Company's broader strategic expansion.

Building upon this core platform, Archean is guided by a strategic mandate to optimise its foundational asset base, aggressively scale its specialty chemicals footprint, and pioneer next-generation technologies. The Company operates a tightly integrated value chain that spans from raw bromine to advanced bromine derivatives, including zinc bromide-based solutions, enabling significant operational efficiencies. As one of the few integrated players in India, Archean possesses the agility to seamlessly toggle production between market bromine and value-added downstream bromides based on global demand dynamics, thereby maximising value realisation and margin protection.

Looking ahead, the Company is strategically deploying capital to establish a strong presence in high-growth 'sunrise' sectors such as energy storage and advanced semiconductor materials. A key focus is the SiCSem initiative, which not only positions the Company in a critical next-generation technology space but also supports India's import substitution efforts in advanced semiconductor materials.

The Company's growth trajectory is anchored in durable, hard-to-replicate structural advantages, including access to premium brine reserves in the Rann of Kutch and the logistical edge of a captive port. Backed by resilient base demand and strong volume growth, Archean is well positioned to serve both established industrial applications and emerging technology-driven opportunities.

Product-wise Performance



Production Volume (Metric Tonnes)

4.2 Mln Tonnes

Industrial Salt Volume

13,263 Tonnes

Bromine Volume

Industrial Salt

The Company is among India's largest producers of industrial salt, with an installed capacity of 4 Mln MT Industrial salt

is a critical input for a wide range of industries, particularly the chlor-alkali sector, where it is used in the production of caustic soda, chlorine and soda ash. These chemicals are further used in manufacturing products such as glass, synthetic rubber, detergents, pesticides, paints, adhesives, fertilisers, explosives and metal coatings. The Company exports a significant portion of its industrial salt production to global markets, benefiting from its strategic proximity to Jakhau Jetty and Mundra Port, enabling efficient logistics and competitive export operations.

Management Discussion and Analysis (Contd.)

The Company has also signed an MoU with the Government of Gujarat for development of a captive salt jetty and associated infrastructure with a throughput of 7 MMTPA along the coastline of Gujarat.

Bromine and Bromine Derivatives

Bromine remains a core product within the Company's marine chemicals portfolio, with applications across agrochemicals, water treatment, pharmaceuticals, oil and gas drilling fluids, flame retardants and energy storage solutions. These applications span a diverse range of industries including chemicals, plastics, electronics, pharmaceuticals and energy.

To expand its presence in value-added segments, the Company continues to scale its bromine derivatives platform through its subsidiary, Acume Chemicals Private Limited (ACPL). ACPL has established a bromine derivatives manufacturing facility with a capacity of 28,000 MTPA, with Phase 1 commissioned in 2024. The facility is focused on producing clear brine fluids, PTA synthesis catalysts and other bromine-based specialty compounds, with further product additions planned as part of the Company's strategy to move up the value chain.

Sulphate of Potash (SOP)

Archean is India's only large-scale producer of fertiliser-grade, water-soluble Sulphate of Potash (SOP) through the natural sea brine route. This process offers a structurally lower cost of production and is environmentally sustainable as it does not involve chemical conversion processes. Globally, only a small proportion of SOP production is derived from natural brine sources, with the majority produced through the Mannheim process, which converts Muriate of Potash (MOP) using sulphuric acid.

During the year, the Company progressed from successful pilot trials to plant-scale trials for SOP production. Based on the current development timeline, meaningful financial contributions from SOP are expected in the latter half of FY 2026-27, as the Company advances towards commercial-scale operations.

Oilfield Chemicals

The Company is strengthening its presence in the oilfield chemicals segment through Idealis Mudchemie Private Limited (formerly Oren Hydrocarbons Private Limited). Leveraging its core brine chemistry capabilities, this business is integrated into the Company's broader specialty chemicals portfolio.

Following the acquisition of five non-operational units through the NCLT process, three units have completed trials and begun initial commercial operations, including sample

supplies to customers. Refurbishment of the remaining two units is underway, with commissioning expected in the next financial year. Scale-up has been gradual due to extensive restoration needs, as the facilities had remained idle for nearly six years. Progress has also been constrained by NCLT-related regulatory complexities, lengthy customer certification cycles, and muted demand due to lower crude prices, impacting rig activity and order conversion.

The Company views this segment as a natural extension of its legacy strengths, with a resilient long-term demand outlook supported by sustained global oil and gas exploration.

Semiconductor Initiative – Silicon Carbide (SiC)

Archean has taken a strategic step toward participating in the advanced materials and semiconductor ecosystem through its subsidiary SiCSem Private Limited. SiCSem is developing an integrated Compound Semiconductor facility in Odisha, the first commercial Compound Semiconductor Fab & ATMP facility to receive approval under the India Semiconductor Mission (ISM), focused on the design and manufacture of Silicon Carbide (SiC)-based semiconductor components. In FY 2025-26, it received landmark ISM approval, followed by the groundbreaking ceremony in November 2025, both significant validation of the project's scope and national relevance. The project involves a capital investment of Rs. 2,067 cr. and is designed to serve high-growth end markets including electric vehicles, renewable energy systems, data centres, and advanced power electronics etc., where SiC's superior thermal and electrical properties make it the material of choice over conventional silicon.

Energy Storage – Zinc Bromide Battery Technology

As part of its strategy to expand bromine applications into emerging energy technologies, the Company has made a strategic investment in Offgrid Energy Labs, acquiring an 18.14% stake in the company. Offgrid Energy Labs is developing zinc-bromide based battery technology for various applications including energy storage. These batteries are well suited for renewable energy integration, industrial energy management and off-grid power solutions.

To support technology scale-up and commercialisation, a pilot manufacturing facility is currently being established in the United Kingdom. The investment enables Archean to leverage its bromine capabilities while participating in the rapidly growing global energy storage market.



FINANCIAL OVERVIEW

In FY 2025–26, Archean reported standalone total revenue of Rs. 1,04,153.98 Lakhs. EBITDA stood at Rs. 30,804.24 Lakhs, compared to Rs. 37,212.14 Lakhs in FY 2024–25, while PAT was Rs. 15,437.29 Lakhs, compared with Rs. 18,492.32 Lakhs in the previous year. Earnings per share (EPS) for FY 2025–26 stood at Rs. 12.51.

On a consolidated basis, total revenue was Rs. 1,08,105.07 Lakhs in FY 2025–26. EBITDA stood at Rs. 26,573.14 Lakhs, compared to Rs. 35,143.74 Lakhs in the previous year, while PAT was Rs. 10,540.80 Lakhs as against Rs. 16,214.49 Lakhs in FY 2024–25. EPS stood at Rs. 8.66.

Key Ratios

Particulars	FY 2025–26	FY 2024–25	Rationale
Current Ratio	1.41	4.50	Due to increase in borrowing and reduction in mutual fund investments
Debt-Equity Ratio	0.13	0.03	Due to increase in net-worth
Return on Net Worth	7.96%	10.30%	Due to increase in net-worth and offset by reduction in operating profit margin
Inventory Turnover	5.86	7.20	-
Debtors Turnover	6.77	6.20	-
Operating Profit Margin	21.90%	31.20%	-
Net Profit Margin	14.82%	17.40%	-
Interest Coverage Ratio	12.88	28.40	Due to increase in borrowings

RISK MANAGEMENT

The Company recognises that effective risk management is integral to sustaining operational resilience and long-term value creation. Accordingly, it follows a structured approach to identifying, assessing and mitigating risks, supported by clearly defined governance mechanisms and mitigation frameworks.

The Risk Management Committee oversees the Company's risk management framework and ensures that appropriate methodologies, processes and systems are in place to monitor and evaluate risks associated with the business. The Committee is responsible for reviewing the implementation and adequacy of the risk management policy, periodically assessing emerging risks, and keeping the Board informed about key risk discussions, recommendations and proposed actions.

Given the dynamic and evolving environment in which the Company operates, continuous risk evaluation and proactive mitigation remain central to safeguarding operational continuity and financial performance.

Key Risks and Mitigation Measures

Operational Safety Risk

Accidents or unsafe conditions at manufacturing facilities can lead to employee injury, asset damage, operational disruptions and potential regulatory non-compliance, which may adversely affect the Company's reputation and business continuity.

Mitigation

The Company prioritises workplace safety through strict adherence to safety protocols, provision of appropriate personal protective equipment and regular employee training. A well-equipped Occupational Health Centre and ambulance facilities are available at the site to provide immediate medical support when required. Periodic mock drills are conducted and learnings are integrated into safety practices. Proactive monitoring of leading indicators such as near-miss reporting, unsafe acts and PPE compliance further strengthens on-site safety management.

Competitive Risk

Increasing competition within the chemical industry could impact the Company's market share, pricing dynamics and return on capital if emerging opportunities are not addressed in a timely manner.

Mitigation

The Company continuously evaluates market developments and proactively expands its product portfolio to address evolving customer needs. Strong and long-standing customer relationships position the Company as a preferred and reliable supplier. Continuous benchmarking against peers, combined with a focus on product quality and timely delivery, supports sustained competitiveness.

Raw Material Price Risk

Volatility in crude oil prices and fluctuations in the cost of other raw materials may impact the Company's cost structure and profitability.

Mitigation

The Company's backward integration capabilities enable access to key inputs at competitive and stable costs. In addition, a diversified supplier base and multi-supplier sourcing strategy reduce dependence on any single supplier and enhance supply security.

Natural Disaster Risk

Force majeure events such as cyclones or other natural disasters may disrupt operations and impact production.

Mitigation

The Company maintains robust preparedness measures to manage such contingencies. Manufacturing facilities are adequately insured against natural calamities, helping mitigate potential financial impact.

Foreign Exchange Risk

Given that exports account for a significant portion of the Company's revenue and certain raw materials are imported, fluctuations in foreign exchange rates may affect financial performance.

Mitigation

The Company follows a disciplined foreign exchange risk management framework, including the use of forward contracts and other hedging mechanisms to manage currency volatility.

SUSTAINABILITY AND RESPONSIBLE STEWARDSHIP

The Company has embedded sustainability into its core operations, with a focus on resource efficiency, environmental impact reduction, and community engagement. The Company maintains globally recognised certifications, including ISO 9001, ISO 14001, and ISO 45001, and is a certified member of the Responsible Care initiative of the Indian Chemical Council.

Operational initiatives undertaken during the year have delivered meaningful improvements in environmental performance. The reuse of acidic effluent in the bittern acidification process has reduced lime consumption and lowered ETP sludge generation significantly. Energy efficiency has been enhanced through the deployment of Variable Frequency Drives (VFDs) and an Automatic Power Factor Correction (APFC) system, while a hybrid renewable energy solution supplying over 52,000 MWh has enabled the replacement of conventional boilers and reduced reliance on fossil fuels. Coal consumption has also declined by ~1,500 MT per month, contributing to lower Scope 1 emissions.

Water stewardship remains a priority, with ~4.99 Mln kL of rainwater harvested during the year and continued operation under a Zero Liquid Discharge (ZLD) framework.

As part of its social responsibility, the Company actively supports neighbouring communities through initiatives such as the distribution of medicines and provision of water tankers, contributing to improved access to essential resources.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company continues to strengthen its people-centric culture, recognising employees as a critical driver of long-term growth and organisational capability. During the year, the Human Resource function advanced its digital transformation through the implementation of a new HRMS, enhancing process efficiency, enabling data-driven decision-making, and improving employee experience.

The Company's talent strategy focuses on clearly defined career pathways aligned with business objectives, supported by streamlined onboarding and continuous capability-building programmes. There is a growing shift towards strategic training plans aimed at preparing employees for future business needs. Leadership development initiatives have been reinforced through structured assessment frameworks to identify and nurture high-potential talent. In parallel, the Company maintains a strong focus on training the workforce in Six Sigma methodologies, enabling a transition from reactive to proactive, data-led process management

Safety remains a top priority, with a vision to be among the safest chemical manufacturing companies globally. This is supported by structured, theme-based training across key safety areas, designated safety leadership at the shop floor level, and daily safety engagement initiatives designed to embed a strong safety culture across the organisation.

Employee engagement continues to be reinforced through transparent communication practices, alongside recognition and reward programmes aligned with performance outcomes. The Company also remains committed to fostering a diverse and inclusive workplace, embedding DEI principles across policies, processes, and culture, while supporting holistic employee wellbeing spanning physical, emotional, and financial dimensions.

As of March 31, 2026, the Company employed 257 individuals across its plant and registered office.



INTERNAL CONTROL SYSTEMS

The Company has established a robust internal control framework designed to ensure the accuracy and reliability of financial reporting, safeguard assets and support operational efficiency across business functions.

The internal control environment is aligned with recognised governance practices and is periodically reviewed to reflect the evolving scale and complexity of operations. Clearly defined Standard Operating Procedures (SOPs), automation-enabled workflows and IT-driven monitoring systems strengthen transparency, accountability and compliance across processes.

Independent internal audits are conducted periodically, and key observations are reviewed by the Audit Committee to ensure timely corrective actions and continuous improvement. This framework reinforces the Company's commitment to strong governance, risk discipline and operational excellence.

CAUTIONARY STATEMENT

The Management Discussion and Analysis (MD&A) may contain 'forward-looking statements' reflecting the Company's current expectations regarding future developments, business prospects and financial performance. These statements are based on assumptions and expectations in light of currently available information and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied.

Such 'forward-looking statements' speak only as of the date of this report. The Company undertakes no obligation to publicly update or revise these statements to reflect subsequent events or developments.



Business Responsibility and Sustainability Report



Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the listed entity	L24298TN2009PLC072270
2.	Name of the listed entity	Archean Chemical Industries Limited
3.	Year of incorporation	July 14, 2009
4.	Registered office address	No. 2, North Crescent Road, T Nagar, Chennai, Tamil Nadu – 600017
5.	Corporate address	No. 2, North Crescent Road, T Nagar, Chennai, Tamil Nadu – 600017
6.	Email	secretarial@archeanchemicals.com
7.	Telephone	044-6109 9999
8.	Website	www.archeanchemicals.com
9.	Financial year for which reporting is being done	FY 2025-26
10.	Name of the Stock Exchange(s) where shares are listed	<ul style="list-style-type: none"> BSE Limited National Stock Exchange of India Limited
11.	Paid-up capital	Rs. 24,69,16,788
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. Vijayaraghavan N E 044-6109 9999 vijayaraghavan.ne@archeanchemicals.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)	Disclosures in this report are on a standalone basis and pertain only to Archean Chemical Industries Limited
14.	Name of assurance provider	The report has not been assured by an external assurance provider
15.	Type of assurance obtained	Not applicable

II. Products/services

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

S. no.	Description of main activity	Description of business activity	% of turnover of the entity
1.	Production of Marine Chemicals	Manufacturing, distribution, sales and marketing of Marine Chemicals	99.79%

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.	Production of Marine Chemicals	089302	99.79%

The above NIC Code has been presented as per the updated NIC Classification 2025.

III. Operations

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

Location	Number of plants	Number of offices	Total
National	1	3	4
Hajipir (Gujarat)	1	-	1
Chennai (Tamil Nadu)	-	2	2
Bhuj (Gujarat)	-	1	1
International	-	-	-

Note: The Gandhidam office is not included in FY 2025-26 as it has no operations.

Business Responsibility and Sustainability Report (Contd.)

19. Markets served by the entity:

a. Number of locations

Location	Number
National (no. of states)	9 (Nine)
International (no. of countries)	8 (Eight)

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

For FY 2025-26, the exports contribution was 78%.

c. A brief on types of customers

Our client base primarily comprises B2B industrial buyers, serving a wide range of end-use sectors. These include agriculture, pharmaceuticals, water treatment, flame retardants, oil & gas exploration, energy storage, chlor-alkali, food & beverage, medical uses, aluminium, glass, and textiles. To cater to these varied end-use sectors, we offer a range of products, as outlined below:

- Bromine:** Supplied to domestic and international B2B industrial customers engaged in the manufacture of flame retardants, agrochemicals, pharmaceuticals, water treatment chemicals, and fumigants, with applications spanning multiple end-use sectors.
- Industrial Salt:** Supplied primarily to international B2B customers involved in the chlor-alkali industry, including production of caustic soda, soda ash, and chlorine; key markets include Southeast Asia, China, the Middle East and the Gulf regions.
- SOP:** Supplied to both domestic and international B2B customers for use as a water-soluble fertiliser in agricultural applications.

IV. Employees

20. Details as at the end of financial year:

a. Employees and workers (including differently abled):

S. no.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	257	247	96.11	10	3.89
2.	Other than permanent (E)	432	432	100.00	0	0.00
3.	Total employees (D + E)	689	679	98.55	10	1.45
Workers						
4.	Permanent (F)	Nil	Nil	NA	Nil	NA
5.	Other than permanent (G)	Nil	Nil	NA	Nil	NA
6.	Total workers (F + G)	NA	NA	NA	NA	NA

b. Differently abled employees and workers:

S. no	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled employees						
1.	Permanent (D)	NA	NA	NA	NA	NA
2.	Other than permanent (E)	NA	NA	NA	NA	NA
3.	Total differently abled employees (D + E)	NA	NA	NA	NA	NA
Differently abled workers						
4.	Permanent (F)	NA	NA	NA	NA	NA
5.	Other than permanent (G)	NA	NA	NA	NA	NA
6.	Total differently abled workers (F + G)	NA	NA	NA	NA	NA



21. Participation/inclusion/representation of women

	Total (A)	No. and % of females	
		No. (B)	% (B/A)
Board of Directors	7	1	14.29
Key Management Personnel	5*	0	0.00

*KMP includes the Managing Director and the Executive Vice Chairman (WTD). KMP includes, Mr. N R Kannan, who ceased to be a KMP w.e.f. from the close of business hours on April 30, 2026.

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	40.71	0	39.54	30	1	31	30	1	31
Permanent workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

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

S. no.	Name of the holding/subsidiary/ associate companies/joint ventures (A)	Indicate whether holding/subsidiary/ associate/joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Acume Chemicals Private Limited	Subsidiary	100%	No
2.	Idealis Chemicals Private Limited	Subsidiary	100%	No
3.	Neun Infra Private Limited	Subsidiary	100%	No
4.	SicSem Private Limited	Step-Down Subsidiary	70%	No
5.	Idealis Mudchemie Private Limited*	Step-Down Subsidiary	100%	No

*Idealis Chemicals Private Limited holds 100% of the shares in Idealis Mudchemie Private Limited

VI. CSR Details

- 24. i.** Whether CSR is applicable as per section 135 of Companies Act, 2013: **(Yes/No)**- Yes.
ii. Turnover (in Rs.): Rs. 1,04,153.98 Lakhs.
iii. Net worth (in Rs.): Rs. 1,99,803.24 Lakhs.

VII. Transparency and disclosures compliances
25. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint was received	Grievance redressal mechanism in place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2025-26 (Current financial year)			FY 2024-25 (Previous financial year)		
		Number of complaints filed during the year	Number of complaints with pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints with pending resolution at the close of the year	Remarks
Communities	Yes, https://www.archeanchemicals.com/investor-relations/admin/assets/products/External%20Grievance%20Policy.pdf	Nil	NA	NA	Nil	NA	NA
Investors (other than Shareholders)	Yes, an Email can be sent to secretarial@archeanchemicals.com with details of the grievance	Nil	NA	NA	Nil	NA	NA
Shareholders	Yes, an Email can be sent to secretarial@archeanchemicals.com with the details of the grievance	Nil	NA	NA	Nil	NA	NA
Employees and Workers	Yes, https://www.archeanchemicals.com/investor-relations/admin/assets/products/Internal%20Grievance%20Policy.pdf	Nil	NA	NA	Nil	NA	NA
Customers	Yes, https://www.archeanchemicals.com/investor-relations/admin/assets/products/External%20Grievance%20Policy.pdf	Nil	NA	NA	2	NA	All complaints were duly resolved and closed
Value Chain Partners	Yes, https://www.archeanchemicals.com/investor-relations/admin/assets/products/External%20Grievance%20Policy.pdf	Nil	NA	NA	Nil	NA	NA
Others (Please Specify)	-	Nil	NA	NA	Nil	NA	NA



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.	Carbon Emission	R	We acknowledge that carbon emissions pose a critical sustainability risk, driven by heightened regulatory scrutiny and the global shift towards environmental accountability. Adapting to stricter regulations and meeting stakeholder expectations requires us to prioritise cleaner technologies and energy efficiency to maintain our competitive edge.	We integrated a hybrid renewable energy solution as part of our ongoing efforts to reduce our carbon footprint through a 66 kV power import system from the Gujarat Electricity Board, supplying 2,35,50,593 kWh of electricity during FY 2025-26. This transition actively displaces the coal required for our cogeneration plant, substantially lowering our greenhouse gas (GHG) profile.	Negative
2.	Water Stewardship	O/R	Water management is viewed as a strategic opportunity in our sustainability roadmap. By focusing on water conservation, we not only protect this vital resource but also realise significant gains in operational efficiency and cost savings. This proactive approach strengthens our resilience against global water scarcity.	We captured 49,89,890 kL of rainwater during the year, significantly reducing our reliance on external water sources, supporting our long-term vision of becoming water-positive, and strengthening our ESG performance.	Positive
3.	Energy Efficiency	R	Energy efficiency represents a material risk, given that our dependence on fossil fuels like coal and diesel directly impacts operational expenses and our carbon footprint. Inefficiencies can lead to resource wastage, hindering our ability to comply with tightening environmental norms and achieve our sustainability targets.	We implemented energy-saving measures by equipping the cooling tower pump with a 132 kW VFD panel and adding a 55 kW VFD to the Bromine plant compressor. Furthermore, we commissioned an APFC panel at PS-9, which optimises power factor performance and boosts overall electrical efficiency.	Positive
4.	Health & Safety	R	Given the inherent hazards of chemical manufacturing, health and safety risks are a top priority. These include potential exposure to toxic substances, chemical spills, fires, and ergonomic challenges. A lapse in safety protocols can adversely affect our workforce, disrupt productivity, and harm overall operational integrity.	We maintained a rigorous risk management framework to handle hazardous chemicals safely. This includes comprehensive safety protocols, periodic audits, continuous workforce training, and strong monitoring systems, designed to foster a secure working environment.	Negative

S. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
5.	Talent Attraction, Retention & Development	O	Acquiring, retaining, and nurturing talent is fundamental to our organisational growth and operational stability. An empowered, diverse, and well-trained workforce drives innovation and ensures we remain adaptable and competitive in a dynamic industry landscape.	-	Positive
6.	Corporate Governance	O	Strong corporate governance offers a strategic advantage by embedding transparency, accountability, and ethical behaviour into our operations. By adhering to rigorous governance frameworks, we build stakeholder trust, streamline risk management, and position the company for sustainable, long-term success.	-	Positive
7.	Innovation	O	We view innovation as a vital enabler for growth, market competitiveness, and future readiness. By continuously refining our products and processes, we are better equipped to respond to shifting market demands and advance our sustainability objectives through cutting-edge solutions.	-	Positive
8.	Concentration of Operations	R	A significant portion of the Company's operations is concentrated at a single location. Any adverse event, such as natural disasters, infrastructure disruptions, regulatory actions, or other unforeseen incidents, at this site could lead to substantial operational interruptions, financial losses, and supply chain disruptions.	We conduct regular mock drills, risk assessments, and scenario planning exercises to strengthen emergency preparedness and business continuity. Robust preventive maintenance, process safety and emergency response systems are implemented to reduce the likelihood and impact of operational incidents. Adequate insurance coverage for property damage, business interruption, and other operational risks is also in place to minimise potential financial impacts.	Negative



SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

S. no.	Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Weblink of the policies*, if available	1, 2, 3, 4, 5, 8, 11, 12, 14, 15, 16, 18, 22	4, 13	4, 9, 10, 17, 23	4, 21	4, 13	4, 13, 19, 20	4	4, 6	4, 7
	*Web-links of all policies:									
	1. Anti-Bribery and Anti-Corruption Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Anti%20Bribery%20and%20Anti%20Corruption%20Policy.pdf									
	2. Archival Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Archival%20Policy.pdf									
	3. Board Diversity Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Board%20Diversity%20Policy.pdf									
	4. Business Responsibility and Sustainability Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Business%20Responsibility%20and%20Sustainability%20Policy.pdf									
	5. Policy on Preservation of Documents: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Policy%20on%20Preservation%20of%20Documents.pdf									
	6. Corporate Social Responsibility Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Corporate%20Social%20Responsibility%20Policy.pdf									
	7. Cyber Security Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Cyber%20Security%20Policy.pdf									
	8. Dividend Distribution Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Dividend%20Distribution%20Policy.pdf									



S. no.	Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	9. Equal Opportunity Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Equal%20Opportunity%20Policy.pdf									
	10. Internal Grievance Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Internal%20Grievance%20Policy.pdf									
	11. Nomination and Remuneration Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Nomination%20and%20Remuneration%20Policy.pdf									
	12. Policy on Material Subsidiaries: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Policy%20on%20Material%20Subsidiaries.pdf									
	13. Supplier Sustainability Code of Conduct: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Supplier%20Sustainability%20Code%20of%20Conduct.pdf									
	14. Whistle Blower and Vigil Mechanism Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Whistle%20Blower%20and%20Vigil%20Mechanism%20Policy.pdf									
	15. Code of Conduct for DRs, MGT and ID: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Code%20of%20Conduct%20for%20DR%20MGT%20and%20ID.pdf									
	16. Policy for Determining Materiality of Events: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Policy%20on%20Materiality-Final.pdf									
	17. ESOP Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/ESOP%20Policy%20Amended%2006102023.pdf									
	18. Risk Management Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Risk%20Management%20Policy-15.01.2022.pdf									
	19. IMS Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/IMS%20Policy_English.pdf									



S. no.	Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		20. Onsite-Offsite Energy Plan: https://www.archeanchemicals.com/investor-relations/admin/assets/products/4.%20ACIL-%20OSEP-UPDATED_Emergency%20Plan.pdf								
		21. External Grievances Mechanism Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/External%20Grievance%20Policy.pdf								
		22. Code of Conduct for Prevention of Insider Trading: https://www.archeanchemicals.com/investor-relations/admin/assets/products/Code%20of%20Conduct%20for%20PIT%20Final.pdf								
		23. POSH Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/ACIL%20PoSH%20Policy%20-%20October%202025.pdf								
		24. Related Party Transactions Policy: https://www.archeanchemicals.com/investor-relations/admin/assets/products/RPT%20Policy%2004.02.2026.pdf								
2	Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<ul style="list-style-type: none"> IMS Certifications (ISO 9001, ISO 14001, and ISO 45001) backing our operations Responsible Care (RC) certification from the Indian Chemical Council REACH Certification (SOP) 								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>The Company has established specific commitments as part of its continuous improvement framework under the Integrated Management System (IMS) and Responsible Care® principles. Our key focus areas across Environmental, Social, and Governance (ESG) dimensions are outlined below:</p> <p>Environment</p> <ul style="list-style-type: none"> Energy Efficiency: Achieve continuous reduction in energy consumption through initiatives such as VFD installations and process optimisation, with annual energy reduction targets reviewed on a year-on-year basis. Renewable Energy: Maximise utilisation of the existing 1.35 MW solar plant and sustain/improve annual generation levels each financial year. Water Management: Enhance water conservation and rainwater harvesting, with yearly targets for increased water recovery and reuse. Environmental Compliance: Ensure 100% compliance with applicable environmental regulations at all times, with periodic internal and external audits conducted throughout the year. Responsible Chemical Management: Strengthen safe chemical handling and transportation systems through continuous monitoring and improvement, with annual performance reviews. 								

S. no.	Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		<p>Social</p> <ul style="list-style-type: none"> Community Engagement: Strengthen community engagement through CSR initiatives and promote economic empowerment across communities. Diversity & Inclusion: Foster a diverse and inclusive workplace culture by promoting equal opportunities and an inclusive work environment. Occupational Health & Safety: Strive to achieve zero workplace incidents and maintain a zero reportable accident goal through strengthened safety training, enhanced emergency preparedness, and regular monthly and annual performance reviews. <p>Governance</p> <ul style="list-style-type: none"> Transparency & Accountability: Strengthen transparency, accountability, and adherence to regulatory requirements through robust compliance practices. 								
6	Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.	<p>Environment</p> <p>Energy Efficiency</p> <p>A 132 kW Variable Frequency Drive (VFD) panel was installed for the cooling tower pump, and a 55 kW VFD was commissioned for the Bromine plant compressor to improve operational efficiency and reduce energy usage. In addition, an Automatic Power Factor Correction (APFC) panel at PS-9 was commissioned, resulting in optimised power consumption and improved electrical efficiency. Further strengthening the energy management framework, an energy audit was conducted in February 2026, with the implementation of identified recommendations planned for FY 2026-27.</p> <p>Renewable Energy</p> <p>During FY 2025-26, the Company sourced 2,35,50,593 kWh of hybrid renewable power and generated 19,46,335 kWh through its in-house solar facility, while leveraging grid-connected infrastructure through a newly implemented 66 kV power import system. This transition enabled the replacement of two 45 TPH coal-fired boilers and one steam turbine generator, supporting the Company's ongoing efforts towards low-carbon operations and enhancing renewable energy utilisation.</p> <p>Water Management</p> <p>A total of 49,89,890 kL of rainwater was harvested during FY 2025-26, fully offsetting an equivalent quantity of water otherwise sourced externally.</p>								



S. no.	Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	<p>Climate and Emissions Reduction</p> <p>As part of its decarbonisation efforts and broader environmental commitments, the Company significantly reduced coal consumption at its Cogen high-pressure boiler facility. Monthly coal usage reduced by approximately 1,500 MT from historical consumption levels of around 5,000 MT per month. This reduction has contributed to a substantial decrease in Scope 1 greenhouse gas emissions and supports the Company's ongoing carbon footprint reduction journey.</p> <p>Environmental Compliance</p> <p>The Company continued to maintain a strong compliance framework through regular monitoring, audits, and adherence to applicable environmental regulations. Periodic internal reviews and continuous improvement mechanisms supported the Company's objective of ensuring sustained compliance and strengthening environmental governance practices.</p> <p>Social</p> <p>Community Development and Economic Empowerment</p> <p>The Company continued to engage with communities through CSR initiatives focused on education, healthcare, community welfare, rural development, and cultural preservation while supporting efforts to strengthen community development and economic empowerment.</p> <p>Diversity and Inclusion</p> <p>The Company continued its efforts towards fostering a diverse and inclusive workplace through initiatives focused on improving gender diversity and enabling broader representation across the workforce.</p> <p>Occupational Health & Safety</p> <p>The Hajipir plant continued to strengthen its integrated health, safety, and process safety management practices in line with the Company's commitment to maintaining a zero reportable accident culture and responsible chemical management. Regular audits, continuous employee training, and robust protocols for the safe handling and storage of hazardous chemicals remained key focus areas during the year. The Company further enhanced employee safety awareness through ongoing training, emergency preparedness programmes, and process safety initiatives. A proactive approach towards risk prevention and mitigation, covering spills, leaks, fires, and process safety risks, along with continued emphasis on preventive measures and regulatory compliance, remained integral to fostering a resilient and safety-focused workplace culture.</p> <p>Governance</p> <p>Transparency, Accountability and Compliance</p> <p>The Company continued to reinforce strong governance practices through adherence to regulatory requirements, robust internal control mechanisms, and transparent operational processes. Continuous monitoring and compliance reviews remained central to strengthening accountability and supporting long-term sustainable business practices.</p>									

S. no.	Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, Leadership and Oversight										
7	Statement by the director responsible for the Business Responsibility Report, highlighting ESG-related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) Please refer page 3 of the Annual Report.									
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).									Mr. Rampraveen Swaminathan, Managing Director
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.									Yes, Mr. Rampraveen Swaminathan, Managing Director



Subject for review	Indicate whether the 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 the above policies and follow-up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually
11 Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	We have not carried out an independent assessment of the working of our policies by an external agency.																	
12 If answer to question (1) above is 'No' i.e. not all Principles are covered by a policy, reasons to be stated:	Questions																	
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)	NA																	
Any other reason (please specify)	NA																	

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURES

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors (BoDs)	3	• Familiarisation programmes for directors	100%
Key Managerial Personnel (KMP)	2	• POSH Awareness Session • Inclusive Mindsets and Behaviours	100%
Employees other than BoDs & KMP	2	• POSH Awareness Session • Inclusive Mindsets and Behaviours	100%
Workers	NA	NA	NA

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMP) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (in Rs.)	Brief of the case	Has an appeal been preferred (Yes/No)
Penalty/fine	1	National Stock Exchange of India Limited (NSE)	Rs. 35,000	In connection with the delay in appointment of the Compliance Officer, the fine imposed by NSE was duly paid by the Company	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil
Non-monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the case	Has an appeal been preferred (Yes/No)	
Imprisonment	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	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

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.

The Company maintains a comprehensive Anti-Bribery and Anti-Corruption framework governing all employees, Board members, and third-party associates. The policy strictly prohibits offering or accepting any form of inducement or unethical benefit that could influence business decisions. This reinforces our zero-tolerance approach towards corrupt practices.

The framework also covers the offering, promising, or giving of anything of value to government officials, individuals, or entities with the intent of influencing decisions or obtaining undue business advantage. Likewise, the acceptance of gifts, hospitality, or other benefits from clients or external parties that may impair, or be perceived to impair, professional judgement is not permitted.

The policy underscores the shared responsibility of all stakeholders to comply with and uphold the principles. Any breach may result in serious consequences, including civil or criminal liability, legal proceedings, and financial penalties.

To ensure effectiveness and alignment with evolving regulatory requirements, the policy is reviewed and updated periodically. A dedicated and confidential reporting mechanism is also in place for raising concerns, thereby fostering a culture rooted in transparency and accountability.

Weblink: <https://www.archeanchemicals.com/investor-relations/admin/assets/products/Anti%20Bribery%20and%20Anti%20Corruption%20Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY 2025–26	FY 2024–25
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2025–26	FY 2024–25
Number of complaints received in relation to issues of conflict of interest of the Directors	Nil	Nil
Number of complaints received in relation to issues of conflict of interest of the KMPs	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.

NA

8. Number of days of accounts payable ((Accounts payable *365)/Cost of goods/Services procured) in the following format:

	FY 2025–26	FY 2024–25
Number of days of accounts payables	59	74

9. Openness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025–26	FY 2024–25
Concentration of purchases	a. Purchases from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	Nil	Nil
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Our purchases from trading houses are made as needed and are not on a regular basis	
Concentration of sales	a. Sales to dealers/distributors as % of total sales	Nil	Nil
	b. Number of dealers/distributors to whom sales are made	Nil	Nil
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	Nil	Nil
Shares of RPTs in	a. Purchases (Purchases with related parties/total purchases)	23.34%	Nil
	b. Sales (Sales to related parties/total sales)	14.11%	4.69%
	c. Loans and advances (Loans and advances given to related parties/total loans & advances)	93.08%	85.46%
	d. Investments (Investments in related parties/total investments made)	4.31%	7.46%

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
1	Occupational Health & Safety	100.00%

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No). If yes, provide details of the same.

Yes.

All Directors and senior management personnel are required to annually disclose any affiliations, shareholdings, or interests in other business entities, including companies, partnerships, or associations of individuals. Disclosures must also be updated promptly upon any change, enabling timely identification and management of potential conflicts of interest.

Directors additionally provide an annual declaration under the Company's Code of Conduct. This confirms that their external engagements do not conflict with their responsibilities to the Company.

Similarly, senior management personnel submit an annual declaration confirming that they have not undertaken any material financial or business transactions that could give rise to a conflict of interest with the Company.



PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2025–26	FY 2024–25	Details of improvements in environmental and social impacts
R&D	0	0	NA
Capex	0	0	NA

2. **a. Does the entity have procedures in place for sustainable sourcing (Yes/No)**

Yes. The Company follows responsible procurement practices, whereby all vendors are evaluated against defined environmental, occupational health and safety, and ethical standards prior to registration. These expectations are further reinforced through the Supplier Code of Conduct, which outlines requirements aligned with applicable laws, ethical business practices, human rights principles, and environmental management standards, with suppliers expected to adhere to these principles in both letter and spirit.

b. If yes, what percentage of inputs were sourced sustainably?

88.36%.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

A formal product take-back programme is not in place, given the nature of our chemical products. However, strong mechanisms are in place at our operational sites to recycle, reuse, and safely discard waste. Consequently, packaging plastics, e-waste, and hazardous materials generated from our internal processes are systematically channelled to state-authorized recyclers.

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) regulations are not applicable to us, as our output consists of intermediate chemical compounds used as raw materials, rather than finished consumer plastics or electronic goods. However, all waste streams, including e-waste and hazardous waste, are handled through structured disposal practices and routed to authorized agencies for recycling and treatment in accordance with applicable environmental regulations and GPCB guidelines.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of product/service	% of total turnover contributed	Boundary for which the life cycle perspective/assessment was conducted	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No) If yes, provide the web-link.
201199	Bromine	29.61%	Cradle-to-gate: Sea brine extraction → Oxidation → Purification → Sale to Agrochemical, Fire-retardant & Pharma customers	No.	No

Note: The NIC code presented is as per the NIC Classification 2025.

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	Process Safety Risk/Concern	Process Safety Mitigation/Action	Environment Risk/Concern	Environmental Mitigation/Action
Production of Bromine	Process Hazard Analysis (PHA): Risk of chemical release.	Process design controls, closed system operations, emergency response plan	Bromine vapor emissions to air	Ventilation, bromine scrubbers, continuous emission monitoring
Use of Chlorine in Reaction	Operating Procedures & Safe Work Practices: Toxic gas release, uncontrolled reaction	SOPs, local exhaust ventilation, process interlocks, gas detectors	Chlorine emissions affecting air quality	Gas scrubbing, leak detection, environmental monitoring
Use of SO ₂ in Mother Liquor Preparation	Mechanical Integrity/Asset Integrity: SO ₂ release due to corrosion/equipment failure	Regular inspection, maintenance of scrubbers, integrity checks	SO ₂ emissions to environment	Gas scrubbing, emission monitoring, compliance with standards
Use of Caustic in Scrubbing	Management of Change/ Training: Spill, improper handling	Training, handling SOPs, containment, neutralisation	Spill/runoff impacting soil and water	Containment systems, effluent neutralisation, safe disposal
Use of Highly Acidic Mother Liquor for Bromine Extraction	Incident Investigation & Lessons Learned: Acidic spills, corrosion, equipment failure	Spill management plan, PPE, process monitoring, maintenance	Acidic effluent affecting water/soil	Effluent treatment, containment, environmental monitoring

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2025–26	FY 2024–25
Nil	Nil	Nil

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2025–26			FY 2024–25		
	Re-used	Recycled	Safely disposed	Re-used	Recycled	Safely disposed
Plastics (including packaging)	NA					
E-waste						
Hazardous waste						
Other waste						

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in the respective category
NA	NA



PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	247	247	100.00	247	100.00	NA	NA	247	100.00	NA	NA
Female	10	10	100.00	10	100.00	10	100.00	NA	NA	NA	NA
Total	257	257	100.00	257	100.00	10	100.00	247	100.00	NA	NA
Other than permanent employees											
Male	432	432	100.00	432	100.00	NA	NA	NA	NA	NA	NA
Female	Nil	Nil	NA	Nil	NA	NA	NA	NA	NA	NA	NA
Total	432	432	100.00	432	100.00	NA	NA	NA	NA	NA	NA

b. Details of measures for the well-being of workers

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than permanent workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2025–26	FY 2024–25
Cost incurred on well-being measures as a % of total revenue of the company	0.58%	0.53%

2. Details of retirement benefits, for current FY and previous FY

Benefits	FY 2025–26			FY 2024–25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with authority (Y/N/N.A.)
PF	100.00	NA	Yes	100.00	NA	Yes
Gratuity	100.00	NA	Yes	100.00	NA	Yes
ESI	100.00	NA	Yes	100.00	NA	Yes
Others – please specify	-	NA	NA	NA	NA	NA

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. Our key manufacturing facilities and corporate offices are designed or adapted to be accessible to persons with disabilities. This aligns with the stipulations of the Rights of Persons with Disabilities Act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The Company strictly enforces an Equal Opportunity Policy for Persons with Disabilities (PwD), ensuring fairness in hiring and nurturing an inclusive workplace culture.

Weblink: <https://www.arceanchemicals.com/investor-relations/admin/assets/products/Equal%20Opportunity%20Policy.pdf>

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	100.00	100.00	NA	NA
Female	NA*	NA	NA	NA
Total	100.00	100.00	NA	NA

*No females took parental leave in FY 2025-26.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	NA
Other than permanent workers	NA
Permanent employees	The Internal Grievance Redressal Policy establishes a structured and accessible mechanism for timely resolution of employee concerns. Grievances may be raised either orally or in writing with the immediate supervisor, who is required to provide a written response, duly signed by the manager or Head of Department (HoD), within 10 days, outlining the action taken. Where the response is deemed unsatisfactory, the matter may be escalated to the Grievance Committee. The committee reviews the case and issues a detailed response, along with meeting minutes, within 10 days. In the event of continued dissatisfaction, the grievance may be further escalated to the unit head, who reviews the matter and provides a final resolution within 15 days of escalation.
Other than permanent employees	

Weblink: <https://www.arceanchemicals.com/investor-relations/admin/assets/products/Internal%20Grievance%20Policy.pdf>



Business Responsibility and Sustainability Report (Contd.)

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY 2025–26			FY 2024–25		
	Total employees/workers in the respective category (A)	No. of employees/workers in the respective category who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in the respective category (C)	No. of employees/workers in the respective category who are part of association(s) or Union (D)	% (D/C)
Total permanent employees	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total permanent workers	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA

8. Details of training given to employees and workers:

Category	FY 2025–26					FY 2024–25				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	679	679	100.00	247	36.38	257	257	100.00	257	100.00
Female	10	10	100.00	10	100.00	5	5	100.00	5	100.00
Total	689	689	100.00	257	37.30	262	262	100.00	262	100.00
Workers										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Note: The change in percentage coverage from FY 2024-25 to FY 2025-26 is due to the change in the boundary considered.

9. Details of performance and career development reviews of employees and workers:

Category	FY 2025–26			FY 2024–25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	679	247	36.38	257	257	100.00
Female	10	10	100.00	5	5	100.00
Total	689	257	37.30	262	262	100.00
Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA

Note: The change in percentage coverage from FY 2024-25 to FY 2025-26 is due to the change in the boundary considered. Performance and career development reviews are for permanent employees.



Business Responsibility and Sustainability Report (Contd.)

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. Our Safety and Health Management System extends across all manufacturing facilities, offices, research laboratories, and supply chain operations. It is designed to safeguard the health and safety of employees, contractors, visitors, and other stakeholders, while continuing to enhance occupational health and safety standards. This commitment is supported through our Integrated Management System (IMS), which provides a structured framework for strengthening safety practices and driving continual improvements across operations.

Weblink: https://www.archeanchemicals.com/investor-relations/admin/assets/products/IMS%20Policy_English.pdf

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

We identify and assess workplace hazards through structured methodologies such as Job Safety Analysis (JSA), Hazard Identification and Risk Assessment (HIRA), and Hazard and Operability Studies (HAZOP).

1. Hazard Identification (Routine and Non-Routine Activities)

- i) Classification of work activities
- ii) Identification of hazards and potential hazardous events
- iii) Identification of existing risk controls
- iv) Determination of associated risks

2. Risk Assessment

- i) Evaluation of the severity of potential consequences
- ii) Assessment of likelihood (degree of certainty or uncertainty)
- iii) Categorisation of risk levels (Intolerable, Substantial, and Moderate risks are classified as unacceptable; Trivial and Tolerable risks are classified as acceptable)

Control measures and mitigation actions are implemented in line with assessed risk levels and within defined timelines. Their effectiveness is tracked through ongoing monitoring to ensure sustained control.

c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

Yes. A formal safety reporting framework is in place across all locations, enabling employees to report hazards and withdraw from unsafe situations. Concerns may be raised with supervisors, safety officers, or other designated personnel. In addition, a confidential suggestion mechanism allows employees to report issues without fear of reprisal. The reported concerns are reviewed by the Safety Committee, which meets regularly to ensure timely resolution and reinforce a proactive safety culture.

d) Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes. Employees are covered under Group Medclaim, Group Personal Accident, and Employer Liability insurance policies.



11. Details of safety related incidents, in the following format:

Safety incident/number	Category	FY 2025–26	FY 2024–25
Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked)	Employees	Nil	Nil
	Workers	NA	NA
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	NA	NA
No. of fatalities	Employees	Nil	Nil
	Workers	NA	NA
High-consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	NA	NA

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company undertakes multiple initiatives to maintain a safe and healthy work environment. It upholds high standards of corporate conduct towards employees, customers, and communities. Also, there are systems aligned with legal requirements and internal standards for environmental protection and employee safety.

To further strengthen these efforts, the Company utilises technology to enhance health and safety practices across operations. In addition, initiatives such as Safety Week programmes and related activities are conducted to promote safe behaviour among employees.

These measures are reinforced through the implementation of ISO 45001 that provides structured and robust safety management systems.

13. Number of Complaints on the following made by employees and workers:

	FY 2025–26			FY 2024–25		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & safety	Nil	Nil	Nil	Nil	Nil	Nil

14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	A third party OHS Audit is conducted once a year at our facility in Hajipir, Gujarat.
Working conditions	

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.

Since no significant hazards or incidents were flagged regarding our safety practices and working conditions, no corrective interventions were required.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of the death of (A) Employees (Yes/No) (B) Workers (Yes/No).

Yes. A comprehensive life insurance package is provided to all permanent employees by the Company.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Compliance regarding the remittance of statutory dues by our value chain partners is verified routinely during the invoice processing stage.

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:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025–26	FY 2024–25	FY 2025–26	FY 2024–25
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Yes. Programmes on financial management, including investment planning, retirement planning, and savings schemes, are conducted along with awareness initiatives to support informed financial decision-making.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	While formal third-party assessments are not conducted, all vendors undergo an induction process where they are briefed on our safety policies and statutory requirements.
Working conditions	

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

NA

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Key stakeholders are identified by the Management based on their direct or indirect influence on, or interest in, the Company's operations. This includes both internal stakeholders, such as employees and shareholders, and external groups, including customers, suppliers, local communities, and regulatory authorities.

Engagement with these stakeholders is carried out in a structured manner under the guidance of senior management, ensuring priorities remain aligned with their expectations. Through continuous dialogue and feedback mechanisms, the Company integrates stakeholder perspectives into its approach and broader business decisions, recognising their importance to long-term sustainability.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Email, SMS, newspaper, pamphlets, advertisement, community meetings, notice board, website, others)	Frequency of engagement (Annually/half yearly/quarterly/ others – please specify)	Purpose and scope of engagement, including key topics and concerns raised during such engagement
Investors	No	Emails, newspaper ads, web portals, virtual meets and websites	Periodic (Quarterly, bi-annually, annually) and as and when needed	<ul style="list-style-type: none"> Disseminating financial performance Conducting postal ballots Encouraging shareholder participation in meetings



Stakeholder group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Email, SMS, newspaper, pamphlets, advertisement, community meetings, notice board, website, others)	Frequency of engagement (Annually/half yearly/quarterly/others – please specify)	Purpose and scope of engagement, including key topics and concerns raised during such engagement
Employees & Leadership	No	Internal Emails and other communication mechanisms	As required	<ul style="list-style-type: none"> Facilitating employee engagement, training, performance reviews, and policy alignment
Local Communities	Yes (Case-specific)	Direct outreach or via CSR implementing agencies	As required	<ul style="list-style-type: none"> Driving community welfare initiatives Ensuring societal needs are addressed
Customers	No	Multi-channel (Physical and digital touchpoints)	As required	<ul style="list-style-type: none"> Ensuring regulatory compliance Maintaining service quality Addressing product queries

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.

Management maintains regular dialogue with stakeholders in multiple formats. This includes quarterly investor and analyst calls, direct client interactions led by our marketing team to gauge the expectations, including social & sustainability topics and regular internal forums between the MD and employees to capture organisational feedback.

2. Whether stakeholder consultation is used to support 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. The identification and management of material environmental and social issues are supported through structured and ongoing stakeholder engagement. We maintain regular dialogue with a diverse set of stakeholders to gather insights on expectations, as well as emerging sustainability risks and opportunities. These inputs help us inform and refine our environmental and social policies, ensuring alignment with stakeholder priorities and broader sustainability objectives.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.

We support education and undertake initiatives to uplift underprivileged communities through our operations. We also promote access to healthcare, safe drinking water, and awareness on issues such as mental health, environmental sustainability, rural development, water conservation, and sanitation. Further details on the scope, impact, and beneficiaries of these initiatives can be found in the Corporate Social Responsibility (CSR) section.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025–26			FY 2024–25		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	257	257	100.00	262	262	100.00
Other than permanent	432	432	100.00	445	445	100.00
Total employees	689	689	100.00	707	707	100.00

Category	FY 2025–26			FY 2024–25		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other than permanent	NA	NA	NA	NA	NA	NA
Total workers	NA	NA	NA	NA	NA	NA

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025–26					FY 2024–25				
	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										
Male	247	-	-	247	100.00	257	0	0	257	100.00
Female	10	-	-	10	100.00	5	0	0	5	100.00
Other than permanent										
Male	432	318	73.61	114	26.39	445	208	46.74	237	53.26
Female	Nil	Nil	NA	Nil	NA	Nil	Nil	NA	Nil	NA
Workers										
Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/salary/wages of the respective category	Number	Median remuneration/salary/wages of the respective category
Board of Directors (BoD)	2 [#]	Rs. 452.40 Lakhs	0	NA
Key Managerial Personnel	5 [*]	Rs. 136.16 Lakhs	0	NA
Employees other than BoD and KMP	242 [^]	Rs. 6.50 Lakhs	10	Rs. 6.41 Lakhs
Workers	NA	NA	NA	NA

[#]The remaining Board members receive only sitting fees for attending meetings of the board/ committee and commission.

^{*}Includes the MD and the Executive Vice Chairman

[^]Due to changes in boundary and service provider, the data for non-permanent employees was not recorded for FY 2025-26.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025–26	FY 2024–25
Gross wages paid to females as % of total wages	2.28%	0.91%

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The Head of the HR Department serves as the designated focal point for overseeing and resolving human rights matters.



5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Yes. Any human rights-related grievances are formally recorded and addressed by the respective unit heads in collaboration with the HR department. Thorough investigations are conducted, and if needed, appropriate disciplinary steps are executed in alignment with statutory frameworks.

6. Number of Complaints on the following made by employees and workers:

	FY 2025–26			FY 2024–25		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced labour/involuntary labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights-related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2025–26	FY 2024–25
Total complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has established a vigil mechanism (Whistleblower Policy) and a POSH policy to support a culture of transparency, accountability, and workplace safety. These frameworks provide secure and confidential channels for reporting unethical conduct, misconduct, or non-compliance, with safeguards in place to protect individuals from retaliation.

The Code of Conduct further outlines expectations for ethical behaviour and accountability across all roles. In line with the POSH Act, Internal Committees have been constituted at all locations to address complaints, conduct impartial inquiries, and recommend appropriate actions, ensuring a safe and respectful workplace.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. We incorporate mandatory compliance clauses regarding human rights, prohibition of child/forced labour, and fair wages into our business agreements, extending our ethical standards to our partner network.

10. Assessments for the year:

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child labour	100% through statutory compliance parameters
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

As no human rights violations or risks were identified, no corrective measures were triggered.

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

With zero complaints recorded, business process modifications were not required.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

We conduct periodic HR and safety audits to ensure consistent adherence to legal and regulatory human rights requirements across our operations.

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?

The majority of our permanent offices and facilities comply with the accessibility standards outlined in the Rights of Persons with Disabilities Act, 2016.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	While specific audits are not mandated, all partners are thoroughly educated on our strict statutory and policy-level human rights expectations during onboarding.
Discrimination at workplace	
Child labour	
Forced labour/involuntary labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

No risks have been identified. Hence, no corrective action has been taken.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity in the following format:

Parameter	FY 2025–26	FY 2024–25
From renewable sources		
Total electricity consumption (A)	91.78	41.26
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	91.78	41.26
From non-renewable sources (in TJ)		
Total electricity consumption (D)	63.97	98.29
Total fuel consumption (E)	667.62	795.87
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D + E + F)	731.59	894.16
Total energy consumed (A + B + C + D + E + F)	823.37	935.43
Energy intensity per rupee of turnover (Total energy consumption/revenue from operations)	0.08	0.09



Parameter	FY 2025–26	FY 2024–25
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed/revenue from operations adjusted for PPP)	1.61	2.07
Energy intensity in terms of physical output	0.00018	0.0002
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

*PPP conversion factors stated by the IMF have been considered for the calculations

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, the name of the external agency.

There was no independent assessment/ evaluation/ assurance carried out by an external agency.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Perform, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No. The Company's operations do not fall under the scope of the PAT Scheme. Energy efficiency and sustainability initiatives are pursued voluntarily through process optimisation and resource efficiency measures.

3. Provide details of the following disclosures related to water in the following format:

Parameter	FY 2025–26	FY 2024–25
Water withdrawal by source (in kilolitres)		
(i) Surface water	16,29,238.00	51,82,527.00
(ii) Groundwater	-	-
(iii) Third-party water	26,28,168.43	18,90,978.00
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	42,57,406.43*	70,73,505.00
Total volume of water consumption (in kilolitres)	42,57,406.43	70,73,505.00
Water intensity per rupee of turnover (Total water consumption/revenue from operations)	408.76	697.73
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ revenue from operations adjusted for PPP)	8,314.19	15,629.10
Water intensity in terms of physical output	0.91	1.75
Water intensity (optional) – the entity may select the relevant metric	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

No.

*The significant reduction in water withdrawal during FY 2025–26 was primarily attributable to the substantial volume of rainwater harvested during the reporting period.

4. Provide the following details related to water discharged:

Parameter	FY 2025–26	FY 2024–25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface water		
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
(ii) To groundwater		
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
(iii) To seawater		
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third parties		
No treatment	209.86*	382.45
With treatment – please specify level of treatment	Nil	Nil
(v) Others		
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
Total water discharged (in kilolitres)	209.86	3,82,449

*This refers to water discharged from corporate office buildings.

Note: The significant year-on-year variation in the numbers is primarily attributable to non-operation of Gandhidham office, the correction in measurement units and the change in the service provider.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

No.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. All process effluents are reused internally, and no liquid is discharged outside the premises. We manage acidic brine from the feed enrichment process by partially neutralising it in the salt bed area. It is then mixed with fresh brine to stabilise the pH before being safely recycled back into the solar pond system.

6. Please provide details of air emissions (other than GHG emissions) by the entity in the following format:

Parameter	Please specify unit	FY 2025–26	FY 2024–25
NOx	µg/m ³	15.49	16.50
SOx	µg/m ³	37.50	40.30
Particulate matter (PM)	µg/m ³	32.59	36.00
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, the name of the external agency.

No.



7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity in the following format:

Parameter	Unit	FY 2025–26	FY 2024–25
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	66,771.59	75,631.92
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	12,615.51	19,850.05
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations)	Metric tonnes of CO ₂ equivalent/Mln Rs.	7.62	9.42
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)	Metric tonnes of CO ₂ equivalent/Mln Rs. adjusted for PPP	155.03	210.97
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO ₂ equivalent/MT of production	0.017	0.02
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO ₂ equivalent/MT of production	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, the name of the external agency.

No.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

We have launched key interventions to cut down our GHG emissions. These include optimising our high-pressure boilers to radically reduce coal usage, transitioning to a hybrid renewable energy model, and enhancing compressor energy efficiency through VFD installations. Two 45 TPH boilers were replaced with two 12 TPH boilers, resulting in a reduction of approximately 1,500 MT of coal consumption per month and a corresponding decrease in CO₂ emissions of around 3,630 tonnes per month.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025–26	FY 2024–25
Total waste generated (in metric tonnes)		
Plastic waste (A)	5.00	1.00
E-waste (B)	5.34	0.10
Bio-medical waste (C)	0.061	0.06
Construction and demolition waste (D)	0	NA
Battery waste (E)	6.53	NA
Radioactive waste (F)	NA	NA
Other hazardous waste. Please specify, if any. (G)	0.018	0.14
Waste oil		

Parameter	FY 2025–26	FY 2024–25
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	45,030*	44,890**
ETP Sludge		
Total (A + B + C + D + E + F + G + H)	45,046.93	44,891.3
Waste intensity per rupee of turnover (Total waste generated/revenue from operations)	4.33	4.43
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/revenue from operations adjusted for PPP)	87.97	88.92
Waste intensity in terms of physical output	0.0096	0.0111
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	FY 2025–26	FY 2024–25
(i) Recycled	-	1.24
(ii) Re-used	45,030	44,890
(iii) Other recovery operations	-	-
Total	45,030	44,891.24

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY 2025–26	FY 2024–25
(i) Incineration	-	0.06
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	0.06

*Sludge is being considered as non-hazardous waste based on an approval obtained by Gujarat Pollution Control Board to use it for bund construction.

**The data for FY 2024–25 has been restated to reflect corrections to the previously reported figures.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

No.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We comply strictly with statutory waste disposal guidelines, segregating waste at source into hazardous and non-hazardous categories. MS scrap, e-waste, and plastic waste are routed to authorised recyclers. ETP sludge is reused for bund preparation, while process influent is reused in brine acidification. Low-volume hazardous waste, including used oil and discarded barrels, is disposed of in accordance with PCB norms. Bio-medical waste is managed through GPCB-approved channels, ensuring safe handling and regulatory compliance.

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.
1	Hajipir site	Manufacturing	Yes



12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No)	Relevant weblink
NA	NA	NA	NA	NA	NA

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. no.	Specify the law/regulation/guidelines which were 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
	The Company is fully compliant with all applicable environmental laws and regulations including the Water Act, Air Act, Environment Protection Act, and related rules.			

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: Chennai and Bhuj
- (ii) Nature of operations: Corporate Office
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2025–26	FY 2024–25
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third-party water	89,303.17	4,78,062
(iv) Seawater/desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres)	89,303.17	4,78,062
Total volume of water consumption (in kilolitres)	89,303.17	4,78,062
Water intensity per rupee of turnover (Water consumed/turnover)	8.57	47.16
Water intensity (optional) – the entity may select the relevant metric	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into surface water		
No treatment	NA	NA
With treatment – please specify the level of treatment	NA	NA
(ii) Into Groundwater		
No treatment	NA	NA
With treatment – please specify the level of treatment	NA	NA
(iii) Into Seawater		
No treatment	NA	NA
With treatment – please specify the level of treatment	NA	NA
(iv) Sent to third parties		
No treatment	209.86*	382.45
With treatment – please specify the level of treatment	NA	NA

Parameter	FY 2025–26	FY 2024–25
(v) Others		
No treatment	NA	NA
With treatment – please specify the level of treatment	NA	NA
Total water discharged (in kilolitres)	209.86	3,82,449

*The significant year-on-year variation in the numbers is primarily attributable to the correction in measurement units, the inclusion of Bhuj and the change in the service provider.

Note: For FY 2025-26, Bhuj has been added, based on the GWRA Assessment, 2025.

Note: Indicate if any independent assessment/evaluation/assurance carried out by an external agency? (Yes/No) If yes, the name of the external agency.

No.

2. Please provide details of total Scope 3 emissions & their intensity in the following format:

Parameter	Unit	FY 2025–26	FY 2024–25
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Scope 3 emissions have not been quantified at present.	Scope 3 emissions have not been quantified at present.
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent/Mln Rs.		
Total Scope 3 emission intensity (optional) – the entity may select the relevant metric			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, the name of the external agency.

No.

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.

The Company conducts routine monitoring of ambient air and water quality to ensure strict adherence to all applicable environmental regulations in these areas.

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 (Weblink, if any, may be provided along with summary)	Outcome of the initiative
1	Energy efficiency enhancement and emission reduction	Energy efficiency was enhanced through the installation of 132 kW and 55 kW Variable Frequency Drives (VFDs) for the cooling tower pump and bromine plant compressor, along with the commissioning of an Automatic Power Factor Correction (APFC) panel at PS-9. Two new 12 TPH process boilers (12.5 kg/cm ² , ~186°C) were commissioned in FY 2024–25, replacing a high-pressure power boiler (up to 33 TPH) used earlier to meet internal steam requirements. This resulted in improved energy efficiency.	<ul style="list-style-type: none"> • Significant operational and environmental benefits, including fuel savings of ~33 tonnes/day, water savings of ~0.275 Lakhs/day • Reduction in ash handling cost (~0.04 Lakh/day), fuel handling cost (~0.1 Lakhs/day), bed material cost (~0.18 Lakhs/day), manpower cost (~0.88 Lakhs/day) • Auxiliary power savings (~0.3 Lakhs/day), resulting in total savings of ~₹4.4 Lakhs per day



S. No	Initiative undertaken	Details of the initiative (Weblink, if any, may be provided along with summary)	Outcome of the initiative
2	ETP sludge reuse in bund preparation	ETP sludge is repurposed for bund preparation, thereby reducing non-hazardous waste generation and promoting internal reuse of process by-products.	<ul style="list-style-type: none"> Reduction in non-hazardous waste through reuse of ETP sludge
3	Plantation	Tree plantation initiatives were undertaken within and around plant premises to support environmental sustainability.	<ul style="list-style-type: none"> Improved biodiversity within plant premises and contribution to local environmental sustainability

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/weblink.

Yes. The Company has established comprehensive Emergency Preparedness Plans at each plant to address potential emergency situations. These plans define detailed response procedures to prevent and mitigate hazards, risks, and environmental impacts, including first aid provisions. In the event of an emergency, a structured investigation is conducted to determine root causes, followed by implementation of appropriate preventive measures to avoid recurrence. Furthermore, roles and responsibilities are clearly defined and periodically communicated to ensure preparedness and accountability across all personnel.

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.

A formal mechanism to assess environmental impact across the wider value chain is earmarked for future implementation.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

New vendors are assessed for environmental impacts during the onboarding process. Going forward, this assessment will be extended to value chain partners and conducted on a periodic basis to ensure ongoing evaluation of environmental impacts.

8. How many Green Credits have been generated or procured:

- By the listed entity: Nil
- By the top ten (in terms of value of purchases and sales, respectively) value chain partners: Nil

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

Six

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1.	Export Inspection Council/Agency	Chennai and Bhuj
2.	Andhra Chamber of Commerce	Chennai
3.	Indian Chemical Council (ICC)	National
4.	India Bromine Platform (IBP)	National
5.	CAPEXIL	Chennai
6.	Export Promotion Council	Chennai

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of review by Board (Annually/half-yearly/quarterly/others – please specify)	Weblink, if available
1			Nil		

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of the project	SIA notification no.	Date of notification	Whether conducted by an independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant weblink
NA					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format

S. No.	Name of the project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In Rs.)
NA						

3. Describe the mechanisms to receive and redress grievances of the community.

We have formulated an External Grievance Policy specifically designed to capture, track, and address the concerns of the local communities surrounding our operations.

Weblink: <https://www.archeanchemicals.com/investor-relations/admin/assets/products/External%20Grievance%20Policy.pdf>

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/small producers	47.8%	61.3%
Directly from within India	100%	100%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

Location	FY 2025-26	FY 2024-25
Rural	30.75	43.02
Semi-urban	-	-
Urban	3.38	6.98
Metropolitan	65.87	50.00

(Place to be categorised as per RBI Classification System – rural/semi-urban/urban/metropolitan)

Note: Due to the change in methodology adopted for calculation along with the change in service provider, the data for FY 2024-25 has been restated.



Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above)

Details of negative social impact identified	Corrective action taken
NA	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by Government bodies:

S. No.	State	Aspirational district	Amount spent (In Rs.)
1.		NA	

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)

No. Currently, there is no formal preferential procurement policy; however, the company is evaluating its implementation.

(b) From which marginalised/vulnerable groups do you procure?

Not applicable.

(c) What percentage of total procurement (by value) does it constitute?

Not applicable.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
1.		NA		

5. Details of corrective actions taken or underway based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective action taken
	None	

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	Educating and maintaining Residential High School students at Bala Mandir, Ramakrishna Mission and Sree Chandrasekara Rural Welfare Trust (All resident students are provided with free education, food, and accommodation in the Home)	More than 1,500	100%
2	Sports arrangement to specially abled people at Amar Seva Sangam	More than 250	100%
3	Protection of National Heritage, Art and Culture in collaboration with Music Academy	Community	Not Recorded
4	Providing clean water in association with Rotary Club (India)	Community	Not Recorded
5	Rural development project involving the repair of roads and in collaboration with Jabbar Jat Welfare Foundation, Banni Pashu Charak Maldhari Sangathan.	More than 15,100	100%

S. no.	CSR project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
6	Food for students/public in association with Akshaya Patra Foundation, The United Educational, Social Welfare Trust and Tirumala Tirupati Devasthanams	2,000 students per school year and 1,41,000 pilgrims	100%
7	Promoting healthcare by providing required machinery for General Surgery and Ophthalmology at Sankar Nethralaya and aiding in construction of Building/Hospital by VHS, Ayush Seva Sansthan. Providing required medical expenses for needy patient through Kaveri Medical Trust.	Community	Not Recorded
8	Drinking water supply by tankers in Nara village/BSF camp area	3,200 families	60% of the village

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company operates a dedicated Customer Service framework to capture and resolve feedback. Complaints can be lodged via phone, Email, or our web portal, and are tracked through a centralised complaint management system. We also utilise formal escalation procedures and periodic surveys to ensure prompt resolutions and continuous process improvements. The process followed is as under:

- Acknowledgement of the customer complaint is issued upon receipt
- The complaint is escalated to the QA in charge at the plant along with relevant team members for review
- A detailed root cause analysis is conducted, and corrective and preventive actions (CAPA) are defined by the team
- Findings, along with the action plan to prevent recurrence, are shared with the customer

2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about:

	As a percentage of total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	FY 2025-26		Remarks	FY 2024-25		Remarks
	Received during the year	Pending resolution at the end of the year		Received during the year	Pending resolution at the end of the year	
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cybersecurity	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive trade practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair trade practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	2	Nil	Nil



4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a weblink to the policy.

Yes. We maintain a stringent Cybersecurity Policy designed to protect our IT infrastructure, safeguard sensitive data, and minimise risks related to data privacy.

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 the safety of products/services.

There have been no reported issues concerning advertising, essential service delivery, cybersecurity, or data privacy breaches.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches: Nil.
- b. Percentage of data breaches involving personally identifiable information of customers: Nil.
- c. Impact, if any, of the data breaches: Nil.

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide weblink, if available).

Comprehensive details regarding our product offerings are accessible on our corporate website www.archeanchemicals.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Material Safety Data Sheets (MSDS) and detailed product brochures are readily available on our website to guide customers on safe handling practices.

Weblink: <https://www.archeanchemicals.com/product.html>

For Bromine ISO Tank shipments, safe handling instructions are provided to customers and formally signed off by them to ensure proper compliance and safe usage.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Any risk of disruption is communicated to customers verbally and in writing via Email to ensure timely awareness and action.

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)

Yes, all statutory product information is prominently displayed on our packaging. Customer feedback is collected in line with IMS audit requirements as part of the established system.





Independent Auditors' Report

To the Members of **Archean Chemical Industries Limited**
Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Archean Chemical Industries Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2026, and the standalone statement of Profit and Loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit and other

comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

S. No	Key Audit Matter	Our Response
1.	Revenue from sale of products is recognized on transfer of control to the Customer. The Company is catering to clients in the Asia regions. Delivery to customers might take extended time periods from the date of dispatch from the premises of Company. There is a risk of inherent misstatement of the Standalone financial statements related to transactions recorded close to the year end in the context of the terms of supply and the point of transfer of control and thus, the point of recognition as per Ind AS 115 (cut off risk). Contractual terms may also differ amongst various customers and recognition of revenue accordingly is also a key requirement.	Our audit procedures included verification of existence, completeness, accuracy and cut-off for the sales transactions. <ul style="list-style-type: none"> Our tests included performance of an understanding and evaluation of the internal controls over the revenue recognition and a validation of relevant controls. Assessing the appropriateness of the Company's revenue recognition accounting policies under Ind AS 115. The tests further covered the proper recognition of revenue through testing of samples of sales transactions, obtaining appropriate supporting evidence including third party survey report for each despatch with specific attention to key contractual terms that regulate the various performance obligations. Our audit procedures included analytical review of sales transactions and accounting of revenue.



Independent Auditors' Report (Contd.)

S. No	Key Audit Matter	Our Response
	Considering magnitude and high volume of sales transactions carried out, revenue recognition is considered as a key audit matter.	<ul style="list-style-type: none"> It also extended to performing confirmation procedures over trade receivables with the objective of validating trade receivable balances, testing samples of credit notes and year-end accruals and cut off procedures. Evaluated the adequacy of disclosures relating to revenue recognition made in the standalone financial statements in accordance with the applicable Indian accounting standards.
2.	Inventory at the year end The Company's inventory, generally, is located at its plant at Kutch and its finished goods at the Jakhau and Mundra ports. The Company has a policy of performing verification of its inventory at these locations. The Company has conducted the physical verification of inventories across at Washery plant, Jakhau, and Mundra port between March 20, 2026 and March 26, 2026 by engaging specialists (management experts). Considering the bulk nature and reliance of third Party technology for salt quantity determination, physical verification of inventories at year end is considered as key audit matter.	With respect to existence of inventories at the year end, we performed the following procedures: <ul style="list-style-type: none"> Understood and evaluated the Management's internal controls process to establish the existence of inventory such as: <ul style="list-style-type: none"> (a) The process of physical verification carried out by the Management, the scope and coverage of the verification programme, the results of such verification including analysis of discrepancies, if any, (b) Maintenance of stock records at all locations. Understood and evaluated the competence, independence and objectivity of the experts engaged by the Management. Participated in the stock count performed by the management/management expert. Checked roll forward procedures from the date of the physical verification to the year end based on third party certified physical verification report to the book stock. On a sample basis, tested the quantity reconciliation from April 1, 2025 to March 31, 2026 of raw material, work in progress and finished goods, that was prepared by the Management.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report, / Board report / Corporate Governance report / Management Discussion and Analysis / Business Responsibility and Sustainability Report, but does not include the standalone financial statements and our auditors' report thereon. These are expected to be made available to us after the date of auditors' report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

When we read the other information, if we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.



Independent Auditors' Report (Contd.)

RESPONSIBILITIES OF THE MANAGEMENT AND BOARD OF DIRECTORS FOR STANDALONE FINANCIAL STATEMENTS

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

In preparing the standalone financial statements, Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the 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 and Board of Directors 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Independent Auditors' 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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone statement of cash flows 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 Indian Accounting Standards (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, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2026 on its financial position in its standalone financial statements – Refer Note 37 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 during the year ended March 31, 2026; and
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes 40A to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the



Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the note 40 A to the standalone financial statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 40 H 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. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Relying on representations/explanations from the company and based on our examination which includes test checks on the software application the Company has used accounting software (ERP) for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

However, audit trail was not enabled to log any direct data changes at database level both in application layer and database layer of the accounting software.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018

S. Prasana Kumar

Partner

Membership No. 212354

UDIN: 26212354YGQWKM7037

Place: Chennai

Date: May 11, 2026

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Archean Chemical Industries Limited ("the Company") on the standalone financial statements as of and for the year ended March 31, 2026.

- (i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were physically verified by the management during the year. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties disclosed in the standalone financial statements are held in the name of the Company as at the standalone Balance Sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as right of use assets in the standalone financial statements, the lease agreements are in the name of the Company except that the factory
- (ii) (a) Based on our audit procedures and according to the information and explanation given to us, the Company has made investments in, provided guarantee and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties as follows:

Particulars	Investments (₹ in Lakhs)	Guarantees (₹ in Lakhs)	Loans (₹ in Lakhs)
Aggregate amount granted/invested during the year			
- Subsidiaries ¹	30.00	-	36,624.68
- Others	11,427.55	-	524.83
Balance outstanding as at standalone balance sheet date			
- Subsidiaries ¹	1,130.00	13,440.00	59,688.31
- Accrued interest on loan to subsidiaries ¹	-	-	3,610.75
- Others	25,077.49	-	2,739.61

¹Subsidiaries include step down subsidiaries.



- (b) Based on our audit procedures and according to the information and explanation given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest.
- (c) For the loans referred to in (a) above, the loans are not yet due for repayment of principal and interest based on the terms and conditions of the loan.
- (d) In respect of aforesaid loan, the repayment falls due in a later year and hence there are no over dues as at March 31, 2026.
- (e) Based on our audit procedures and according to the information and explanation given to us, no loans or advances in the nature of loans granted have fallen due during the year and hence the question of the loan having been renewed or extended or fresh loans granted to settle the overdue of existing loan given to the same parties does not arise. Accordingly, paragraph 3(iii)(e) of the Order is not applicable.
- (f) Based on our audit procedures and according to the information and explanation given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment and hence the question of aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause 76 of section 2 of the Act does not arise. Accordingly, paragraph 3(iii)(f) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanation given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees.
- (v) Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under Sub-Section (1) of Section 148 of the Act in respect of the products/services of the Company. We have broadly reviewed the books of accounts maintained by the Company as specified under sub section (1) of section 148 of the Act, for maintenance of cost records in respect of the products manufactured/serviced by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess and any other material statutory dues as applicable with the appropriate authorities. According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of statutory dues were in arrears, as at March 31, 2026 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) as at March 31, 2026, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the Statute	Nature of the Dues	Amount demanded (net of amount paid) (₹ in Lakhs)	Amount paid (₹ in Lakhs)	Period to which amount relates	Forum where dispute is pending
Central Sales Tax Act; Gujarat Value Added Tax Act	VAT, CST	324.73	24.07	FY 2015-16	Joint Commissioner, Rajkot
Central Sales Tax Act; Gujarat Value Added Tax Act	VAT, CST	273.92	28.76	FY 2016-17	Joint Commissioner, Rajkot
Central Sales Tax Act; Gujarat Value Added Tax Act	VAT, CST	23.05	2.75	FY 2017-18	Joint Commissioner, Rajkot
Income Tax Act, 1961	Income Tax	5,005.30	-	FY 2021-22	ITAT
Total		5,627.00			

- (viii) As per the information and explanations given by the management and on the basis of our examination of the records of the Company, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.
- (ix) (a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared willful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us and the records of the Company examined by us, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and the records of the Company examined by us, no funds raised on short-term basis have been utilized for long-term purposes.
- (e) According to the information and explanations given to us and the records of the Company examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associate companies except for financial guarantee provided to its wholly owned subsidiary company Acume Chemicals Private Limited. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised any loans during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) 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 and belief and according to the information and explanations given to us, we report that no material fraud by the



Annexure A (Contd.)

- Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of Section 143 of the Act has been filed by secretarial auditor or by cost auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government of India for the period covered by our audit.
- (c) As represented to us by the management, there are no whistle blower complaints received during the year by the Company.
- (xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the reports of the Internal Auditors of the Company issued till date for the period under audit.
- (xv) On the basis of the information and explanations given to us, 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) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).
- (b) Based on our audit procedures and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) (b) of the Order is not applicable to the Company.
- (c) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on our audit procedures and according to the information and explanations given to us, the group does not have more than one Core Investment Company (CIC) as part of the group (basis definition of "Companies in the Group" as per Core Investment Companies (Reserve Bank) Directions, 2016) as at the end of the reporting period.
- (xvii) Based on our audit procedures and according to the information and explanations given to us, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of standalone balance sheet as



Annexure A (Contd.)

- and when they fall due within a period of one year from the standalone balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the standalone balance sheet date, will get discharged by the company as and when they fall due.
- (xx) (a) In our opinion, and according to the information and explanations given to us, there is no unspent amount under sub-section (b) of section 135 of the Act pursuant to any projects other than ongoing projects. Accordingly, clause 3(xx)(a) of the order is not applicable.
- (b) In respect of ongoing projects, the Company had spent excess than required amounts and as such the question of transfer of unspent amount

to a special account does not arise. with respect to previous year the company has transferred unspent CSR amount of Rs. 190 Lakhs during the year, earmarked for CSR ongoing project related to Medical Research Foundation to 'Unspent CSR amount' within the due date of April 30, 2025.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

S. Prasana Kumar

Partner

Membership No. 212354

UDIN: 26212354YGQWKM7037

Place: Chennai

Date: May 11, 2026



Annexure B

Referred to in paragraph 2(f) on 'Report on Other Legal and Regulatory Requirements' of our report of even date

Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls with reference to standalone financial statements of Archean Chemical Industries Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to the 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 (the "Guidance Note"). 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 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 Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the 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 the standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of internal financial controls, 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 standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A Company's internal financial control with reference to the standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to the 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 the standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 standalone 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 the standalone financial

Annexure B (Contd.)

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 the standalone financial statements to future periods are subject to the risk that the internal financial control with reference to the 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, the Company has, in all material respects, adequate internal financial controls with reference to the standalone financial statements and such internal financial controls were operating effectively as at March 31, 2026,

based on the internal control with reference to the standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018

S. Prasana Kumar

Partner

Membership No. 212354

UDIN: 26212354YGQWKM7037

Place: Chennai

Date: May 11, 2026



Standalone Balance Sheet

As at March 31, 2026

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
A. ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	2	1,00,836.38	1,02,216.02
(b) Capital work in progress	2	5,261.00	2,809.86
(c) Right-of-use assets	3	5,814.55	4,896.16
(d) Intangible assets	4	3.99	6.33
(e) Financial assets:			
(i) Investments	5A	26,207.49	14,749.94
(ii) Loans	7	62,427.92	25,278.41
(iii) Other financial assets	6	5,428.96	3,407.68
(f) Income tax assets (Net)	18A	174.39	-
(g) Other non current assets	8	4,519.91	6,336.44
Total non-current assets		2,10,674.59	1,59,700.84
Current assets			
(a) Inventories	9	19,946.38	15,392.78
(b) Financial assets:			
(i) Investments	5B	608.13	20,216.74
(ii) Trade receivables	10	13,585.11	17,195.40
(iii) Cash and Cash equivalents	11.1	2,338.78	3,592.65
(iv) Bank balances other than (iii) above	11.2	1,376.44	1,200.00
(v) Loans	7	54.32	55.80
(vi) Other financial assets	6	1,319.78	1,404.76
(vii) Derivative Assets	6.1	-	89.21
(c) Other current assets	8	7,214.31	6,011.02
Total current assets		46,443.25	65,158.36
TOTAL ASSETS		2,57,117.84	2,24,859.20
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	2,469.16	2,468.55
(b) Other equity	13	1,97,334.08	1,85,545.65
Total equity		1,99,803.24	1,88,014.20
Liabilities			
Non-Current liabilities			
(a) Financial liabilities:			
(i) Borrowings	14	5,985.87	4,448.32
(ii) Lease liabilities	15	4,228.10	4,021.53
(iii) Other financial liabilities	16	-	-
(b) Other non-current liabilities	17	-	-
(c) Provisions	20.1	1,507.18	1,507.20
(d) Deferred tax liabilities (Net)	19	12,553.11	12,325.50
Total non-current liabilities		24,274.26	22,302.55
Current liabilities			
(a) Financial liabilities:			
(i) Borrowings	14	20,317.44	852.63
(ii) Lease liabilities	15	1,623.48	1,450.17
(iii) Trade payables			
(A) total outstanding dues of micro and small enterprises	21	983.57	1,225.80
(B) total outstanding dues of creditors other than above	21	8,619.79	9,548.33
(iv) Other financial liabilities	16	656.61	689.54
(v) Derivative liabilities	16.1	342.79	-
(b) Other current liabilities	17	334.85	300.54
(c) Current Tax Liabilities	18B	-	402.34
(d) Provisions	20.2	161.81	73.10
Total current liabilities		33,040.34	14,542.45
Total Liabilities		57,314.60	36,845.00
TOTAL EQUITY AND LIABILITIES		2,57,117.84	2,24,859.20
summary of material accounting policies	1		
Notes forming part of Standalone Financial statements	1-44		

As per our report of even date attached
For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No: 003990S/S200018

For and on behalf of the Board of Directors

P. Ranjit
Executive Vice Chairman
(Whole Time Director)
DIN: 01952929

Rampraveen Swaminathan
Managing Director
DIN: 01300682

S. Prasana Kumar
Partner
Membership No: 212354

R.Natarajan
Chief Financial Officer

Vijayaraghavan N E
Company Secretary and Compliance Officer
M.No. A 41671

Place: Chennai
Date: May 11, 2026



Standalone Statement of Profit and Loss

For the Year Ended March 31, 2026

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
Revenue:			
I Revenue from operations	22	1,04,153.98	1,01,379.02
II Other income	23	4,721.08	4,965.52
III Total income (I+II)		1,08,875.06	1,06,344.54
IV Expenses:			
Cost of materials consumed	24	5,259.96	3,887.64
Purchases of Stock-in-Trade		1,652.44	-
Changes in inventories of finished goods and work-in-progress	25	(3,730.82)	(6,728.86)
Employee benefits expense	26	6,235.15	5,393.22
Finance cost	27	1,771.60	911.45
Depreciation and amortisation	28	8,006.23	7,305.74
Other expenses	29	68,654.09	66,580.40
Total expenses (IV)		87,848.65	77,349.59
V Profit/(Loss) before exceptional items and tax (III-IV)		21,026.41	28,994.95
VI Exceptional items	25	-	(4,018.27)
VII Profit before tax (V+VI)		21,026.41	24,976.68
VIII Income tax expense:			
- Current tax	30	5,384.87	6,531.62
- (Excess) provision for tax relating to prior years		(31.33)	-
- Deferred Tax	30	235.58	(47.28)
Total Income tax expenses (VIII)		5,589.12	6,484.34
IX Profit after tax (VII-VIII)		15,437.29	18,492.34
X Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurements of the defined benefit plans		(31.67)	(21.20)
Income tax expenses relating to the above		7.97	5.34
Total other comprehensive income for the year, net of tax (X)		(23.70)	(15.86)
XI Total comprehensive income for the year (IX+X)		15,413.59	18,476.48
Earnings per share (Face value of Rs. 2 each)	32		
Basic earnings per share (In Rs.)		12.51	14.98
Diluted earnings per share (In Rs.)		12.50	14.97
summary of material accounting policies	1		
Notes forming part of Standalone Financial statements	1-44		

As per our report of even date attached
For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No: 003990S/S200018

For and on behalf of the Board of Directors

P. Ranjit
Executive Vice Chairman
(Whole Time Director)
DIN: 01952929

Rampraveen Swaminathan
Managing Director
DIN: 01300682

S. Prasana Kumar
Partner
Membership No: 212354

R.Natarajan
Chief Financial Officer

Vijayaraghavan N E
Company Secretary and Compliance Officer
M.No. A 41671

Place: Chennai
Date: May 11, 2026



Standalone Statement of Cash Flows

For the Year Ended March 31, 2026

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

	Year ended March 31, 2026	Year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before income tax	21,026.41	24,976.68
Adjustments for:		
Depreciation and amortisation expenses	8,006.23	7,305.74
Finance costs recognised in profit or loss	1,771.60	911.45
Profit on sale of Mutual funds and changes in fair value	(611.87)	(2,264.13)
Interest income from fixed deposit and loans	(2,683.65)	(1,592.18)
(Profit)/Loss on sale of asset	1.42	42.42
Issue of Employee stock options	77.67	129.92
Provision for Contingencies	-	1,000.00
Bad debts written off	26.36	-
Provision for doubtful receivables / advances	238.26	(462.98)
Unrealised net foreign exchange (gain) / loss	(94.92)	(470.51)
Operating profit before working capital changes	6,731.10	4,599.73
Movements in working capital:		
(Increase)/decrease in trade receivables	3,778.91	(750.23)
(Increase)/decrease in inventories	(4,553.60)	(2,692.40)
(Increase)/decrease in other assets	(920.64)	(3,794.78)
Increase/(decrease) in trade payables	(1,176.85)	893.16
Increase/(decrease) in provisions	88.69	(6.57)
Increase/(decrease) in other liabilities	(131.88)	(716.07)
	(2,915.37)	(7,066.89)
Cash generated from operations	24,842.14	22,509.52
Income Tax paid (Net of Refund)	(5,938.24)	(5,594.76)
Net cash generated from operating activities	18,903.90	16,914.76
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	226.07	234.84
Proceeds from sale of Mutual funds	47,318.92	90,991.56
Investments in Mutual funds	(27,098.44)	(75,361.24)
Loans given	(36,624.68)	(11,223.80)
Investment made	(11,457.55)	(13,649.94)
Investment in/maturity of bank deposits, net	(176.44)	(1,200.00)
Acquisition of property, plant and equipment and capital advances	(6,148.86)	(9,479.47)
Proceeds from sale of property, plant and equipment	13.19	100.47
Net cash used in investing activities	(33,947.79)	(19,587.58)



Standalone Statement of Cash Flows

For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

	Year ended March 31, 2026	Year ended March 31, 2025
C. CASH FLOW FROM FINANCING ACTIVITIES		
Fresh Issue of Equity Shares	0.61	0.61
Proceeds from borrowings (Net)	22,168.56	5,240.67
Payment of Dividend	(3,702.83)	(1,233.97)
Repayment of borrowings	(1,166.20)	(18.52)
Payment towards lease liabilities	(2,573.52)	(1,872.30)
Interest paid - Borrowings	(722.48)	(9.43)
Other Finance Cost	(214.12)	(228.59)
Net cash generated from financing activities	13,790.02	1,878.47
Net increase/(decrease) in cash and cash equivalents	(1,253.87)	(794.35)
Cash and cash equivalents as at the beginning of the year	3,592.65	4,387.00
Cash and Cash equivalents as at the end of the year (note 11.1)	2,338.78	3,592.65

Note: The Statement of Cash Flow is prepared using 'Indirect Method' as prescribed in Ind AS 7.

Refer Note 14(b) for Debt reconciliation

summary of material accounting policies

1

Notes forming part of Standalone Financial statements

1-44

As per our report of even date attached

For and on behalf of the Board of Directors

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Registration No: 003990S/S200018

P. Ranjit

Executive Vice Chairman

(Whole Time Director)

DIN: 01952929

Rampraveen Swaminathan

Managing Director

DIN: 01300682

S. Prasana Kumar

Partner

Membership No: 212354

R.Natarajan

Chief Financial Officer

Vijayaraghavan N E

Company Secretary and Compliance Officer

M.No. A 41671

Place: Chennai

Date: May 11, 2026



Standalone Statement of Changes in Equity

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

(a) EQUITY SHARE CAPITAL		
Particulars	No of shares	Rs. in Lakhs
Balance as at March 31, 2024	12,33,96,969	2,467.94
Changes in equity share capital during the year	30,713	0.61
Balance as at March 31, 2025	12,34,27,682	2,468.55
Changes in equity share capital during the year	30,712	0.61
Balance as at March 31, 2026	12,34,58,394	2,469.16

(b)

Particulars	Reserves & Surplus				Items of other comprehensive income	ESOP Outstanding Account	Total
	Securities Premium	Retained earnings	Equity component of compound financial instrument	Debt Redemption Reserve			
a. Balance as at March 31, 2024	94,080.93	73,895.03	-	-	(37.81)	235.70	1,68,173.85
b. Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
c. Restated balance at the beginning of the current reporting year (m+n)	94,080.93	73,895.03	-	-	(37.81)	235.70	1,68,173.85
d. Other comprehensive income for the current year	-	-	-	-	(15.86)	-	(15.86)
e. profit for the FY 2024-25	-	18,492.34	-	-	-	-	18,492.34
f. Transfer to retained earnings	-	-	-	-	-	-	-
g. Adjustment of Share issue expenses (0.63)	(0.63)	-	-	-	-	-	(0.63)
h. Final Dividend paid for FY 2023-24	-	(1,233.97)	-	-	-	-	(1,233.97)
i. First Interim Dividend paid for FY 2024-25	-	-	-	-	-	-	-
j. Second Interim Dividend paid for FY 2024-25	-	-	-	-	-	-	-
k. Transfer to Securities Premium	124.39	-	-	-	-	(124.39)	-
l. Transfer to ESOP Outstanding Account	-	-	-	-	-	129.92	129.92
m. Balance as at March 31, 2025	94,204.69	91,153.40	-	-	(53.67)	241.23	1,85,545.65



Standalone Statement of Changes in Equity (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	Reserves & Surplus				Items of other comprehensive income	ESOP Outstanding Account	Total
	Securities Premium	Retained earnings	Equity component of compound financial instrument	Debt Redemption Reserve			
n. Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
o. Restated balance at the beginning of the current reporting year (m+n)	94,204.69	91,153.40	-	-	(53.67)	241.23	1,85,545.65
p. Other comprehensive income for the current year	-	-	-	-	(23.70)	-	(23.70)
q. profit for the FY 2025-26	-	15,437.29	-	-	-	-	15,437.29
r. Transfer to retained earnings	-	-	-	-	-	-	-
s. Adjustment of Share issue expenses	-	-	-	-	-	-	-
t. Final Dividend paid for FY 2024-25	-	(3,702.83)	-	-	-	-	(3,702.83)
u. First Interim Dividend paid for FY 2024-25	-	-	-	-	-	-	-
v. Second Interim Dividend paid for FY 2024-25	-	-	-	-	-	-	-
w. Transfer to Securities Premium	124.39	-	-	-	-	(124.39)	-
x. Transfer to ESOP Outstanding Account	-	-	-	-	-	77.67	77.67
y. Balance as at March 31, 2026	94,329.08	1,02,887.86	-	-	(77.37)	194.51	1,97,334.08

Summary of material accounting policies 1

Notes forming part of Standalone Financial statements 1-44

As per our report of even date attached
For PKF Sridhar & Santhanam LLP
 Chartered Accountants
 Firm Registration No: 003990S/S200018

For and on behalf of the Board of Directors

S. Prasana Kumar
 Partner
 Membership No: 212354

P. Ranjit
 Executive Vice Chairman
 (Whole Time Director)
 DIN: 01952929

Rampraveen Swaminathan
 Managing Director
 DIN: 01300682

S. Prasana Kumar
 Partner
 Membership No: 212354

R. Natarajan
 Chief Financial Officer

Vijayaraghavan N E
 Company Secretary and Compliance Officer
 M.No. A 41671

Place: Chennai
 Date: May 11, 2026



Notes Forming Part of Standalone Financial Statements

For the Year Ended March 31, 2026

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 1: CORPORATE INFORMATION

The Company (CIN - L24298TN2009PLC072270) was incorporated on July 14, 2009 and has its register office at T.Nagar Chennai. The Company is into manufacturing of Marine Chemicals. The manufacturing location is in Gujarat State. The equity shares of the Company were listed on National Stock Exchange of India Limited ("NSE") and Bombay Stock Exchange of India limited ("BSE") on November 21, 2022.

Summary of Material accounting policies

1.1 Statement of compliances

The standalone financial statements have been prepared and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules 2015 ("as amended") and other relevant provisions of the Companies Act, 2013. The material accounting policies have been applied consistently to all the periods presented in the financial statements, unless otherwise indicated.

1.2 Basis of preparation and presentation

The standalone financial statements have been prepared on the historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period, as explained in the accounting policies below:

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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 take 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 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 best economic interest.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the assets 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, maximizing the use of relevant observable inputs and minimizing 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 inputs that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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.

Quantitative disclosures of fair value measurement hierarchy (Refer Note 34)

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 Note 1.22 operating cycle. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities, except for salt at crystalizers for which the operating cycle is 24 months.

Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

The Company is confident of getting its land lease renewed as mentioned in Note 3. Hence the financial statements have been prepared on going concern basis.

1.3 Changes in Accounting Standards with effect from April 01, 2025

- (i) New and amended standards adopted by the Company:

The Company has applied the following amendments for the first time for their annual reporting period commencing April 01, 2025:

Ind AS 21 – The Effects of Changes in Foreign Exchange Rates

In May 2025, the Ministry of Corporate Affairs (MCA) notified amendments to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates, applicable for annual periods beginning on or after April 01, 2025. The amendment introduces a new framework for assessing whether a currency is exchangeable into another currency and provides guidance when exchangeability is lacking.

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

In August 2025, the MCA notified the following amendments:

- Ind AS 1 – Presentation of Financial Statements (applicable w.e.f. April 01, 2025)

The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants.

Based on the Company's assessment, the Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

- Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures (applicable w.e.f. April 01, 2025)

The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk.

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

- Ind AS 12 – International Tax Reform – Pillar Two Model Rules (applicable immediately)

The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has determined that this amendment does not have any impact in its standalone financial statements.

1.4 Changes in Accounting Standards notified but not yet effective March 31, 2026.

New Accounting Standards/Amendments notified but not yet effective.

MCA has not notified any new standards or amendments to the existing standards applicable to the Company during the year ending March 31, 2026.

1.5 Property, plant and equipment

Property, plant and equipments (PPE) held for use in the production or supply of goods or services, or for administrative purposes, are stated in the standalone balance sheet at cost less accumulated depreciation and accumulated impairment losses.

PPE in course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowings costs capitalised in accordance with Company's accounting policy. Such properties are classified to appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Advance paid towards acquisition of property, plant and equipment outstanding at each standalone balance sheet date is classified as capital advances under other non current assets.

Cost of assets not ready to use are disclosed under 'capital work in progress'.

Depreciable amount is the cost of an asset less its estimated residual value. Depreciation on Property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. Useful life of the Property, plant and equipment is reassessed at each year end based on the technical evaluation.

Assets	Useful life
Building	10 - 40 years
Salt works	30 years
Plant and Machinery - Chemicals	2 - 40 years
Plant and Machinery - Cogeneration plant	3 - 40 years
Vehicles	2 - 10 years
Office & equipment	2 - 6 years
Furniture & fixtures	2 - 10 years

PPE individually costing Rs. 5,000 or less are fully depreciated in the year of capitalization.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and carrying amount of the asset and is recognised as profit or loss.

Upon transition to the Ind AS, the Company has elected to continue with the carrying value of all of its Property, Plant and Equipment as at April 01, 2017 (transition date) measured as per the previous GAAP, as its deemed cost.

1.6 Intangible assets other than goodwill

Intangible assets with finite useful life are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises

of the purchase price, including any import duties and other taxes and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts, tax credits and rebates.

The intangible assets are amortised over their respective estimated useful life on a straight-line basis, commencing from the date the asset is available to the Company for its use. The amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Subsequent expenditure on an intangible asset after its purchase/completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Derecognition of intangible assets:

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss.

Useful lives of intangible assets:

Estimated useful lives of the intangible assets are as follows:

Software licenses - 5 Years

Deemed cost on transition to Ind AS

Upon transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets as at April 01, 2017 (transition date) measured as per the previous GAAP, as its deemed cost.

1.7 Impairment of property, plant and equipment & intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the standalone statement of profit and loss.

1.8 Right of use assets

The Company has adopted Indian Accounting Standards ("Ind AS") 116 "Leases" to all its lease contracts existing on April 01, 2019 adopting modified retrospective approach. Consequently the Company recorded the lease liability calculated at present value of remaining lease payments discounted at the incremental borrowing rate. Right to use asset has been recognised to this extent.

1.9 Investments in subsidiary

Investment in subsidiary is carried at cost less impairment losses, if any. Where an indication of impairment exists, the carrying amount of investments is assessed and impairment provision is recognised, if required, immediately to its recoverable amount. On disposal of such investments, difference between

the net disposal proceeds and carrying amount is recognised in the standalone statement of profit and loss.

1.10 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset -this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
 - a) the Company has the right to operate the asset; or
 - b) the Company designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after April 01, 2019.

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 12 months or less and leases of low value assets (assets of less than INR 10 Lakhs in value). The Company recognises the lease payments associated with these leases as an expense over the lease term.

1.11 Inventories

Inventories are valued at the lower of cost on moving weighted average basis or estimated net realisable value (net of allowances) after providing



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

for obsolescence and other losses, where considered necessary. The cost comprises of cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work-in-progress, incurred in bringing such inventories to their present location and condition, including transportation cost, transit insurance and any other charges. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sales.

Salt at crystallizers (work-in-progress) is valued at cost on the estimated quantity based on the depth and density statement of salt precipitated in salt crystalliser at the close of the year.

1.12 Cash & Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.13 Foreign currency transactions and translations

(i) Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

In preparing the standalone financial statement, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

1.14 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 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.

1.15 Revenue recognition

Revenues are derived primarily from sale of Industrial Salt, Liquid Bromine and other marine chemicals. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue is recognised upon transfer of control of products or services to customers for an amount that reflects the probable consideration expected to be received in exchange. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/incentive. Also, when the level of discount/pricing incentives varies with increases in levels of revenue transactions, the Company recognises the liability based on its estimate

Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount/pricing incentives is not recognised until the payment is probable and the amount can be estimated reliably. The Company recognises changes in the estimated amount of obligations for discounts/pricing incentives in the period in which the change occurs.

Revenue from services has been recognised as and when the service has been performed.

1.16 Employee benefits

Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows.

- Service Cost (including current service cost, past service cost, as well as gain and losses on curtailments and settlements)
- Net interest expense or income, and
- Remeasurement.

The Company presents the first two components of defined benefit costs in profit or loss in the line item "Employee Benefits Expense". Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present

value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

The Company has an employees 'gratuity fund managed by the Life Insurance Corporation of India.

Short - term and other long - term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave in the period related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by the employees up to the reporting date.

Share based payments

The Company recognises compensation expense relating to share based payments in accordance with Ind AS 102 Share-based Payment. Stock options granted by the Company to its employees are accounted as equity settled options. Accordingly, the estimated fair value of options granted that is determined on the date of grant, is charged to statement of Profit and Loss on a straight line basis over the vesting period of options, with a corresponding increase in equity.

1.17 Provisions and contingencies

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation and are reviewed at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Contingent liability is disclosed for (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or (ii) Present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts only in case of inflow of economic benefits is probable.

1.18 Taxes on income

Current tax is the expected tax payable on the taxable profit for the year using tax rates and tax laws enacted or substantively enacted by the end of the reporting period and any adjustments to the tax payable in respect of previous years.

The tax currently payable is based on taxable profit for the year, if any. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based

on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Current tax is the expected tax payable on the taxable profit for the year using tax rates and tax laws enacted or substantively enacted by the end of the reporting period and any adjustments to the tax payable in respect of previous years.

The tax currently payable is based on taxable profit for the year, if any. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

1.19 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities,

Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Subsequent Measurement

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets, except for investment forming part of interest in subsidiary, which are measured at cost.

Classification of financial assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(a) Amortised Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely, payments of principal and interest are measured at amortised cost. A gain or loss on these assets that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

(b) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely, payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income/(expense).

(c) Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognised in the statement of profit and loss.

Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortised cost, trade receivable, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at Fair value through profit or loss.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impairment financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayments, extension, call and similar options) through the expected life of that financial instruments.

The Company measures the loss allowance for the financial instruments at an amount equal to the lifetime expected credit losses if the credit risk on those financial instruments has increased significantly since initial recognition.

If the credit risk on financial instruments has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instruments at an amount equal to 12 months expected credit losses. The twelve months expected credit losses are portion of the lifetime expected credit losses and represents lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the 12 months.

If the Company has already measured loss allowance for the financial instruments at life time expected credit loss model in the previous period and determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality, then the Company again



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

measures the loss allowance based on 12 month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instruments instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual rights to receive cash or other financial assets that results from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to life time expected credit losses.

Further, for the purposes of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward – looking information.

Derecognition of financial assets

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

Financial liabilities and equity instruments:-

Classification as equity or financial liability

Equity and Debt instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as FVTPL, are measured at amortised cost at the end of the reporting period. The carrying amounts of financial liabilities that are measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs'.

Financial liabilities at FVTPL

Liabilities that do not meet the criteria for amortised cost are measured at 'fair value through profit or loss' (FVTPL). A gain or loss on these assets that is subsequently measured at 'fair value through profit or loss' (FVTPL) is recognised in the statement of profit and loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Derivative financial instruments

Initial recognition

The Company uses derivative financial instruments such as forward contracts, to hedge a portion of its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Subsequent measurement

Derivative financial instruments are subsequently re-measured at fair value with any gains or losses arising from changes in the fair value taken directly to the statement of profit or loss.



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

1.20 Earnings Per Share

Basic earnings per share is computed by dividing the net profit/(loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic plus dilutive shares during the year/period.

1.21 Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets & contingent liabilities at the date of standalone financial statements, income and expenses during the year. The estimates and associated assumptions are based on the historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements are made in applying accounting policies that have the most significant effects on the amounts recognized in the standalone financial statements.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on an ongoing basis.

Uncertainty about these assumptions and estimates could result in outcomes that require a material

adjustment to the carrying amount of assets or liabilities affected in future periods.

The areas involving critical estimates or judgments are:

- a. Estimation of useful life of Property, plant and equipment and intangible asset & impairment testing
- b. Estimation of fair value of unlisted securities
- c. Impairment of trade receivables: Expected credit loss
- d. Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources
- e. Measurement of defined benefit obligation: key actuarial assumptions
- f. Lease: Whether a contract contains a lease
- g. Write down of Inventory
- h. Estimation for litigations
- i. Impairment of investment and other financial/non financial assets
- j. Estimation of Washing loss and transit loss of inventory
- k. Fair value measurement of derivative and other financial instruments
- l. Income taxes

1.22 Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current. For salt at crystalizers, the operating cycle is 24 months and is consistently applied.



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 2: PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amounts of:		
Salt works	22,176.70	23,351.40
Buildings	24,546.01	24,566.61
Plant and equipment	50,481.04	52,625.69
Furniture and fixtures	93.73	124.93
Office equipments	35.19	45.26
Computers	90.86	72.56
Vehicles	3,412.85	1,429.57
Total	1,00,836.38	1,02,216.02
Capital Work-in-progress	5,261.00	2,809.86

Capital Work-in-progress balance as at March 31, 2026

Particulars	Ageing				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Projects in progress	5,164.00	12.00	57.00	28.00	5,261.00
Projects temporarily suspended	-	-	-	-	-

Capital Work-in-progress balance as at March 31, 2025

Particulars	Ageing				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Projects in progress	2,512.10	144.35	153.41	-	2,809.86
Projects temporarily suspended	-	-	-	-	-



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

	Salt Works	Buildings	Plant and equipment	Furniture & fixtures	Office equipments	Computers	Vehicles	Total
Gross block								
Balance as at March 31, 2024	32,436.73	32,072.90	76,924.12	364.43	140.72	372.36	2,661.61	1,44,972.87
Additions	1,005.54	33.92	1,763.79	33.45	5.46	16.95	192.92	3,052.03
Disposals	-	-	-	-	-	-	(376.40)	(376.40)
Balance as at March 31, 2025	33,442.27	32,106.82	78,687.91	397.88	146.18	389.31	2,478.13	1,47,648.50
Additions	-	909.39	2,022.90	15.37	8.71	44.33	2,596.00	5,596.70
Disposals	-	-	-	-	-	-	(28.59)	(28.59)
Balance as at March 31, 2026	33,442.27	33,016.21	80,710.81	413.25	154.89	433.64	5,045.54	1,53,216.61
Accumulated depreciation								
Balance as at March 31, 2024	8,981.94	6,638.55	21,965.30	228.19	80.60	284.95	974.78	39,154.31
Depreciation expense	1,108.93	901.66	4,096.92	44.76	20.32	31.80	307.29	6,511.68
Disposals	-	-	-	-	-	-	(233.51)	(233.51)
Balance as at March 31, 2025	10,090.87	7,540.21	26,062.22	272.95	100.92	316.75	1,048.56	45,432.48
Depreciation expense	1,174.70	929.99	4,167.55	46.57	18.78	26.03	598.11	6,961.73
Disposals	-	-	-	-	-	-	(13.98)	(13.98)
Balance as at March 31, 2026	11,265.57	8,470.20	30,229.77	319.52	119.70	342.78	1,632.69	52,380.23
Carrying amount as at March 31, 2025	23,351.40	24,566.61	52,625.69	124.93	45.26	72.56	1,429.57	1,02,216.02
Carrying amount as at March 31, 2026	22,176.70	24,546.01	50,481.04	93.73	35.19	90.86	3,412.85	1,00,836.38

Note:

(a) Contractual obligations: Refer Note 37 for disclosure of contractual commitments for the acquisition of Property, plant and equipment.

(b) Also refer note 14 for assets given as security for borrowings.



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 3: RIGHT-OF-USE ASSETS

Gross carrying value	Land and Building	Vehicles	ISO tanks	Total
Balance as at March 31, 2024	1,723.77	-	3,375.98	5,099.75
Additions	15.05	2,857.66	-	2,872.71
Deletions	-	-	-	-
Balance as at March 31, 2025	1,738.82	2,857.66	3,375.98	7,972.46
Additions	-	2,069.26	-	2,069.26
Deletions	(169.73)	-	-	(169.73)
Balance as at March 31, 2026	1,569.09	4,926.92	3,375.98	9,871.99

Accumulated depreciation	Land and Building	Vehicles	ISO tanks	Total
Balance as at March 31, 2024	394.74	-	1,892.78	2,287.52
Depreciation for the year	140.06	143.73	504.99	788.78
Deletions	-	-	-	-
Balance as at March 31, 2025	534.80	143.73	2,397.77	3,076.30
Depreciation for the year	97.05	598.08	346.18	1,041.31
Deletions	(60.17)	-	-	(60.17)
Balance as at March 31, 2026	571.68	741.81	2,743.95	4,057.44

Net Carrying amount as at March 31, 2025	1,204.02	2,713.93	978.21	4,896.16
Net Carrying amount as at March 31, 2026	997.41	4,185.11	632.03	5,814.55

Note:

The Company entered into Memorandum of Undertaking (MOU) dated August 10, 2010, with Government of Gujarat (GOG) for the Land lease which expired on July 31, 2018 and the Company had made an application for renewal on December 28, 2017. As per the MOU with GOG, the lease term can be further extended for a duration and conditions as mutually agreed at that time. There is also a GOG circular no 1597/1372/ dated October 9, 2017 which states that such leases can be extended for a period of thirty years.

The Company has been receiving demand note annually for the revised lease rents as per GoG circular and the Company has been making these payments. Based on facts disclosed above the Company is confident of obtaining the renewal of land lease.

The Useful life of PPE and ROU assets have been determined by the management considering that the lease would be extended. The entire production facility is located on this leased land.

NOTE 4: INTANGIBLE ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amounts of:		
Software	3.99	6.33
Total	3.99	6.33

Gross Block	Software
Balance as at March 31, 2024	60.54
Additions	-
Balance as at March 31, 2025	60.54
Additions	0.85
Balance as at March 31, 2026	61.39

Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Gross Block	Software
Accumulated depreciation	
Balance as at March 31, 2024	48.93
Amortisation expense	5.28
Balance as at March 31, 2025	54.21
Amortisation expense	3.19
Balance as at March 31, 2026	57.40

Carrying amount as at March 31, 2025	6.33
Carrying amount as at March 31, 2026	3.99

NOTE 5A: NON CURRENT INVESTMENTS

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of shares/units	Rs.in Lakhs	No of shares/units	Rs.in Lakhs
A. Investment in Equity Instruments of subsidiaries - Unquoted (at cost)				
Acume Chemicals Private Limited (equity shares of Rs. 10 each fully paid up)	50,00,000	500.00	50,00,000	500.00
Idealis Chemicals Private Limited (equity shares of Rs. 10 each fully paid up)	33,00,000	330.00	30,00,000	300.00
Neun Infra Private Limited (equity shares of Rs. 10 each fully paid up)	30,00,000	300.00	30,00,000	300.00
Total		1,130.00		1,100.00
B. Investment others - at FVTPL				
Investment in Clas-Sic Wafer Fab Limited** (equity shares of GBP 0.01 each fully paid up @ GBP 5.40 per share) A0 class - 18,51,852 and A1 class - 9,25,926	27,77,778	16,522.81	23,14,815	13,649.94
Investment in Offgrid Energy Labs* (equity shares of USD 0.00001 each fully paid up @ USD 0.32606 per share)	3,06,69,250	8,554.68	-	-
Total Non current investments		26,207.49		14,749.94
Aggregate amount of quoted investments		-		-
Aggregate amount of Unquoted investments		26,207.49		14,749.94
Aggregate amount of impairment in value of investments		-		-

*ACIL subscribed A1 Preferred Stock of 30,669,250 shares with Face value of USD 0.00001 per share, with acquired price of USD 0.32606 per share on May 14, 2025 Securing 18.14% stake in Offgrid Energy Labs Inc and the remaining commitment is expected to be made in the subsequent year.

** ACIL subscribed shares in Clas- SiC for GBP 10 Million on October 31, 2024 (A-0 Class – 18,51,852, FV GBP 0.01, Acquired price – GBP 5.40 / share); Payment of GBP 2.50 Million was made on November 4, 2024 towards purchase of A-1 Class – 4,62,963 shares for the same price and Balance payment of GBP 2.50 Million was made on May 21, 2025 towards purchase of A-1 Class – 4,62,963 shares for the same price and and Share certificates were also received.

NOTE 5B: CURRENT INVESTMENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Mutual Funds (FVTPL) - Unquoted		
Investment in Mutual Funds	608.13	20,216.74
Total Investments	608.13	20,216.74

(March 2026 - 18,279.92 units, March 2025- 10,04,991.37 Units)



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

As at March 31, 2026

Particulars	Units	Price (Rs.)	Value
BANDHAN Mutual Fund	18,279.92	3,326.77	608.13
Total	18,279.92		608.13

As at March 31, 2025

Particulars	Units	Price (Rs.)	Value
ICICI Prudential Mutual Fund	6,48,715.70	1,363.82	8,847.32
BANDHAN Mutual Fund	63,943.17	3,132.53	2,003.04
HSBC Mutual Fund	77,514.44	2,584.33	2,003.23
BANK OF INDIA Mutual Fund	1,06,596.96	2,957.47	3,152.58
TATA Mutual Fund	51,445.97	4,092.06	2,105.20
DSP Mutual Fund	56,775.13	3,708.27	2,105.37
Total	10,04,991.37		20,216.74

NOTE 6: OTHER FINANCIAL ASSETS

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)				
a) Security deposits measured at amortised cost				
With related Party	-	-	900.00	900.00
With Others	432.76	432.76	332.50	352.58
b) Interest accrued on loans (refer note 7)				
With related parties	3,610.75	1,531.17	-	-
With Others	57.08	115.38	34.29	45.46
c) Export benefits receivable	-	-	52.99	106.72
d) Bank Deposits with more than 12 months maturity*	1,328.37	1,328.37	-	-
	5,428.96	3,407.68	1,319.78	1,404.76

*represents guarantee given in favour of National Stock Exchange of India Limited (FY 2023-24)

NOTE 6.1: DERIVATIVE ASSETS

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Fair value of forward contract	-	-	-	89.21
	-	-	-	89.21

NOTE 7: LOANS

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)				
Loan to Related Parties				
Loans to Acume Chemicals Private Limited (Wholly owned subsidiary)	13,066.71	9,616.71	-	-

Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Loans to Idealis Chemicals Private Limited (Wholly owned subsidiary)	8,491.49	8,374.99	-	-
Loans to Idealis Mudchemie Private Limited (Wholly owned step down subsidiary)	1,494.61	361.43		
Loans to Neun Infra Private Limited (Wholly owned subsidiary)	36,635.50	4,710.50		
Loan to Others				
Loans to Clas-Sic Wafer Fab Limited	2,739.61	2,214.78		
Loans to employees	-	-	54.32	55.80
Total	62,427.92	25,278.41	54.32	55.80

Note:

- Loan to Acume Chemicals Private Limited: The Loan is repayable over a period of five years as per the loan agreement at simple interest rate of 7.50% p.a. and repayment starts from the financial year 2029-30 onwards.
- Loan to Idealis Chemicals Private Limited: The Loan is repayable over a period of five years as per the loan agreement at an simple interest rate of 7.50% p.a. and repayment starts from FY 2029-30 onwards.
- Loan to Idealis Mudchemie Private Limited: The Loan is repayable over a period of five years as per the loan agreement at an simple interest rate of 7.50% p.a. and repayment starts from FY 2029-30 onwards.
- Loan to Neun Infra Private Limited: The Loan is repayable over a period of 5 years as per the loan agreement at an simple interest rate of 7.50% p.a. and repayment starts from FY 2029-30 onwards.
- Loan to Clas-Sic Wafer Fab Limited repayable over a period of 4 years as per the loan agreement with an interest at base rate of Bank of England plus 200 basis points.

refer note 6 for Interest accrued on the above loan.

NOTE 8: OTHER ASSETS

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good) at amortised cost				
a) Capital advances	4,307.47	6,124.00	-	-
b) Balances with statutory authorities	212.44	212.44	3,082.90	2,636.54
c) Others	-	-	126.22	126.22
d) Prepaid expenses	-	-	735.20	602.89
e) Advance to suppliers other than for capital asset	-	-		
(i) Advance to related parties			1,757.38	1,064.84
(ii) Other Advances			1,512.61	1,560.09
f) Earned Leave - Fund Balance	-	-	-	20.44
(Unsecured, considered doubtful)				
g) Advance to suppliers other than for capital asset	-	-	329.09	329.09
Less: Provision for Advance	-	-	(329.09)	(329.09)
	4,519.91	6,336.44	7,214.31	6,011.02



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 9: INVENTORIES (LOWER OF COST OR NET REALISABLE VALUE)

Particulars	As at March 31, 2026	As at March 31, 2025
a. Raw materials and components	525.52	356.93
b. Work-in-progress	12,360.80	9,966.23
c. Stores & spares	2,190.54	1,536.35
d. Finished goods	4,752.47	3,533.27
e. Finished goods in transit	117.05	-
Total	19,946.38	15,392.78

Note:

Refer Note 14 for Inventories pledged as security towards loans

NOTE 10: TRADE RECEIVABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	13,585.11	17,195.40
Trade Receivables which have significant increase in Credit Risk	564.92	255.00
Trade Receivables - credit impaired	2,271.18	2,342.84
Total	16,421.21	19,793.24
Allowance for doubtful debts (expected credit loss allowance)		
- towards receivables that are credit impaired	(2,271.18)	(2,342.84)
- towards receivables which have significant increase in Credit Risk	(564.92)	(255.00)
Total	13,585.11	17,195.40

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables by adopting a simplified approach by using provision matrix which is based on historical credit loss experience. The expected credit loss allowance is based on the ageing of the days the receivables are due, the rates as given in the provision matrix and other factors. The range of provision created as a percentage of outstanding under various age groups below 180 days past due comes to 0% - 23%. The Company as a policy provides for 100% for outstanding above 180 days past due taking into account other factors.

Movement in expected credit loss allowance	As at March 31, 2026	As at March 31, 2025
Balance at beginning of the year	(2,597.84)	(2,134.85)
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses (Note 29)	(238.26)	(462.99)
Balance at end of the year	(2,836.10)	(2,597.84)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivables (At Amortised Cost)		
(i) Undisputed Trade Receivables – considered good		
- Less than 6 months	13,585.11	17,195.40
- 6 months - 1 year	-	-
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-

Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
(ii) Undisputed Trade Receivables – which have significant increase in credit risk		
- Less than 6 months	564.92	205.00
- 6 months - 1 year	-	-
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	50.00
(iii) Undisputed Trade Receivables – credit impaired		
- Less than 6 months	-	-
- 6 months - 1 year	50.37	99.92
- 1-2 years	6.90	110.79
- 2-3 years	110.59	3.63
- More than 3 years	2,103.32	2,128.50
(iv) Disputed Trade Receivables – considered good		
- Less than 6 months	-	-
- 6 months - 1 year	-	-
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk		
- Less than 6 months	-	-
- 6 months - 1 year	-	-
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
(vi) Disputed Trade Receivables – credit impaired		
- Less than 6 months	-	-
- 6 months - 1 year	-	-
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
Less: Provision	(2,836.10)	(2,597.84)
Net receivables	13,585.11	17,195.40

NOTE 11:

11.1 Cash & cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Balances with banks in current accounts and deposit accounts		
(i) In Current account	1,336.15	182.33
(ii) In term deposits with banks (original maturities less than 3 months)	1,000.00	3,400.00
(b) Cash on hand	2.63	10.32
Total Cash and cash equivalents	2,338.78	3,592.65



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

11.2 Other bank balances

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with banks held as margin money and guarantees	-	-
Deposits due to mature after three months but before twelve months from the reporting date*	1,376.44	1,200.00
Total other bank balances	1,376.44	1,200.00
Total Cash and bank balances	3,715.22	4,792.65

*represents Fixed deposit made for Acume Chemicals Private limited to avail LC facility.

NOTE 12: EQUITY SHARE CAPITAL

Particular	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Rs.in Lakhs	No. of Shares	Rs.in Lakhs
AUTHORISED:				
Equity shares:				
Equity shares of Rs. 2 each	16,00,00,000	16,00,00,000	3,200.00	3,200.00
ISSUED:				
Equity shares of Rs. 2 each	12,34,58,394	12,34,27,682	2,469.16	2,468.55
SUBSCRIBED AND FULLY PAID UP:				
Equity shares of Rs. 2 each	12,34,58,394	12,34,27,682	2,469.16	2,468.55

The Company has completed the Initial Public Offer (IPO) of 3,59,28,869 Equity shares of face value of Rs. 2 each at an issue price of Rs. 407 per equity share comprising offer for sale of 1,61,50,000 equity shares by selling shareholders and fresh issue of 1,97,78,869 shares. The equity shares of the Company were listed on National Stock Exchange of India Limited ("NSE") and Bombay Stock Exchange of India limited ("BSE") on November 21, 2022.

Pursuant to the resolution passed by the Board and resolution passed at the Nomination Remuneration Committee on October 07, 2022 the Company has granted the issuance of 4,91,400 Employee Stock Options (ESOP's) to the eligible employees of the Company in accordance with Archean Chemical -Employee Stock Option Plan 2022. The Vesting Period of ESOP is between 12 months to 60 months. The first lot of shares (3,43,980) were exercised and allotted on November 03, 2023 and December 02, 2023. The second lot of shares (30,713) shares were exercised and allotted on October 16, 2024. The third lot of shares (30,712) shares were exercised and allotted on November 14, 2025.

12.1 Reconciliation of number of shares

Particulars	Year ended 2025-26		Year ended 2024-25	
	No. of Shares	Amount (Rs. in Lakhs)	No. of Shares	Amount (Rs. in Lakhs)
Balance at the beginning of the year	12,34,27,682	2,468.55	12,33,96,969	2,467.94
Conversion of CCD	-	-	-	-
Fresh issue of shares - IPO & adjustment for OFS	-	-	-	-
ESOP Exercised during the year	30,712	0.61	30,713	0.61
Balance at the end of the year	12,34,58,394	2,469.16	12,34,27,682	2,468.55

12.2 Terms / Rights attached to Equity Shares

The Company has only one class of Equity shares having a par value of Rs.2 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential accounts, in proportion to their shareholding.

Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

12.3 Details of shares held by each shareholder holding more than Five percent of equity shares in the Company:

Name of the Share holder	As at March 31, 2026		As at March 31, 2025	
	No of shares held	%	No of shares held	%
Chemikas Speciality LLP (formerly known as Goodearth Fertilisers Company LLP)	3,76,93,219	30.53%	3,76,93,219	30.54%
Mr. P. Ranjit	2,82,65,965	22.90%	2,82,65,965	22.90%

Disclosure of shareholding of promoters and percentage of change during the year. Additional Information Disclosure Pursuant to Schedule III of Companies Act, 2013 as per MCA notification dated March 24, 2021:

Promoter Name	As at March 31, 2026			As at March 31, 2025		
	No of shares held	% of total shares	% of change during the year	No of shares held	% of total shares	% of change during the year
Mr. P. Ravi	-	0.00%	0.00%	-	0.00%	0.00%
Mr. P. Ranjit	2,82,65,965	22.90%	0.00%	2,82,65,965	22.90%	(0.01%)
Chemikas Speciality LLP (formerly known as Goodearth Fertilisers Company LLP)	3,76,93,219	30.53%	(0.01%)	3,76,93,219	30.54%	(0.01%)

Note - The change in percentage (0.01%) in the promoter's holding is due to allotment of ESOP shares to eligible employees as per ESOP policy during the year.

12.4 The Company has issued Stock options to employees under ESOP Scheme 2022.(Refer Note 33D)

12.5 The Company does not have any bonus share issued and shares bought back during the period of five years immediately preceding the reporting date March 31, 2026 and March 31, 2025.

12.6 The Company does not have any shares issued for considering other than cash during the period of five years immediately preceding the reporting date.

NOTE 13: OTHER EQUITY

Particulars	As at March 31, 2026	As at March 31, 2025
a Securities premium	94,329.08	94,204.69
b Retained earnings (Net of other comprehensive income)	1,02,810.49	91,099.73
c Share Options Outstanding Account	194.51	241.23
Total	1,97,334.08	1,85,545.65

Details to other equity

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Securities premium		
Balance at the beginning of the year	94,204.69	94,080.93
Add: Premium on shares issued during the year	-	-
Add: Transfer from ESOP Outstanding Account	124.39	124.39
Less: Adjustment of Share Issue Expenses	-	(0.63)
Balance at the end of the year	94,329.08	94,204.69



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
(b) Retained earnings		
Balance at the beginning of the year	91,099.73	73,857.22
Total Comprehensive Income attributable to the owners of the Company	15,413.59	18,476.48
Final Dividend Paid for FY 2023-24	-	(1,233.97)
Dividend Paid for FY FY 2024-25	(3,702.83)	-
Balance at the end of the year	1,02,810.49	91,099.73
(c) Share Options Outstanding Account		
Balance at the beginning of the year	241.23	235.70
Transferred during the year	77.67	129.92
Options exercised during the year	(124.39)	(124.39)
Balance at the end of the year	194.51	241.23
Total Other equity	1,97,334.08	1,85,545.65

Nature and purpose of other reserves

(a) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act 2013.

(b) Retained earnings

Retained earnings represents company's cumulative earnings since its formation less the dividends/Capitalisation, if any.

(c) Share Options Outstanding Account

Pursuant to the resolution passed by the Board and resolution passed at the Nomination Remuneration Committee on October 07, 2022 the Company has granted the issuance of 4,91,400 Employee Stock Options (ESOP's) to the eligible employees of the Company in accordance with Archean Chemical -Employee Stock Option Plan 2022. The amount of options(difference between fair value and exercise price) granted under the ESOP scheme has been recognised in the share options outstanding account.

NOTE 14: BORROWINGS

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Secured				
- Term Loans from Banks	5,985.87	4,448.32	1,758.01	852.63
- Working Capital Term Loan from Banks	-	-	18,559.43	-
Total	5,985.87	4,448.32	20,317.44	852.63

Summary of borrowing arrangements

Note:

(a) Terms of Secured Loan from Banks -

Particulars	Hypothecation details	Term of loan	Rate
- Working Capital Loan	First Pari passu charge on current asset of the company and Second Pari passu charge on the movable PPE	Renewal Yearly	7.20% ~ 10.50%
- ICICI Bank - Vehicle loan	1 vehicle	5 Years	8.90%



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	Hypothecation details	Term of loan	Rate
- ICICI Bank - RTL	Whole of movable properties except current assets, including plant & machinery, machinery spares, tools and accessories, non trade receivables and other movables	69 Months (Excluding Moratorium period of 3 Months)	(I-MCLR-1Y) 8.9% ~ 9.65% p.a
- ICICI Bank - RTL 1		57 Months (Moratorium of 3 Months)	(I-MCLR-1Y) 8.9% ~ 9.65% p.a

(b) Net Debt reconciliation

Particulars	As at March 31, 2026	As at March 31, 2025
Lease Liabilities	5,851.58	5,471.70
Borrowing - Working capital	18,559.43	-
Borrowing - Term loan	7,743.88	5,300.95
Less: cash and bank balances	3,715.22	4,792.65
Total	28,439.67	5,980.00

Note: The Company has obtained working capital of Rs.18,559.43 Lakhs from ICICI bank and HDFC bank whereas sanctioned limits is Rs. 20,000 Lakhs. The working capital loan will be repayable on demand and secured by first paripassu charge on the current assets of the Company, second paripassu charge on the movable PPE of the Company.

Particulars	Liabilities from Financing Activities			Total
	Current Borrowing (Working Capital Loan)	Non - Current Borrowing plus current maturity of long term debt	Lease Liabilities	
Debt as at April 01, 2024		78.80	3,827.79	3,906.59
Cash Flows				-
- Proceeds		5,240.67	0	5,240.67
- Repayments		(18.52)	(1,872.29)	(1,890.81)
Additions			2802.72	2,802.72
Forex			40.05	40.05
Interest expense		9.43	673.43	682.86
Interest paid		(9.43)	-	(9.43)
Debt as at March 31, 2025		5300.95	5471.7	10,772.65
Debt as at April 01, 2025		5,300.95	5,471.70	10,772.65
Cash Flows				
- Proceeds	27,919.20	3,609.13	-	31,528.33
- Repayments	(9,359.77)	(1,166.20)	(2,573.52)	(13,099.49)
Additions	-	-	2,031.43	2,031.43
cessation of lease liability			(121.69)	
Forex			208.66	
Interest expense	131.89	585.79	835.00	1,552.68
Interest paid	(131.89)	(585.79)	-	(717.68)
Debt as at March 31, 2026	18,559.43	7,743.88	5,851.58	32,154.89
Closing cash and bank balances as at March 31, 2026				3,715.22
Net debt as at March 31, 2026				28,439.67



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 15: LEASE LIABILITIES

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Liability on right to use assets under Ind AS 116 - Refer note 36	4,228.10	4,021.53	1,623.48	1,450.17
Total	4,228.10	4,021.53	1,623.48	1,450.17

NOTE 16: OTHER FINANCIAL LIABILITIES

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
a. Managing Director Commission Payable	-	-	102.25	283.04
b. Payable towards procurement of capital assets	-	-	431.19	285.97
c. Employee benefits payable	-	-	101.99	87.39
d. Unpaid dividends	-	-	2.79	1.28
e. Retention money	-	-	19.90	31.86
Total	-	-	656.61	689.54

Note 16.1 Derivative liabilities

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Fair value of forward contract	-	-	342.79	-
Total	-	-	342.79	-

NOTE 17: OTHER LIABILITIES

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
a Customer advances	-	-	89.26	39.37
b Statutory remittances	-	-	245.59	261.17
	-	-	334.85	300.54

Note 18A: Income Tax Asset (Net)

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Advance Tax and Tax Deducted at Source	22,096.17	-	-	-
Less: Provision for Taxation	(21,921.78)	-	-	-
Total	174.39	-	-	-

Note 18B: Current Tax Liabilities (Net)

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Provision for Taxation	-	-	-	16,602.34
Less: Advance Tax and Tax Deducted at source	-	-	-	(16,200.00)
Total	-	-	-	402.34

Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 19: DEFERRED TAX BALANCES

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets	1,189.48	1,298.73
Deferred tax liabilities	(13,742.59)	(13,624.23)
Net Deferred Tax Asset/(Liability)	(12,553.11)	(12,325.50)

Year ended March 31, 2026	Opening balance	Recognised in profit or loss	Recognised in other comprehensive	Closing balance
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Deferred tax asset/(liabilities) in relation to:

Deferred tax liabilities:

Property plant and equipment	(13,532.12)	(206.72)	-	(13,738.84)
Investments (Current Investments - MF- FVTPL)	(92.11)	88.36	-	(3.75)

Deferred tax assets:

Carried forward loss	-	-	-	-
Provision for Employee benefits	-	7.97	(7.97)	-
Disallowance u/s 43(b)	39.61	33.68	-	5.93
Provision for Doubtful Debts/Advances	736.71	(59.97)	-	796.68
Provision for Contingencies	377.55	0.00	-	377.55
DTA on timing differences on ROU assets and liabilities	144.86	135.54	-	9.32
Net Deferred Tax Asset / (Liability)	(12,325.50)	(235.58)	(7.97)	(12,553.11)

Year ended March 31, 2025	Opening balance	Recognised in profit or loss	Recognised in other comprehensive	Closing balance
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Deferred tax asset/(liabilities) in relation to:

Deferred tax liabilities:

Property plant and equipment	(13,130.99)	(401.13)	-	(13,532.12)
Investments (Current Investments - MF- FVTPL)	(289.95)	197.84	-	(92.11)

Deferred tax assets:

Carried forward loss	-	-	-	-
Provision for Employee benefits	-	5.34	(5.34)	-
Disallowance u/s 43(b)	33.63	(5.98)	-	39.61
Provision for Doubtful Debts / Advances	627.72	(108.99)	-	736.71
Provision for Contingencies	125.85	(251.70)	-	377.55
DTA on timing differences on ROU assets and liabilities	255.61	110.75	-	144.86
Net Deferred Tax Asset/(Liability)	(12,378.13)	47.28	(5.34)	(12,325.50)

NOTE 20: PROVISIONS

Note 20.1 Provisions - Non Current

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Contingencies	1,500.00	1,500.00
Provision for Sick Leave	7.18	7.20
Total	1,507.18	1,507.20



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

20.1.1 Movement of Contingencies

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	1,500.00	500.00
Movement during the year	-	1,000.00
Closing	1,500.00	1,500.00

Note 20.2 Provisions - Current

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Sick Leave	2.81	2.83
Provision for Earned Leave	13.55	-
Provision for Gratuity	145.45	70.27
Total	161.81	73.10

NOTE 21: TRADE PAYABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Amount dues to micro enterprises and small enterprises-Refer Note 38	983.57	1,225.80
Dues of creditors other than micro enterprises and small enterprises	8,619.79	9,548.33
Total	9,603.36	10,774.13

21.1 Trade payables are non-interest bearing and are normally settled as per due dates.

21.2 The Company has financial risk management policies in place to ensure that all payables are paid within the agreed credit terms.

Outstanding as at March 31, 2026

Particulars	Outstanding for following periods				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro and Small Enterprises	983.57	-	-	-	983.57
Others	8,507.24	79.27	21.64	11.65	8,619.79
Disputed Micro and Small Enterprises	-	-	-	-	-
Disputed dues others	-	-	-	-	-

Outstanding as at March 31, 2025

Particulars	Outstanding for following periods				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro and Small Enterprises	1,225.80	-	-	-	1,225.80
others	9,418.42	68.69	6.55	54.67	9,548.33
Disputed Micro and Small Enterprises	-	-	-	-	-
Disputed dues others	-	-	-	-	-



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 22: REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a) Sales of Products*		
Domestic sales	22,581.57	22,809.74
Export sales	81,351.50	78,442.44
(b) Other operating revenues		
Export Incentives	112.59	106.72
Scrap sales	108.32	20.12
Total	1,04,153.98	1,01,379.02

*Includes revenue from sale of stock-in-trade

22.1 Disaggregation of Revenue information

The table below presents disaggregated revenues from contracts with customers which is recognised based on goods transferred at a point of time by geography and offerings of the Company.

As per the management, the below disaggregation best depicts the nature, amount, timing and uncertainty of how revenues and cash flows are affected by industry, market and other economic factors.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue by Geography		
India	22,802.48	22,936.58
Rest of the world	81,351.50	78,442.44
Total revenue from contracts with customers	1,04,153.98	1,01,379.02
Revenue by offerings		
Manufactured goods		
(a) Marine chemicals		
Salt	72,855.42	65,948.10
Bromine	30,841.34	35,313.85
Sulphate of Potash	348.89	96.95
(b) Others	108.33	20.12
Total revenue from contracts with customers	1,04,153.98	1,01,379.02

22.2 Trade receivables

The Company classifies the right to consideration in exchange for deliverables as receivable.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognised upon transfer of control of products or services to customers for an amount that reflects the probable consideration expected to be received in exchange.

Trade receivables are presented net of impairment in the standalone balance Sheet.

NOTE 23: OTHER INCOME

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income on bank deposits	214.90	245.47
Interest income on loan to other entity	158.10	58.30
Interest income on loan to related party	2,310.65	1,288.41
Income on mutual funds investments - FVTPL	611.87	2,264.13
Insurance Claim Received	236.37	14.98
Miscellaneous income	24.62	41.75



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Provision no longer required	-	30.00
Net gain on exchange fluctuation	1,164.57	1,022.48
Total	4,721.08	4,965.52

NOTE 24: COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening Stock of Raw Materials	356.93	317.03
Add: Purchases	7,080.99	3,927.54
Less: Closing Stock of Raw Materials	525.52	356.93
Consumption of raw materials	6,912.40	3,887.64

NOTE 25: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening Stock:		
Work-in-progress	9,966.23	7,079.24
Finished goods	3,533.27	3,709.67
Closing Stock:		
Work-in-progress	12,360.80	9,966.23
Finished goods	4,869.52	3,533.27
(Increase)/Decrease in Stocks	(3,730.82)	(2,710.59)
Exceptional loss during the year due to cyclone*	-	(4,018.27)
Total (Increase)/Decrease in Stocks	(3,730.82)	(6,728.86)

* Exceptional item is due to Asna cyclone impact resulting in a loss of Industrial salt stock of Rs. 4,018.27 Lakhs (4.72 Lakhs MT) in Gujarat during August-September 2024. The Company already submitted the claim and is under process with the insurance company.

NOTE 26: EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	5,847.52	4,945.79
Share based payments to employees	77.67	129.92
Staff welfare	52.80	117.37
Contribution to provident and other funds	257.16	200.14
Total	6,235.15	5,393.22

NOTE 27: FINANCE COSTS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest on working capital borrowings & Term Loans	722.48	9.43
Interest on finance lease	835.00	673.43
Other finance costs	199.70	138.75
Interest on delayed payment of taxes	14.42	89.84
Total	1,771.60	911.45



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 28: DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on Property, plant and equipment and Right on Usage of assets pertaining to continuing operations (note 3)	8,003.04	7300.46
Amortisation of intangible assets (note 4)	3.19	5.28
Total	8,006.23	7,305.74

NOTE 29: OTHER EXPENSES

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Consumption of stores and spares	2,183.38	1,802.94
Power and fuel	9,546.72	9,728.66
Rent expense	753.63	654.97
Travelling and conveyance	1,024.49	704.01
Repairs and maintenance		
- Buildings	130.94	131.29
- Plant and Machinery	625.14	892.66
- Others	773.45	370.45
Insurance	1,202.47	1,062.48
Rates and taxes, excluding taxes on income	219.52	428.53
Packing, Despatching and Freight	42,441.33	40,416.56
Loading charges	4,706.41	3,844.13
Hire charges-equipment	783.97	701.59
Printing and stationery	7.67	10.75
Communication expenses	46.82	36.35
CSR expenses (Refer Note 29.2)	962.65	587.24
Auditor's remuneration (Refer Note 29.1)	95.55	64.01
Legal and professional charges	1,201.50	1,608.20
Selling and distribution expenses	1,325.80	1,776.33
Loss on sale of Fixed Assets	1.42	42.42
Bad debts written off	26.36	
Provision for doubtful debts and advances	238.26	462.98
Provision for Contingencies	-	1,000.00
Administration expenses	356.61	253.85
Total	68,654.09	66,580.40

29.1 Payment to statutory auditors

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Statutory auditor's:		
(a) For services as auditors	51.60	45.60
(b) Tax audit	9.60	9.60
(c) For other services	10.00	8.18
(d) For reimbursement of expenses	24.35	0.63
Total	95.55	64.01



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

29.2 Expenditure incurred for Corporate social responsibility

CSR Expenditure	Year ended March 31, 2026	Year ended March 31, 2025
Amount required to be spent under section 135 of the Companies Act, 2013	767.90	782.00
Amount spent during the year on:		
i) CSR spent during the year FY 25-26	796.31	587.24
Total*	796.31	587.24

Details of Excess CSR expenditure Under Section 135 (5) of Companies Act, 2013

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance Excess Spent carried forward to current financial Year	(183.96)	10.80
Amount Spent during the year	796.31	587.24
Amount required to be Spent during the year	767.90	782.00
Unspent in PY & transferred to unspent CSR account - charged off in the current year.	190	-
Excess spent in previous years - charged off in current year.	4.75	-
Balance Excess Spent as on last day of current financial Year - carry forward to next year	28.41	(183.96)

*Unspent CSR amount for the year ended March 31, 2025 Rs.190 Lakhs earmarked for CSR Ongoing Project related to Medical Research Foundation was transferred to Unspent CSR account with in due date of April 30, 2025. And has been charged off to profit or loss for the year ended March 31, 2026.

From the CSR Unspent Account of FY 2024-25, Rs. 25 Lakh spent during the year and balance amount lying in the Unspent CSR account amounts to Rs. 165 Lakhs for the on going project related to Medical research foundation.

NOTE 30: INCOME TAX EXPENSE

30.1 Income tax recognised in Profit or Loss

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Income tax expense		
Current tax		
- Current tax	5,384.87	6,531.62
- (Excess) provision for tax relating to prior years	(31.33)	-
Deferred tax		
In respect of the current period/year	235.58	(47.28)
Total income tax expense	5,589.12	6,484.34

30.2 Income tax recognised in other comprehensive income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	7.97	5.34
Total income tax recognised in other comprehensive income	7.97	5.34
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	7.97	5.34
Items that may be reclassified to profit or loss	-	-
Total income tax recognised in other comprehensive income	7.97	5.34

Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

30.3 The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit / (Loss) before tax	21,026.41	24,976.68
Income tax expense calculated at 25.17%	5,292.35	6,286.63
Tax adjustment:		
(a) other impacts due to permanent allowances / disallowances as per IT Act	245.89	154.53
(b) Effect of other adjustments / disallowances	50.88	43.18
Income tax expense recognised in profit or loss	5,589.12	6,484.34

NOTE 31: SEGMENT REPORTING

The Company is engaged in the activities related to manufacture of marine chemicals. The Chief Operating Decision Maker (Managing Director /Management) review the operating results as a whole. For purposes of making decisions about resources to be allocated and assess its performance, the entire operations are to be classified as a single business segment, namely Marine Chemicals. The geographical segments considered for disclosure are – India and Rest of the World. All the manufacturing facilities are located in India. Accordingly, there is no other reportable segment as per Ind AS 108 Operating Segments.

31.1 Geographical information

The Company's revenue from external customers by location of operations and information about its non current assets** by location of operations are detailed below. The geographical segments considered for disclosure are – India and Rest of the World. All the manufacturing facilities are located in India

Particulars	Revenue from external customers		Non-current assets as at**	
	Year ended March 31, 2026	Year ended March 31, 2025	As at March 31, 2026	As at March 31, 2025
India	22,802.48	22,936.58	2,10,674.59	1,59,700.84
Rest of the world	81,351.50	78,442.44	-	-
Total	1,04,153.98	1,01,379.02	2,10,674.59	1,59,700.84

** Non-current assets are used in the operations of the Company to generate revenues both in India and outside India.

31.2 Information about revenue from major customers

Two external customer contributed more than 10% of total revenues of the Company. The share of the revenue of these two customers for the year ended March 31, 2026 is 45.79% (FY24-25 - 38.99%)

NOTE 32: BASIC AND DILUTED EARNINGS PER SHARE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Basic Earnings per share	12.51	14.98
Diluted Earnings per share	12.50	14.97
Face value per equity share	2.00	2.00

Basic and Diluted Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit for the year after tax	15,437.29	18,492.34
Profit for the year attributable to owners of the Company	15,437.29	18,492.34



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

The weighted average number of equity shares for the purposes of basic and diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic and diluted earnings per share as follows:

Particulars	Gratuity (Funded)	
	As at March 31, 2026	As at March 31, 2025
Weighted average number of equity shares used in the calculation of basic earnings per share	12,34,39,294	12,34,11,021
Adjustment:	-	-
Weighted average number of equity shares used in the calculation of basic earnings per share	12,34,39,294	12,34,11,021
Adjustment:		
Employee Stock Options	61,123	91,684
Weighted average number of equity shares used in the calculation of diluted earnings per share	12,35,00,417	12,35,02,705

NOTE 33: EMPLOYEE BENEFIT PLANS

A. Defined contribution plans

The Company makes Provident fund contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 182.56 Lakhs (Previous year ended March 31, 2025 - Rs. 190.87 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to the plans by the Company are at rates specified in the rules of the schemes.

B. Defined benefit plans

Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to Life Insurance Corporation of India(LIC). The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:

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 (as shown in financial statements).

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

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.

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.

Longevity risk: The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants during their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Particulars	Gratuity (Funded)	
	As at March 31, 2026	As at March 31, 2025
Present Value of obligations at the beginning of the year	257.64	228.47
Current service cost	32.01	29.02
Interest Cost	17.92	16.31
Past Service Cost	44.09	

Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	Gratuity (Funded)	
	As at March 31, 2026	As at March 31, 2025
Re-measurement (gains)/losses:		
- Actuarial gains and losses arising from experience adjustment / Financial assumptions	33.08	21.51
Benefits paid	(61.33)	(37.68)
Liabilities assumed / (transferred)	-	-
Present Value of obligations at the end of the year	323.42	257.63
Changes in the fair value of planned assets		
Fair value of plan assets at beginning of year	187.37	167.13
Interest Income	12.12	11.93
Expected Return on plan assets	1.41	0.31
Contributions from the employer	38.39	45.68
Benefits Paid	(61.33)	(37.68)
Actuarial gain/ (loss) on plan assets	-	-
Fair Value of plan assets at the end of the year	177.97	187.37

Particulars	Gratuity (Funded)	
	As at March 31, 2026	As at March 31, 2025
Amounts recognized in the Balance Sheet		
Present value of projected benefit obligation at the end of the year	(323.42)	(257.63)
Fair value of plan assets at end of the year	177.97	187.37
Funded status of the plans – Liability recognised in the balance sheet	(145.45)	(70.27)
Provision for Gratuity - Non current liability	-	-
Provision for Gratuity - current liability	(145.45)	(70.27)

Particulars	Gratuity (Funded)	
	Year ended March 31, 2026	Year ended March 31, 2025
Components of defined benefit cost recognised in profit or loss		
Current service cost	32.01	29.02
Past service cost	44.09	-
Net Interest Expense	17.92	16.31
Interest Income	(12.12)	(11.93)
Net Cost in Profit or Loss	81.91	33.40
Components of defined benefit cost recognised in Other Comprehensive income		
Re measurement on the net defined benefit liability:		
- Actuarial gains and losses arising from experience adjustment	33.08	21.51
Return on plan assets	(1.41)	(0.31)
Net Cost in Other Comprehensive Income	31.67	21.20

Assumptions	Gratuity (Funded)	
	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate	6.48%	6.54%
Expected rate of salary increases	13.00%	13.00%
Expected rate of attrition	30.00%	30.00%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Average Expected Future service	2 years	2 years



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

The Company has generally invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

- The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.
- The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.
- The entire Plan Assets are managed by Life Insurance Corporation of India (LIC). The data on Plan Assets has not been furnished by LIC.
- Experience adjustments has been disclosed based on the information available in the actuarial valuation report.

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

Particulars	Impact on defined benefit obligation (Rs. in Lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate		
- 1% increase (+100 BP)	(8.23)	(6.63)
- 1% decrease (-100 BP)	8.79	7.08
Salary growth rate		
- 1% increase (+100 BP)	7.14	5.75
- 1% decrease (-100 BP)	(6.95)	(5.58)
Attrition rate		
- 1% increase (+100 BP)	(2.94)	(2.39)
- 1% decrease (-100 BP)	3.09	2.50

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

The company's best estimate of the contribution expected to be paid to the plan during the next year is Rs. 72.48 Lakhs (2024-2025: Rs. 59.14 Lakhs).

C. Long Term Compensated Absence

The compensated absences cover the Company's liability for earned leave & Sick leave.

Assumptions	Year Ended March 31, 2026	Year Ended March 31, 2025
Discount rate	6.48%	6.54%
Expected rate of salary increases	13.00%	13.00%
Expected rate of attrition	30.00%	30.00%

Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

D. Share Based Payments

Pursuant to the resolution passed by the Board and resolution passed at the Nomination Remuneration Committee on October 07, 2022 the Company has granted the issuance of 4,91,400 Employee Stock Options (ESOP's) to the eligible employees of the Company in accordance with Archeon Chemical -Employee Stock Option Plan 2022. The Vesting Period of ESOP is between 12 months to 60 months.

Movements in Share Options during the Year

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Options outstanding at the beginning of the year	92,137.00	1,22,850.00
Granted during the year	-	-
Exercised during the year	(30,712.00)	(30,713.00)
Options outstanding at the end of the year	61,425.00	92,137.00

Each Employee Stock Options converts into one equity share at an exercise price of Rs. 2 per share. The fair value of options granted as on the date of grant is Rs. 407 per grant

An amount of Rs. 77.67 Lakhs (FY 2024-25: 129.92 Lakhs) has been recognized as employee stock options expenses in statement of profit and loss.

NOTE 34: FINANCIAL INSTRUMENTS

34.1 Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company is not subject to any externally imposed capital requirements.

The capital structure of the Company consists of net debt (borrowings as detailed in note 14.)

The Company during the year has put in place the risk management policy and the same is being reviewed periodically post implementation.

34.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Debt	26,303.31	5,300.95
Cash and bank balances	3,715.22	4,792.65
Net debt	22,588.09	508.30
Equity	1,99,803.24	1,88,014.20
Total Equity	1,99,803.24	1,88,014.20
Net debt to equity ratio (in times)	0.11	0.00

34.2 Categories of financial instruments

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
a) Financial assets measured at fair value - Mutual fund investments	608.13	20,216.74
b) Financial assets measured at fair value - other entity investments	25,077.49	13,649.94
c) Financial assets measured at fair value - Derivative Assets	-	89.21



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Measured at amortised cost		
a) Cash and bank balances	3,715.22	4,792.65
b) Investments in subsidiaries	1,130.00	1,100.00
c) Loan to other entity	2,739.61	2,214.78
d) Other financial assets at amortised cost	20,388.17	22,063.64
e) Loan to related party	59,688.31	23,063.63
Financial liabilities		
a) Measured at amortised cost	36,563.28	16,764.62
b) Measured at FVTPL	6,194.37	5,471.70

34.3 Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company has implemented a hedging policy during year, to minimise the effects of foreign exchange fluctuations.

The Corporate Treasury function reports quarterly to the Chief Financial Officer and overseen by the board.

34.4 Market Risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Market risk exposures are measured using sensitivity analysis.

There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

34.5 Foreign Currency risk management

The Company is exposed to foreign exchange risk arising from foreign currency transactions on account of sale/purchase of goods. Foreign exchange risk arises from recognised assets denominated in a currency that is not the Company's functional currency (Rs). The risk is measured through a forecast of foreign currency cash flows that would arise due to the underlying assets and liabilities held.

The Company has entered into forward contracts to manage a portion of foreign currency risk arising out of realisation of foreign currency receivables. The strategy followed by the Company is tracking the foreign currency exchange rates and settlement of the payables at the time when the exchange rates are favourable.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency	Liabilities as at			
	March 31, 2026		March 31, 2025	
	FC	INR	FC	INR
EUR	13.04	1,421.79	15.50	1,431.03
GBP	-	-	-	-
SGD	-	-	-	-
USD	2.39	226.68	16.93	1,448.89
Total		1,648.47		2,879.92

Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Currency	Assets as at			
	March 31, 2026		March 31, 2025	
	FC	INR	FC	INR
EUR	0.82	88.95	1.06	97.86
GBP	21.81	2,739.61	20.00	2,214.78
USD	137.42	13,007.58	164.42	14,071.29
Total		15,836.13		16,383.94

34.5.1 Foreign currency sensitivity analysis

The Company is mainly exposed to the currency of USD, GBP and EURO.

The following table details the Company's sensitivity to a 5% increase and decrease against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit where the rupee strengthens 5% against the relevant currency. For a 5% weakening of the rupee against the relevant currency, there would be a comparable impact on the profit.

Particulars	Impact on profit or loss for the year	
	Year ended March 31, 2026	Year ended March 31, 2025
Financial Assets (A)		
USD	650.38	703.56
GBP	136.98	110.74
EUR	4.45	4.89
Financial Liabilities (B)		
USD	11.33	72.44
EUR	71.09	71.55
GBP	-	-
Total (A) - (B)	709.38	675.20

34.6 Interest rate risk management

The long term borrowings appearing in the standalone balance sheet carries a fixed rate of interest and hence the Company is not exposed to interest rate variability.

34.7 Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rate had been 50 basis points higher/lower and all other variables were held constant, the Company's 'Profit for the year ended March 31, 2026 would not have any significant impact as there are no liabilities with floating rate as at March 31, 2026. This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

34.8 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties. The Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved on a regular basis. Also majority of sales are carried out through letter of credit and secured.



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

The Company does not have significant credit exposure to any single customer. Concentration of Credit Risk to single customer did not exceed 10% of receivables in FY 2025-26 except for three customers whose outstanding balance was Rs. 7,411.79 Lakhs. (FY 2024-25 - Rs. 8,114.16 Lakhs).

34.9 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

34.9.1 Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2026.

Particulars	Weighted average effective Interest rate (%)	Less than 1 year	Upto 3 years	More than 3 and upto 5 years	More than 5 years	Total contractual cash flows	Carrying amount
Accounts payable and acceptances		9,603.36	-	-	-	9,603.36	9,603.36
Others		999.40	-	-	-	999.40	999.40
Finance lease liability		2,437.04	3,402.69	546.92	6,996.68	13,383.32	5,851.58
Fixed interest rate instruments	8.9% - 9.65%	20,965.84	4,295.91	2,694.50	-	27,956.25	26,303.31

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2025:

Particulars	Weighted average effective Interest rate (%)	Less than 1 year	Upto 3 years	More than 3 and upto 5 years	More than 5 years	Total contractual cash flows	Carrying amount
Accounts payable and acceptances	-	10,774.13	-	-	-	10,774.13	10,774.13
Others	-	689.54	-	-	-	689.54	689.54
Finance lease liability	-	2,069.81	3,223.24	733.64	7,543.60	13,570.28	5,471.70
Fixed interest rate instruments	8.9% - 9.65%	1,346.26	3,019.28	2,915.06	698.38	7,978.98	5,300.95

The carrying amounts of the above are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Non-interest bearing	10,602.76	11,463.67
Finance lease liability	5,851.58	5,471.70
Fixed interest rate instruments	26,303.31	5,300.95
	42,757.65	22,236.32

Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
As at March 31, 2026					
Investments	608.13	-	-	26,207.49	26,815.62
Security Deposits	1,232.50	-	-	432.76	1,665.26
Trade Receivables	13,585.11	-	-	-	13,585.11
Total Cash and bank balances	3,715.22	-	-	-	3,715.22
Bank Deposits	-	1,328.37	-	-	1,328.37
Others	87.28	3,667.83	-	-	3,755.11
Loans	54.32	12,485.58	24,971.17	24,971.17	62,482.24
As at March 31, 2025					
Investments	20,216.74	-	-	14,749.94	34,966.68
Security Deposits	1,252.58	-	-	432.76	1,685.34
Trade Receivables	17,195.40	-	-	-	17,195.40
Others	241.39	1,646.55	-	-	1,887.94
Loans	55.80	3,846.68	13,364	8,068	25,334.20
Bank Deposits	-	1,328.37	-	-	1,328.37
Cash and Cash Equivalents	4,792.65	-	-	-	4,792.65

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

34.10 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

34.10.1 Fair value of financial assets

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Particulars	Fair Value hierarchy	As at March 31, 2026		As at March 31, 2025	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets					
Measured at fair value through profit or loss (FVTPL)					
Financial assets measured at fair value- Mutual fund investments	Level 1	608.13	608.13	20,216.74	20,216.74
Financial assets measured at fair value- Derivative Instruments	Level 1	-	-	89.21	89.21
Financial assets measured at fair value- Investment in Other Entities	Level 3	25,077.49	25,077.49	13,649.94	13,649.94
Financial liabilities					
Lease Liabilities measured at FVTPL	Level 3	5,851.58	5,851.58	5,471.70	5,471.70
Financial Liabilities measured at fair value - Derivative Instruments	Level 1	342.79	342.79	-	-

The fair values of the financial assets and financial liabilities included in the level 1 and level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

34.10.2 Statement of unhedged foreign currency exposure as of March 31, 2026

Particulars	Unhedged			Hedged through forward contracts			Natural Hedge	
	<=1 year	>1 y	Total	<=1 year	> 1 y	Total	<=1 year	> 1 y
FCY Receivables								
Exports	13,096.52	-	13,096.52	10,648.61	-	10,648.61	-	-
Loan	2,739.61	-	2,739.61	-	-	-	-	-
Sub Total (A)	15,836.13	-	15,836.13	10,648.61	-	10,648.61	-	-
FCY Payables								
Trade Credits	(1,648.47)	-	(1,648.47)	-	-	-	-	-
Sub Total (B)	(1,648.47)	-	(1,648.47)	-	-	-	-	-

Unhedged as of March 31, 2026

NOTE 35: RELATED PARTY TRANSACTION

35.1 Names of Related Parties & Nature of Related parties relationship

i.	Entities or persons having significant influence	Chemikas Speciality LLP
ii.	Subsidiary companies	Acume Chemicals Private Limited Neun Infra Private Limited Idealis Chemicals Private Limited
iii.	Step down Subsidiary	Sicsem Private Limited Idealis Mudchemie Private Limited
iv.	Enterprise over which Key managerial personnel exercise significant influence	Goodearth Maritime Private Limited Jakhau Salt Company Private Limited Archean Industries Private Limited Dakshin Super Stars LLP Sea Salt Holdings Pte Limited Archean Salt Holdings Private Limited KGF Granites Private Limited Cloudgen Digital Private Limited Bharath Salt Refineries Limited Bahuvudhaah Holdings Private Limited Archean Foundations
v.	Key managerial personnel and other directors	Mr. P Ranjit - Executive Vice Chairman and whole time Director (Managing Director till January 21, 2026 and Executive Vice Chairman since January 22, 2026) Mr. P Ravi - Non - Executive Director Mr. Subrahmanyam Meenakshisundaram - Non - Executive Director Mr. Kandheri Munuswamy Mohandass - Independent Director Mr. Chittoor Ghatambu Sethuram - Independent Director Mrs. Padma Chandrasekaran - Independent Women Director - Chairperson Mr. N R Kannan - (KMP with effect from August 02, 2024 and ceased to be KMP April 30, 2026) Mr. R.Natarajan - CFO (CFO with effect from January 21, 2025) Mr. R.Raghunathan - CFO (CFO appointed with effect from June 01, 2022 and resigned with effect from January 20, 2025) Mr. S Balasundaram - Company Secretary (till June 01, 2024) Mr Vijayaraghavan N E - Company Secretary (with effect from February 07, 2025) Mr. Rampraveen Swaminathan - Managing Director (with appointed with effect from January 22, 2026)



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

35.2 Transactions with related parties

Particulars	Transaction Value		Amount Outstanding Receivable/(Payable)	
	Year ended March 31, 2026	Year ended March 31, 2025	As at March 31, 2026	As at March 31, 2025
Jakhau Salt Company Private Limited				
- Reimbursement of Jetty Expenses	510.20	464.17	100.31	(101.91)
- Purchase of Goods and Services	1,652.44	-		
P. Ranjit				
- Payment of Dividend	847.98	282.66	-	
- Office Rent	50.24	52.46	-	(4.38)
- MD remuneration payable			(102.25)	(283.04)
Goodearth Maritime Private Limited				
- Receivable Bromine				50.00
- Expenses towards jetty services	2,580.16	2,347.39		
- Shipment Management fee expenses	528.51	377.06	2,257.21	1,296.24
- Reimbursement of expenses	1,100.79	759.49		
- Barge Transportation Cost	817.91	324.71		
Archean Industries Private Limited				
- Reimbursement of Expenses				12.15
Sea Salt Holdings Pte Limited				
- Reimbursement of expenses	110.51	366.68		
- Sale of salt	10,401.45	2,974.38	2,243.27	
Cloudgen Digital Private Limited				
- Others				0.30
KGF Granites Private Limited				
- Reimbursement of Expenses				1.20
Chemikas Speciality LLP				
- Payment of Dividend	1,130.79	376.93		
- Payment of Rent	132.00	11.00	33.32	
- Receipt of Rent	0.27			
Acume Chemicals Private Limited				
- Loans given	3,450.00	3,023.18	13,066.71	9,616.71
- Sale of Bromine	4,289.76	1,772.50	3,299.85	2,025.26
- Corporate Guarantee Given			13,440.00	16,700.00
- Deposit placed with bank to avail banking facilities by Acume		1,200.00		1,200
- Interest income	767.29	562.74	1,544.32	853.76
- Rental income	0.41		0.09	
- Investments			500.00	500.00
Neun Infra Private Limited				
- Loans given	31,925.00	4,710.50	36,635.50	4,710.50
- Interest income	829.72	51.26	792.88	46.14
- Rental income	0.31		0.09	
- Investments			300.00	300.00
IDEALIS MUDCHEMIE PRIVATE LIMITED				
- Loans given	1,133.18	361.43	1,494.61	361.43
- Interest income	79.14	4.05	74.87	3.65
- Sale of asset	252.00		297.36	
- Rental income	0.41		0.08	



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	Transaction Value		Amount Outstanding Receivable/(Payable)	
	Year ended March 31, 2026	Year ended March 31, 2025	As at March 31, 2026	As at March 31, 2025
Idealis Chemicals Private Limited				
Loans given	116.51	938.99	8,491.49	8,374.99
Interest income	634.49	589.27	1,198.67	627.63
Rental Income	0.41	-	0.09	-
Investments	30.00		330.00	300.00
SiCSem Private Limited				
- Loans given	-	2,100.00	-	-
- Loan repaid	-	(2,100.00)	-	-
- Interest income	-	81.08	0	-
- Rental income	0.31		0.12	

35.3 Compensation of Key Managerial personnel

The remuneration of directors (including other reimbursement) and other members of key managerial personnel during the year was as follows:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Employee benefits expenses		
Mr. P Ranjit	903.48	2,015.36
Sitting Fees paid to directors	50.00	53.50
Commission to directors	75.00	60.00
Mr. N R Kannan (From August 02, 2024)*	135.08	80.62
Mr.R Raghunathan (Till January 20, 2025)	-	86.27
Mr.S Balasundharam (Till June 01, 2024)	-	5.32
Mr. Natarajan Ramamurthy (From January 21, 2025)	89.85	17.34
Mr. Vijayaraghavan N E (From February 07, 2025)	32.47	4.95
Mr. Rampraveen Swaminathan (From January 22, 2026)	84.83	-

Note: Employee benefit payments does not include Gratuity.

*N R Kannan ceased to be KMP effective 30 April 2026.

NOTE 36: LEASE ARRANGEMENTS

Lease liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Maturity analysis - contractual undiscounted cash flows		
- Less than one year	2,437.04	2,069.81
- One to five years	3,949.61	3,956.88
- More than five years	6,996.68	7,543.60
Total undiscounted lease liabilities	13,383.33	13,570.29
Lease liabilities included in the financial statement as at		
- Current	1,623.48	1,450.17
- Non Current	4,228.10	4,021.53



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Amounts recognised in profit or loss		
- Interest on lease liabilities	835.00	673.43
- Expenses relating to short-term leases	753.63	654.97

Movement of lease liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	5,471.70	3,827.79
Additions	2,031.43	2,802.72
Accretion of interest	835.00	673.43
Payments	(2,573.52)	(1,872.29)
Forex	208.66	40.05
Others	(121.69)	-
Balance at the end of the year	5,851.58	5,471.70

NOTE 37: ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

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

Particulars	As at March 31, 2026	As at March 31, 2025
Contingent liabilities		
a. Disputed Service tax, Sales tax and Income tax dues under appeal (Refer Note 37.1 (a))	5,627.00	5,627.00
b. Corporate Guarantee / Fixed deposit on behalf of Acume Chemicals Private Limited (WOS)	13,440.00	17,900.00
c. Minimum demand charges payable to PGVCL*	156.86	156.86
Total	19,223.86	23,683.86

*Appeal has been filed against the demand raised by PGVCL. An amount of Rs. 156.86 Lakhs has been paid under protest.

Note 37.1 (a) Details of disputed statutory dues

Name of Statute	Period to which amounts relates	Forum where dispute is pending	As at March 31, 2026	As at March 31, 2025
Sales tax and Gujarat VAT matters in respect of which Company is in appeal	FY 2015-16	Joint	324.73	324.73
	FY 2016-17	Commissioner,	273.92	273.92
	FY 2017-18	Rajkot	23.05	23.05
Income tax matters in respect of which Company is in appeal [#]	FY 2021-22	ITAT	5,005.30	5,005.30
Total			5,627.00	5,627.00

Note: Closing balance of amount paid under protest Rs. 55.58 Lakhs (March 31, 2025: Rs. 55.08 Lakhs)

[#]Company has not paid any tax amount under Protest against the demand. In addition to that we have received High Pitched Scrutiny Assessment communication from the department.

Future cashflows in respect of the above matters are determinable only on receipts of judgments/decisions pending at various forums/authorities.



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Note 37.1 (b) Capital commitment -

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Commitments	4,764.00	39.78

NOTE 38: DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES:

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2026 and March 31, 2025 has been made in the standalone financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the standalone balance sheet date.

Particulars	As at March 31, 2026	As at March 31, 2025
The principal amount remaining unpaid to any supplier at the end of each accounting year;	983.57	1,225.80
The interest due thereon remaining unpaid to any supplier at the end of each accounting year;	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

NOTE 39: EVENTS AFTER THE REPORTING DATE

Nil

NOTE 40: OTHERS

A. Except as disclosed in the table below:

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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

Lending Company	Year of Transaction	Intermediary	Relation between Lending Company and Intermediary	Amount	Type of Transaction
Archeon Chemical Industries Limited	FY 2025-26	Neun Infra Private Limited	Holding – Subsidiary	31,925.00	Loan
Archeon Chemical Industries Limited	FY 2024-25	Neun Infra Private Limited	Holding – Subsidiary	4,663.50	Loan

Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Intermediary Company	Year of Transaction	Ultimate Beneficiary	Relation between Intermediary and Ultimate Beneficiary	Amount	Type of Transaction
Idealis Chemicals Private Limited	FY 2024-25	Idealis Mudchemie Private Limited	Holding - Subsidiary	7,190.74	Loan
Idealis Chemicals Private Limited	FY 2024-25	Idealis Mudchemie Private Limited	Holding - Subsidiary	500.00	Investment in Share Capital
NeunInfra Private Limited	FY 2025-26	Sicsem Private Limited	Holding - Subsidiary	31,925.00	Loan
NeunInfra Private Limited	FY 2024-25	Sicsem Private Limited	Holding - Subsidiary	4,960.00	Loan

The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified 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 borrowings from banks and financial institutions have been used for the purposes for which it was taken at the standalone balance sheet date.
- C. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company and benami property.
- D. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond statutory period.
- E. The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
- F. The Company does not have any transaction which is not recorded in the books of account that has been surrendered, disclosed as income during the year in the tax assessments under the income tax act, 1961 (such as, search or survey or any of the relevant provisions of the Income tax Act, 1961.)
- G. Relationship with Struck-off Companies: The Company has searched for transactions with Struck-off companies by comparing company's counter parties with publicly available database of struck-off companies through a manual name search. Based on such a manual search, there are no transactions with the struck off companies for the FY 2025-26.
- H. Dividend of Rs. 2.5 per equity share amounting to Rs. 3,086.46 Lakhs for the Financial Year 2025-26 has been recommended by Board of Directors which is subject to approval of shareholders at the ensuing Annual General Meeting is not recognized as liability at the standalone balance Sheet date.
- I. Income Tax Search and Seizure:
The Income Tax Department conducted a search and seizure operation from September 4, 2025 to September 9, 2025 at various locations of the Company's and its subsidiary companies' offices, plants, and the residence of directors, senior executives and employees under Section 132 of the Income Tax Act, 1961. The Company, its directors, senior executives, employees extended full cooperation to the Authorities. On April 10, 2026 the Company received notice under Section 158BC of the Income Tax Act, 1961 to file returns for the block period April 1, 2019 to November 6, 2025. The Company is in the process of responding to the same to the Income Tax Department. Management is confident that these events will not have any material adverse impact on the standalone financial statements of the Company.

NOTE 41: APPROVAL OF FINANCIAL STATEMENTS

The standalone financial statements were approved for issue by the Board of Directors on May 11, 2026

NOTE 42:

Effective November 21, 2025, the Government of India consolidated 29 existing labour regulations into four Labour codes, namely, The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes'. The New Labour Codes has resulted in a one-time increase in provision for employee benefits on account of recognition of past service costs. Based on the requirements of New Labour Codes and the ICAI clarification, the Company has assessed and accounted the estimated incremental impact of Rs. 44.09 Lakhs in the employee benefit expenses for the year ended March 31, 2026.

NOTE 43: The previous year figures have been regrouped/rearranged to conform to current period classification.



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Ratio	%/times	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	% of variance	Reason for variance*
a) Current ratio	Times	Current Assets	Current liabilities	1.41	4.48	(68.6%)	Due to decrease in mutual funds, bank balance and trade receivables and increase in borrowings.
b) Debt-Equity ratio	Times	Long-term borrowings (including current maturities) + Short-term borrowings + interest accrued on borrowings + Liability portion of CCD (included in other financial liabilities)	Total Equity [Equity Share Capital + Other Equity]	0.13	0.03	366.9%	Due to increase in borrowings.
c) Debt service coverage ratio	Times	Profit before tax + Interest on term loans, working capital, Interest on finance lease + Depreciation	Interest on term loans, working capital & Interest on finance lease + Finance cost capitalised + Loans repaid + Reduction in lease liability	6.86	17.31	(60.4%)	Due to increase in borrowings and lease liability.
d) Return on equity ratio	Percentage	Profit after tax	Average Shareholder's Equity	7.96%	10.31%	(22.8%)	Due to reduction in profit and increase in shareholders equity.
e) Inventory turnover ratio	Times	Revenue from operations	Average inventory	5.89	7.22	(18.4%)	
f) Trade receivables turnover ratio	Times	Revenue from operations	Average accounts receivable	6.77	6.19	9.3%	
g) Trade payables turnover ratio	Times	Cost of goods sold	Average trade payables	6.08	4.94	23.1%	Due to increase in logistics cost during the current year.
h) Net capital turnover ratio	Times	Revenue from operations	Working capital Current assets - Current liabilities	7.77	2.00	288.0%	Due to increase in borrowings.
i) Net profit ratio	Percentage	Profit after tax	Revenue from operations	14.82%	18.24%	(18.7%)	



Notes forming part of Standalone Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Ratio	%/times	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	% of variance	Reason for variance*
j) Return on capital employed	Percentage	Profit Before Interest and Tax	Total Assets - Intangible assets - Total liabilities + Debt (including current maturities) + Short-term borrowings + interest accrued on borrowings + Liability portion of CCD (included in other financial liabilities)	9.46%	12.48%	(24.2%)	Due to reduction in profit and increase in shareholders equity.
k) Return on investment (On mutual funds and bank deposits)	Percentage	Interest income on mutual funds and bank deposits	Average of mutual funds and bank deposits	5.43%	7.84%	(30.8%)	Due to reduction of mutual funds value during the year.

* for Variances above 25% only

As per our report of even date attached
For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No:003990S/S200018

S. Prasana Kumar
Partner
Membership No.:212354

Place: Chennai
Date: May 11, 2026

For and on behalf of the Board of Directors

P. Ranjit
Executive Vice Chairman
(Whole Time Director)
DIN: 01952929

Rampraveen Swaminathan
Managing Director
DIN: 01300682

R. Natarajan
Chief Financial Officer

Vijayaraghavan N E
Company Secretary and Compliance Officer
M.No. A 41671

Consolidated Financial Statements

Independent Auditors' Report

To the Members of Archeon Chemical Industries Limited Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Archeon Chemical Industries Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") its subsidiaries, as listed in Annexure 1, which comprise the consolidated Balance Sheet as at March 31, 2026, and the consolidated statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated Statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries as were audited by other auditors, 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2026, and their consolidated

profit, consolidated other comprehensive income, their consolidated changes in equity and consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI"), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the considerations of evidence obtained by other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our 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.

S. No	Key Audit Matter	Our Response
1.	<p>Revenue from sale of products is recognized on transfer of control to the Customer.</p> <p>The Holding Company is catering to clients in the Asia regions. Delivery to customers might take extended time periods from the date of dispatch from the premises of Company.</p> <p>There is a risk of inherent misstatement of the consolidated financial statements related to transactions recorded close to the year end in the context of the terms of supply and the point of transfer of control and thus, the point of recognition as per Ind AS 115 (cut off risk).</p>	<p>Our audit procedures included verification of existence, completeness, accuracy and cut-off for the sales transactions.</p> <ul style="list-style-type: none"> • Our tests included performance of an understanding and evaluation of the internal controls over the revenue recognition and a validation of relevant controls. • Assessing the appropriateness of the Group's revenue recognition accounting policies under Ind AS 115. • The tests further covered the proper recognition of revenue through testing of samples of sales transactions, obtaining appropriate supporting evidence including third party survey report for each despatch with specific attention to key contractual terms that regulate the various performance obligations.



Independent Auditors' Report (Contd.)

S. No	Key Audit Matter	Our Response
	<p>Contractual terms may also differ amongst various customers and recognition of revenue accordingly is also a key requirement.</p> <p>Considering magnitude and high volume of sales transactions carried out, revenue recognition is considered as a key audit matter.</p>	<ul style="list-style-type: none"> Our audit procedures included analytical review of sales transactions and accounting of revenue. It also extended to performing confirmation procedures over trade receivables with the objective of validating trade receivable balances, testing samples of credit notes and year-end accruals and cut off procedures. Evaluated the adequacy of disclosures relating to revenue recognition made in the consolidated financial statements in accordance with the applicable Indian accounting standards.
2.	<p>Inventory at the year end</p> <p>The Holding Company's inventory, generally, is located at its plant at Kutch and its finished goods at the Jakhau and Mundra ports.</p> <p>The Holding Company has a policy of performing verification of its inventory at these locations.</p> <p>The Holding Company has conducted the physical verification of inventories across at Washery plant, Jakhau, and Mundra port between March 20, 2026 and March 26, 2026 by engaging specialists (management experts).</p> <p>Considering the bulk nature and reliance of third Party technology for salt quantity determination, physical verification of inventories at year end is considered as key audit matter.</p>	<p>With respect to existence of inventories at the yearend, we performed the following procedures:</p> <ul style="list-style-type: none"> Understood and evaluated the Management's internal controls process to establish the existence of inventory such as: <ol style="list-style-type: none"> the process of physical verification carried out by the Management, the scope and coverage of the verification programme, the results of such verification including analysis of discrepancies, if any, maintenance of stock records at all locations. Understood and evaluated the competence, independence and objectivity of the experts engaged by the Management. Participated in the stock count performed by the management/management expert. <ol style="list-style-type: none"> Checked roll forward procedures from the date of the physical verification to the year end based on third party certified physical verification report to the book stock. On a sample basis, tested the quantity reconciliation from April 1, 2025 to March 31, 2026 of raw materials, and finished goods, that was prepared by the Management.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual report/Holding Company's Directors report/Holding Company's corporate governance report/Holding Company's management discussion and analysis/Holding Company's business responsibility and sustainability report but does not include the consolidated financial statements and our auditors' report thereon. Holding Company's Annual report/Holding Company's Directors report/Holding Company's corporate governance report/Holding Company's management discussion and analysis/Holding Company's business responsibility and

sustainability report are expected to be made available to us after the date of this auditor's report

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Independent Auditors' Report (Contd.)

When we read the Other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

RESPONSIBILITIES OF THE MANAGEMENT AND BOARD OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and 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 of Group covered under the Act and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of 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 are responsible for assessing the ability of each company 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 Management and Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Management and Board of Directors included in the Group are responsible for overseeing the financial reporting process of the Group.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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, its subsidiaries; which are companies incorporated in India have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to



Independent Auditors' Report (Contd.)

draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. Our responsibilities in this regard are further described in section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure

about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

We did not audit the Standalone financial statements of three subsidiaries whose financial statements reflect total assets (before consolidation adjustments) of ₹76,177.95 Lakhs as at March 31, 2026, total revenue (before consolidation adjustments) of ₹9,729.75 Lakhs, total net profit/(loss) after tax (before consolidation adjustments) of ₹(3,577.97) Lakhs and net cash flows (before consolidation adjustments) amounting to ₹(263.46) Lakhs 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 sub-section (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.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, are not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of other auditors on separate financial statements and other financial information of subsidiaries, as noted in the 'Other matters' paragraph, 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.

Independent Auditors' Report (Contd.)

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matter stated in the paragraph (h) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows 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 Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies, is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to adequacy of the internal financial controls over financial statements of the Holding Company, its subsidiary companies, the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- g) The observations relating to maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph h(vi) below on reporting under Rule 11(g) of the Companies (audit and Auditors) Rules, 2014.
- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,

in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on consolidated financial statements as noted in the 'Other Matters' paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group,— Refer Note 37 to the consolidated financial statements.
- ii. The Group, 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 during the year to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.
- iv. (a) The management of Holding Company incorporated in India whose financial statements have been audited under the Act have represented that, to the best of their knowledge and belief, as disclosed in the notes 40A 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, its subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, its subsidiary companies ("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 the subsidiary companies have represented, to the best of it's knowledge and belief as disclosed in the notes 40A to the consolidated financial statements, no funds have



been received by the Holding Company or any of its subsidiary companies 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, its subsidiary companies shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries.

- (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, performed by us and that performed by the auditors of the subsidiary companies, whose financial statements/ financial information have been audited under the Act, nothing has come to our or other auditors notice that has caused us or other auditors to believe that the representations under sub-clause (a) and (b) above contain any material mis-statement.

- v. The final dividend paid by the Holding Company during the year in respect fo the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 40H to the consolidated financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Relying on representations/explanations from the Holding company based on our examination which includes test checks on the software application the Holding Company and subsidiary companies whose books

are audited by another auditor, has used accounting software (ERP) for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

However, audit trail was not enabled to log any direct data changes at database level both in application layer and database layer of the accounting software used by the Holding Company and its subsidiaries.

Additionally, the audit trail where available, have been preserved by the Holding Company and its subsidiary companies as per the statutory requirements for record retention.

3. With respect to the matter to be included in the Auditors Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, we report that the remuneration paid/provided by the Holding Company during the current year to its directors is in accordance with the prescribed provisions of Section 197 read with Schedule V of the Companies Act.

In regard to the subsidiary companies, in our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies which were not audited by us, no remuneration has been paid during the year by the respective subsidiary companies.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

S. Prasana Kumar
Partner
Membership No. 212354
UDIN: 26212354BSTVDE8807

Place: Chennai
Date: May 11, 2026

Annexure 1

List of entities consolidated in the Consolidated Financial Statements of Archean Chemical Industries Limited for the year ended March 31, 2026

S. No	Name	CIN	Country of Incorporation	Subsidiary status
1	Acume Chemicals Private Limited (ACPL)	U24290TN2021PTC148007	India	Subsidiary
2	Idealis Chemicals Private Limited (ICPL)	U20299TN2023PTC164103	India	Subsidiary
3	Neun Infra Private Limited (NIPL)	U20299TN2023PTC164041	India	Subsidiary
4	Idealis Mudchemie Private Limited (IMPL)	U73100TN1990PTC019419	India	Subsidiary of ICPL
5	SicSem Private Limited (SPL)	U46521TN2023PTC166415	India	Subsidiary of NIPL

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

S. Prasana Kumar
Partner

Membership No. 212354
UDIN: 26212354BSTVDE8807

Place: Chennai
Date: May 11, 2026

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Archean Chemical Industries Limited ("the Holding Company") on the consolidated financial statements as of and for the year ended March 31, 2026.

- (i) As required by Paragraph (xxi) of Companies (Auditor's Report) Order (CARO), there have been no qualifications or adverse remarks by the respective auditors in the CARO reports of the companies incorporated in India included in the consolidated financial statements except:

S. No.	Name	CIN	Holding Company/ Subsidiary Company	Clause number of the CARO report which is qualified or adverse
1	Archean Chemical Industries Limited (Archean)	L24298TN2009PLC072270	Holding	(i)(c), (vii)(b), (ix)(e)
2	Acume Chemicals Private Limited (Acume)	U24290TN2021PTC148007	Subsidiary	(vii)(b), (viii), (xvii)
3	Idealis Chemicals Private Limited (ICPL)	U20299TN2023PTC164103	Subsidiary	(xvii), (xviii)
4	Neun Infra Private Limited (Neun)	U20299TN2023PTC164041	Subsidiary	(xviii)
5	Idealis Mudchemie Private Limited (IMPL)	U73100TN1990PTC019419	subsidiary of ICPL	(xvii),
6	Sicsem Private Limited (Sicsem)	U46521TN2023PTC166415	Subsidiary of Neun	(xvii)

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

S. Prasana Kumar
Partner

Membership No. 212354
UDIN: 26212354BSTVDE8807

Place: Chennai
Date: May 11, 2026



Annexure B

Referred to in paragraph 2(f) on 'Report on Other Legal and Regulatory Requirements' of our report of even date on the consolidated financial statements of Archean Chemical Industries Limited

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Archean Chemical Industries Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls over financial reporting of the Holding Company and other auditors have audited its subsidiary companies, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Holding company, its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the 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 ("the 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 Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting based on our audit of the Holding Company and its subsidiary companies, which are companies incorporated in India. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiary companies, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the



Annexure B (Contd.)

internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reporting of the other auditors as mentioned in the Other Matter paragraph below, the Holding Company, its subsidiary companies, have, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018

S. Prasana Kumar

Partner

Membership No. 212354

UDIN: 26212354BSTVDE8807

Place: Chennai

Date: May 11, 2026



Consolidated Balance Sheet

As at March 31, 2026

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
A. ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	2	1,27,397.88	1,28,545.84
(b) Capital work in progress	2	7,152.42	3,446.04
(c) Right-of-use assets	3	10,917.02	9,254.37
(d) Intangible assets	4	3.99	6.33
(e) Intangible assets under development	4.1	11,015.96	3,486.86
(f) Financial assets:			
(i) Investments	5A	25,077.49	13,649.94
(ii) Loans	7	2,739.61	2,214.78
(iii) Other financial assets	6	1,964.33	2,007.27
(g) Income tax assets (Net)	18A	367.46	40.52
(i) Other non current assets	8	26,703.86	7,112.33
Total non-current assets		2,13,340.02	1,69,764.29
Current assets			
(a) Inventories	9	21,491.68	16,812.89
(b) Financial assets:			
(i) Investments	5B	608.13	20,217.28
(ii) Trade receivables	10	12,727.87	16,456.91
(iii) Cash and Cash equivalents	11.1	4,122.72	4,054.05
(iv) Bank balances other than (iii) above	11.2	1,376.90	1,230.00
(v) Loans	7	54.32	55.80
(vi) Other financial assets	6	1,324.62	2,108.64
(c) Other current assets	8	11,431.47	8,203.43
(d) Current tax assets (Net)	7.1	0.37	-
Total current assets		53,138.08	69,139.00
TOTAL ASSETS		2,66,478.11	2,38,903.29
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	2,469.16	2,468.55
(b) Other equity	13	1,90,969.81	1,83,932.77
Equity Attributable to Owners of the Company		1,93,438.97	1,86,401.32
Non Controlling Interest		(144.71)	0.43
Liabilities			
Non-Current liabilities			
(a) Financial liabilities:			
(i) Borrowings	14	12,666.55	15,159.89
(ii) Lease liabilities	15	4,501.88	4,200.96
(iii) Other financial liabilities	16	-	0.01
(b) Other non-current liabilities	17	2.58	17.73
(c) Provisions	20.1	1,507.18	1,509.76
(d) Deferred tax liabilities (Net)	19	10,670.64	11,885.39
Total non-current liabilities		29,348.83	32,773.74
Current liabilities			
(a) Financial liabilities:			
(i) Borrowings	14	27,835.27	2,646.50
(ii) Lease liabilities	15	1,634.23	1,450.17
(iii) Trade payables			
(A) total outstanding dues of micro and small enterprises	21	1,210.26	1,227.15
(B) total outstanding dues of creditors other than above	21	9,312.83	9,278.05
(iv) Other financial liabilities	16	2,845.30	4,211.52
(b) Other current liabilities	17	835.31	334.99
(c) Current tax liabilities (Net)	18B	-	477.95
(d) Provisions	20.2	161.81	101.47
Total current liabilities		43,835.01	19,727.80
Total Liabilities		73,183.84	52,501.54
TOTAL EQUITY AND LIABILITIES		2,66,478.11	2,38,903.29
Summary of material accounting policies	1		
Notes forming part of Consolidated Financial statements	1-44		

As per our report of even date attached
For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No:003990S/S200018

For and on behalf of the Board of Directors

P. Ranjit
Executive Vice Chairman
(Whole Time Director)
DIN: 01952929

Rampraveen Swaminathan
Managing Director
DIN: 01300682

S. Prasana Kumar
Partner
Membership No:212354

R.Natarajan
Chief Financial Officer

Vijayaraghavan N E
Company Secretary and Compliance Officer
M.No. A 41671

Place: Chennai
Date: May 11, 2026



Consolidated Statement of Profit and Loss

For the Year Ended March 31, 2026

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
Revenue:			
I Revenue from operations	22	1,08,105.07	1,04,101.79
II Other income	23	2,694.91	3,728.30
III Total income (I+II)		1,10,799.98	1,07,830.09
IV Expenses:			
Cost of materials consumed	24	8,767.72	6,293.79
Purchases of Stock-in-Trade		1,652.44	-
Changes in inventories of finished goods and work-in-progress	25	(3,993.47)	(7,073.19)
Employee benefits expense	26	7,418.67	6,105.36
Finance costs	27	2,574.68	810.33
Depreciation and amortisation expenses	28	9,288.87	7,938.45
Other expenses	29	70,381.49	67,360.39
Total expenses (IV)		96,090.39	81,435.13
V Profit/(loss) before exceptional items and tax (III-IV)		14,709.59	26,394.96
VI Exceptional items	25	-	(4,018.27)
VII Profit before tax (V+VI)		14,709.59	22,376.69
VIII Income tax expense:			
- Current tax	30	5,406.98	6,537.55
- (Excess) provision for tax relating to prior years		(31.33)	-
- Deferred Tax	30	(1,206.87)	(375.35)
Total Income tax expenses (VIII)		4,168.78	6,162.20
IX Profit after tax (VII-VIII)		10,540.80	16,214.49
X Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurements of the defined benefit plans		(31.12)	(21.20)
Income tax expenses relating to the above		7.88	5.34
Total other comprehensive income for the year, net of tax (X)		(23.24)	(15.86)
XI Total comprehensive income for the year (IX+X)		10,517.56	16,198.63
Profit for the year attributable to			
- Owners of the Company		10,685.94	16,214.87
- Non Controlling Interest		(145.14)	(0.38)
Other Comprehensive Income for the year attributable to			
- Owners of the Company		(23.24)	(15.86)
- Non Controlling Interest		-	-
Total Comprehensive Income for the year attributable to			
- Owners of the Company		10,662.70	16,199.01
- Non Controlling Interest		(145.14)	(0.38)
Earnings per share (Face value of Rs. 2 each)			
Basic earnings per share (In Rs.)	32	8.66	13.13
Diluted earnings per share (In Rs.)	32	8.65	13.12
Summary of material accounting policies	1		
Notes forming part of Consolidated Financial statements	1-44		

As per our report of even date attached
For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No:003990S/S200018

For and on behalf of the Board of Directors

P. Ranjit
Executive Vice Chairman
(Whole Time Director)
DIN: 01952929

Rampraveen Swaminathan
Managing Director
DIN: 01300682

S. Prasana Kumar
Partner
Membership No:212354

R.Natarajan
Chief Financial Officer

Vijayaraghavan N E
Company Secretary and Compliance Officer
M.No. A 41671

Place: Chennai
Date: May 11, 2026



Statement of Audited Consolidated Cash Flows

For the Year Ended March 31, 2026

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

	Year ended March 31, 2026	Year ended March 31, 2025
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	14,709.59	22,376.69
Adjustments for:		
Depreciation and amortisation expenses	9,288.87	7,938.45
Finance costs recognised in profit and loss	2,574.68	810.33
Profit on sale of investment in mutual funds and changes in fair value	(616.46)	(2,286.29)
Finance Income recognised in profit and loss	(412.34)	(235.22)
(Profit)/Loss on sale of asset	1.24	42.68
Issue of Employee stock options	77.67	129.92
Bad debts written off	26.36	-
Provision for Contingencies	-	1,000.00
Provision no longer required written off	(33.18)	-
Provision for doubtful receivables/advances	238.26	(462.98)
Unrealised net foreign exchange (gain)/loss	(251.16)	(471.36)
Operating profit before working capital changes	10,893.93	6,465.53
Movements in working capital:		
(Increase)/decrease in other financial assets	154.73	-
(Increase)/decrease in trade receivables	4,053.90	42.63
(Increase)/decrease in inventories	(4,679.29)	(4,236.01)
(Increase)/decrease in other assets	(2,040.29)	(4,682.90)
Increase/(decrease) in trade payables	(364.33)	546.89
Increase/(decrease) in provisions	79.18	24.36
Increase/(decrease) in other liabilities	(2,854.40)	2,550.58
Increase/(decrease) in other financial liabilities	(37.78)	-
	(5,688.28)	(5,754.45)
Cash generated from operations	19,915.24	23,087.77
Income Tax paid	(5,952.29)	(5,464.40)
Net cash generated from operating activities	13,962.95	17,623.37
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received/(paid)	266.48	(1,053.17)
Investments in Mutual funds	(27,098.44)	(75,361.24)
Investment in/Proceeds from sale of Mutual funds	47,324.05	92,417.27
Investment made	(11,457.55)	(13,649.94)
Investment in/maturity of bank deposits, net	(116.90)	(1,230.00)
Acquisition of Property, Plant and Equipment, CWIP and capital advances	(38,216.44)	(26,357.21)
Proceeds from sale of Property, Plant and Equipment	13.31	611.72
Net cash used in investing activities	(29,285.49)	(24,622.57)

Statement of Audited Consolidated Cash Flows
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

	Year ended March 31, 2026	Year ended March 31, 2025
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Fresh Issue of Equity Shares	0.61	0.61
Proceeds from borrowings	23,861.63	9,680.75
Payment of dividend	(3,702.83)	(1,233.97)
Repayment of other borrowings	(1,166.20)	(18.52)
Payment towards lease liabilities	(2,604.95)	(1,692.87)
Interest paid	(722.48)	(238.01)
Interest paid - Others	(274.57)	-
Net cash generated from financing activities	15,391.21	6,497.99
Net (decrease) in cash and cash equivalents	68.67	(501.21)
Cash and cash equivalents as at the beginning of the Year	4,054.05	4,555.26
Cash and Cash equivalents as at the end of the Year (note 11.1)	4,122.72	4,054.05

*Cash and cash equivalents as at the beginning of the previous year includes Idealis Mudchemie Private Limited cash and cash equivalents of previous period.

Note: The Statement of Cash Flows is prepared using 'Indirect Method' as prescribed in Ind AS 7.

Refer Note 14(b) for Debt reconciliation

Summary of material accounting policies - 1

Notes forming part of Consolidated Financial statements 1-44

As per our report of even date attached
For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No:003990S/S200018**For and on behalf of the Board of Directors****P. Ranjit**
Executive Vice Chairman
(Whole Time Director)
DIN: 01952929**Rampraveen Swaminathan**
Managing Director
DIN: 01300682**S. Prasana Kumar**
Partner
Membership No:212354**R.Natarajan**
Chief Financial Officer**Vijayaraghavan N E**
Company Secretary and Compliance Officer
M.No. A 41671Place: Chennai
Date: May 11, 2026



Consolidated Statement of Changes in Equity

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	No of shares		Rs. in Lakhs	
Balance as at March 31, 2024	12,33,96,969		2,467.94	
Restated balance as at March 31, 2024	12,33,96,969		2,467.94	
Changes in equity share capital during the year	30,713		0.61	
Balance as at March 31, 2025	12,34,27,682		2,468.55	
Changes in equity share capital during the year	30,712		0.61	
Balance as at March 31, 2026	12,34,58,394		2,469.16	

(b)

Particulars	Reserves & Surplus				Items of other comprehensive income	ESOP Outstanding Account	Total	Non Controlling Interest
	Securities Premium	Retained earnings	Capital Reserve	Actuarial Gain/ (Loss)				
a. Balance as at March 31, 2024	94,080.93	73,408.29	-	(37.81)	235.70	1,67,687.11	0.82	
b. Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	
c. Restated balance at the beginning of the current reporting period (a+b)	94,080.93	73,408.29	-	(37.81)	235.70	1,67,687.11	0.82	
d. Other comprehensive income for the current year	-	-	-	(15.86)	-	(15.86)	-	
e. Profit for FY 2024-25	-	16,214.87	-	-	-	16,214.87	(0.39)	
f. Transfer to retained earnings	-	-	-	-	-	-	-	
g. Conversion to Equity Shares	-	-	-	-	-	-	-	
h. Adjustment of Share issue expenses	(0.63)	-	-	-	-	(0.63)	-	
i. Share Capital of Non Controlling Interest	-	-	-	-	-	-	-	
j. Dividend payout for FY 2023-24	-	(1,233.97)	-	-	-	(1,233.97)	-	
k. First Interim Dividend payout for FY 2024-25	-	-	-	-	-	-	-	
l. Second Interim Dividend payout for FY 2024-25	-	-	-	-	-	-	-	
m. Transfer to Securities premium	124.39	-	-	-	(124.39)	-	-	
n. Transfer to ESOP Outstanding Account	-	-	-	-	129.92	129.92	-	
o. Idealis Mudchemie	-	-	1,302.35	-	-	1,302.35	-	
p. Others	-	(151.02)	-	-	-	(151.02)	-	



Consolidated Statement of Changes in Equity (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	Reserves & Surplus				Items of other comprehensive income	ESOP Outstanding Account	Total	Non Controlling Interest
	Securities Premium	Retained earnings	Capital Reserve	Actuarial Gain/ (Loss)				
q. Balance as at March 31, 2025	94,204.69	88,238.17	1,302.35	(53.67)	241.23	1,83,932.77	0.43	
r. Other comprehensive income for the current year	-	-	-	(23.24)	-	(23.24)	-	
s. Profit for FY 2025-26	-	10,685.94	-	-	-	10,685.94	(145.14)	
t. Transfer to retained earnings	-	-	-	-	-	-	-	
u. Conversion to Equity Shares	-	-	-	-	-	-	-	
v. Adjustment of Share issue expenses	-	-	-	-	-	-	-	
w. Share Capital of Non Controlling Interest	-	-	-	-	-	-	-	
x. Final Dividend paid for FY 2024-25	-	(3,702.83)	-	-	-	(3,702.83)	-	
y. Transfer to Securities premium	124.39	-	-	-	(124.39)	-	-	
z. Transfer to ESOP Outstanding Account	-	-	-	-	77.17	77.17	-	
aa. Balance as at March 31, 2026	94,329.08	95,221.28	1,302.35	(76.91)	194.01	1,90,969.81	(144.71)	

Notes forming part of Consolidated Financial statements 1-44

Summary of material accounting policies 1

As per our report of even date attached
For **PKF Sridhar & Santhanam LLP**
Chartered Accountants

Firm Registration No:003990S/S200018

P. Ranjit

Executive Vice Chairman (Whole Time Director)

DIN: 01952929

For and on behalf of the Board of Directors

Rampraveen Swaminathan

Managing Director

DIN: 01300682

S. Prasana Kumar

Partner

Membership No:212354

Place: Chennai

Date: May 11, 2026

R.Natarajan

Chief Financial Officer

Vijayaraghavan N E

Company secretary and compliance officer

M.No. A 41671



Notes Forming Part of Consolidated Financial Statements

For the Year Ended March 31, 2026

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 1: CORPORATE INFORMATION

The Holding Company (CIN - L24298TN2009PLC072270) was incorporated on July 14, 2009 and has its registered office at T.Nagar Chennai. The Group is into manufacturing of Marine Chemicals. The manufacturing location is in Gujarat State and various locations in India. The equity shares of the Holding Company were listed on National Stock Exchange of India Limited ("NSE") and Bombay Stock Exchange of India limited ("BSE") on November 21, 2022.

Summary of Material accounting policies

1.1 Statement of compliances

The Consolidated financial statements have been prepared and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules 2015 ("as amended") and other relevant provisions of the Companies Act, 2013. The material accounting policies have been applied consistently to all the periods presented in the financial statements, unless otherwise indicated.

1.2 (a) Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period, as explained in the accounting policies below:

The financial information relate to Archean Chemical Industries Limited (referred as "the Holding Company") and its subsidiary Company (Collectively referred to as "the group").

The financial information of the Subsidiaries used in the consolidation is drawn up to the same reporting date as that of the holding Company i.e. March 31, 2026.

Acume chemicals private limited, wholly owned subsidiary of the holding company incorporated on November 18, 2021. Neun Infra Privated Limited and Idealis Chemicals Private Limited, wholly owned subsidiary of the Company was incorporated on October 03 and October 05, 2023. Sicsem Private Limited, Step down Subsidiary of the Company was incorporated on December 03, 2023. Effective from July 10, 2024 Idealis Mudchemie Private Limited (Formerly known as Oren Hydrocarbons Private Limited) is an Step down Subsidiary of Archean chemicals Industries Limited, which was acquired through NCLT order.

'Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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 take 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 best economic interest.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the assets 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Notes Forming Part of Consolidated Financial Statements For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

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

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.

Quantitative disclosures of fair value measurement hierarchy (Refer Note 34).

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 Note 1.21 operating Cycle. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. except for salt at crystalizers for which the operating cycle considered being 24 months.

The Holding company is confident of getting its land lease renewed as mentioned in Note 3. Hence the consolidated financial statements have been prepared on going concern basis.

1.2 (b) Basis of consolidation

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intra-group transactions, balances and unrealised gains on transactions

between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

1.3 Changes in Accounting Standards with effect from April 01, 2025

- (i) New and amended standards adopted by the Company:

The Company has applied the following amendments for the first time for their annual reporting period commencing April 01, 2025:

Ind AS 21 – The Effects of Changes in Foreign Exchange Rates

In May 2025, the Ministry of Corporate Affairs (MCA) notified amendments to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates, applicable for annual periods beginning on or after April 01, 2025. The amendment introduces a new framework for assessing whether a currency is exchangeable into another currency and provides guidance when exchangeability is lacking.

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

In August 2025, the MCA notified the following amendments:

- Ind AS 1 – Presentation of Financial Statements (applicable w.e.f. April 01, 2025)

The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants.

Based on the Company's assessment, the Company has no impact of these amendments in its classification criteria of current and non-current liabilities.



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

- Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures (applicable w.e.f. April 01, 2025)

The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk.

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

- Ind AS 12 – International Tax Reform – Pillar Two Model Rules (applicable immediately)

The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has determined that this amendment does not have any impact in its standalone financial statements.

1.4 Changes in Accounting Standards that may affect the Company from March 31, 2026

New Accounting Standards/Amendments notified but not yet effective.

MCA has not notified any new standards or amendments to the existing standards applicable to the Company during the year ended March 31, 2026.

1.5 Property, plant and equipment and Land

Land held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at cost.

Property, plant and equipments (PPE) held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

PPE in course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowings costs capitalised in accordance with companies accounting policy. Such properties are classified to appropriate categories of property, plant and equipment when

completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Advance paid towards acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non current assets.

Cost of assets not ready to use are disclosed under 'capital work in progress'.

Depreciable amount for assets is the cost of an asset, less its estimated residual value. Depreciation on Property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. Useful life of the Property, plant and equipment is reassessed at each year end based on the technical evaluation.

Assets	Useful life
Building	10 - 40 years
Salt works	30 years
Plant and Machinery-Chemicals	2 - 40 years
Plant and Machinery-Cogeneration plant	3 - 40 years
Vehicles	2 - 10 years
Office & equipment	2 - 6 years
Furniture & fixtures	2 - 10 years

PPE individually costing Rs. 5,000 or less are fully depreciated in the year of capitalisation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and carrying amount of the asset and is recognised in profit or loss.

For transition to the Ind AS, the Group has decided to continue with the carrying value of all of its Property, Plant and Equipment as at April 01, 2017 (transition date) measured as per the previous GAAP as its deemed cost as of transition date.



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

1.6 Intangible assets other than goodwill

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

The intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Group for its use. The amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Subsequent expenditure on an intangible asset after its purchase/completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Intangible asset under development represents cost incurred for various projects that are not available for use as at the reporting date. All incidental expenditure directly attributable to these projects and qualify for capitalising in accordance with the Accounting Standards including the borrowing costs are also capitalised with the respective projects. Management assesses the projects periodically for technical feasibility and recoverability of costs capitalized. No amortization is charged on intangible assets under development until the assets are available for their intended use.

Derecognition of intangible assets:

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss when the asset is derecognised.

Useful lives of intangible assets:

Estimated useful lives of the intangible assets are as follows:

Software licenses-5 Years

Deemed cost on transition to Ind AS

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as of April 01, 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

1.7 Impairment of property, plant and equipment & intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

1.8 Right of use assets

The Group has adopted Indian Accounting Standards ("Ind AS") 116 "Leases" to all its lease contracts existing on April 01, 2019 adopting modified prospective method. Consequently the Group recorded the lease liability calculated at present value of remaining lease payments discounted at the incremental borrowing rate. Right of use asset has been recognised to this extent.

1.9 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset -this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
 - a) the Group has the right to operate the asset; or
 - b) the Group designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after April 01, 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components

and account for the lease and non-lease components as a single lease component.

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 12 months or less and leases of low value assets (assets of less than INR 10 Lakhs in value). The Group recognises the lease payments associated with these leases as an expense over the lease term.

1.10 Inventories

Inventories are valued at the lower of cost on moving weighted average basis or estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises of cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work-in-progress, incurred in bringing such inventories to their present location and condition, including transportation cost, transit insurance and any other charges. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sales.

Salt at crystallizers (work-in-progress) is valued at cost on the estimated quantity based on the depth and density statement of salt precipitated in salt crystalliser at the close of the year.

1.11 Cash & Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.12 Foreign currency transactions and translations

(i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (INR), which is the Group's functional and presentation currency.



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

(ii) Transactions and balances

In preparing the financial statement, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

1.13 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 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.

1.14 Revenue recognition

The Group derives revenues primarily from sale of salt and other marine chemicals. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the probable consideration expected to be received in exchange for those products or services. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount/pricing incentives varies with increases in levels of revenue transactions, the Group recognises the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount/pricing incentives is not recognised until the payment is probable and the amount can be estimated reliably. The Group recognises changes in the estimated amount of obligations for discounts/pricing incentives in the period in which the change occurs.

Revenue from services has been recognised as and when the service has been performed.

1.15 Employee benefits

Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

liability or asset. Defined benefit costs are categorised as follows.

- Service Cost (including current service cost, past service cost, as well as gain and losses on curtailments and settlements)
- Net interest expense or income, and
- Remeasurement.

The Group presents the first two components of defined benefit costs in profit or loss in the line item "Employee Benefits Expense". Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs. The Company has an employees' gratuity fund managed by the Life Insurance Corporation of India.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave in the period related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by the employees up to the reporting date.

Share based payments

The Company recognises compensation expense relating to share based payments in accordance with Ind AS 102 Share-based Payment. Stock options granted by the Company to its employees are accounted as equity settled options. Accordingly, the estimated fair value of options granted that is determined on the date

of grant, is charged to statement of Profit and Loss on a straight line basis over the vesting period of options, with a corresponding increase in equity.

1.16 Provisions and contingencies

Provisions are recognised, when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation and are reviewed at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability is disclosed for (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or (ii) Present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts only in case of inflow of economic benefits is probable.

1.17 Taxes on income

Current tax is the expected tax payable on the taxable profit for the year using tax rates and tax laws enacted or substantively enacted by the end of the reporting period and any adjustments to the tax payable in respect of previous years.

The tax currently payable is based on taxable profit for the year, if any. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Current tax is the expected tax payable on the taxable profit for the year using tax rates and tax laws enacted or substantively enacted by the end of the reporting period and any adjustments to the tax payable in respect of previous years.

The tax currently payable is based on taxable profit for the year, if any. Taxable profit differs from 'profit

before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

1.18 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Subsequent Measurement

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

The Group classifies its financial assets in the following measurement categories:

- a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- b) those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(a) Amortised Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on these assets that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included



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(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

in finance income using the effective interest rate method.

(b) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income/ (expense).

(c) Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognised in the statement of profit and loss.

Impairment of financial assets

The Group applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortised cost, trade receivable, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at Fair value through profit or loss.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impairment financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayments, extension, call and similar options) through the expected life of that financial instruments.

The Group measures the loss allowance for the financial instruments at an amount equal to the lifetime expected credit losses if the credit risk on those financial instruments has increased significantly since initial recognition.

If the credit risk on financial instruments has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instruments at an amount equal to 12 months expected credit losses. The twelve months expected credit losses are portion of the lifetime expected credit losses and represents lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the 12 months.

If the Group measured loss allowance for the financial instruments at life time expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12 month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instruments instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual rights to receive cash or other financial assets that results from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to life time expected credit losses.

Further, for the purposes of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward – looking information.

Derecognition of financial assets

A financial asset is derecognised only when the Group has transferred the rights to receive cash flows from the financial asset. Where the Group has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of



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the financial asset. Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset.

Financial liabilities and equity instruments:-

Classification as equity or financial liability

Equity and Debt instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

Financial liabilities at FVTPL

Liabilities that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognised in the statement of profit and loss.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Derivative financial instruments

Initial recognition

The Group uses derivative financial instruments such as futures contracts, to hedge a portion of its foreign

currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Subsequent measurement

Derivative financial instruments are subsequently re-measured at fair value with any gains or losses arising from changes in the fair value taken directly to the statement of profit or loss.

1.19 Earnings Per Share

Basic earnings per share is computed by dividing the net profit/(loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic plus dilutive shares during the year/period.

1.20 Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets & contingent liabilities at the date of financials statements, income and expenses during the year. The estimates and associated assumptions are based on the historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements are made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on an ongoing basis.

Uncertainty about these assumptions and estimates could result in outcomes that require a material



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adjustment to the carrying amount of assets or liabilities affected in future periods.

The areas involving critical estimates or judgments are:

- Estimation of useful life of Property, plant and equipment and intangible asset & impairment testing
- Estimation of fair value of unlisted securities
- Impairment of trade receivables: Expected credit loss
- Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources
- Measurement of defined benefit obligation: key actuarial assumptions
- Lease: Whether an contract contains a lease
- Write down of Inventory

- Estimation for litigations
- Impairment of investment and other financial/non financial assets
- Estimation of Washing loss and transit loss of inventory
- Fair value measurement of derivative and other financial instruments
- Income taxes

1.21 Operating Cycle

Based on the nature of products/activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current. For salt at crystalizers, the operating cycle considered being 24 months and consistently applied.



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(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 2: PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amounts of:		
Land	5,591.01	5,591.01
Salt works	22,176.70	23,351.40
Buildings	35,498.38	35,478.03
Plant and equipment	59,579.03	61,477.45
Furniture and fixtures	293.15	309.68
Office equipments	705.18	763.41
Computers	98.51	89.88
Vehicles	3,455.93	1,484.97
Total	1,27,397.88	1,28,545.84
Capital Work-in-progress	7,152.42	3,446.04

Capital Work-in-progress balance as at March 31, 2026

Particulars	Amount in CWIP as at March 31, 2026				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Projects in progress*	6,234.53	832.89	57.00	28.00	7,152.42
Projects temporarily suspended					

*There are no projects which are overdue or has exceeded its cost compared its compared to its original plan.

Capital Work-in-progress balance as at March 31, 2025

Particulars	Amount in CWIP as at March 31, 2024				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Projects in progress*	3,148.28	144.35	153.41		3,446.04
Projects temporarily suspended	-	-	-	-	-

*There are no projects which are overdue or has exceeded its cost compared its compared to its original plan.



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For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Gross block	Land	Salt Works	Buildings	Plant and equipment	Furniture & fixtures	Office equipments	Computers	Vehicles	Total
Balance as at March 31, 2024	-	32,436.73	35,373.70	79,598.39	368.99	151.13	385.02	2,661.61	1,50,975.57
Additions	5,591.01	1,005.54	7,850.18	8,292.61	224.06	751.24	26.14	256.97	23,997.75
Disposals	-	-	-	-	-	-	-	(376.40)	(376.40)
Balance as at March 31, 2025	5,591.01	33,442.27	43,223.88	87,891.00	593.05	902.37	411.16	2,542.18	1,74,596.92
Additions	-	-	1,287.46	2,988.26	50.34	83.44	47.02	2,596.00	7,052.52
Disposals	-	-	-	-	-	-	-	(28.59)	(28.59)
Balance as at March 31, 2026	5,591.01	33,442.27	44,511.34	90,879.26	643.39	985.81	458.18	5,109.59	1,81,620.85

Accumulated depreciation and impairment	Land	Salt Works	Buildings	Plant and equipment	Furniture & fixtures	Office equipments	Computers	Vehicles	Total
Balance as at March 31, 2024	-	8,981.94	6,643.11	21,974.34	228.63	82.54	288.08	974.78	39,173.42
Depreciation expense	-	1,108.93	1,102.74	4,439.21	54.74	56.42	33.20	316.41	7,111.64
Other Adjustments	-	-	-	-	-	-	-	(233.98)	(233.98)
Balance as at March 31, 2025	-	10,090.87	7,745.85	26,413.55	283.37	138.96	321.28	1,057.21	46,051.08
Depreciation expense	-	1,174.70	1,267.11	4,886.69	66.87	141.67	38.39	610.43	8,185.87
Disposals	-	-	-	-	-	-	-	(13.98)	(13.98)
Balance as at March 31, 2026	-	11,265.57	9,012.96	31,300.24	350.24	280.63	359.67	1,653.66	54,222.97
Carrying amount as at March 31, 2025	5,591.01	23,351.40	35,478.03	61,477.45	309.68	763.41	89.88	1,484.97	1,28,545.84
Carrying amount as at March 31, 2026	5,591.01	22,176.70	35,498.38	59,579.03	293.15	705.18	98.51	3,455.93	1,27,397.88

Note:

- (a) Contractual obligations: Refer Note 37 for disclosure of contractual commitments for the acquisition of Property, plant and equipment.
(b) Also refer note 14 for assets given as security for borrowings.



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(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 3: RIGHT-OF-USE ASSETS

Gross carrying value	Land and Building	Vehicle	ISO tanks	Total
Balance as at March 31, 2024	3,097.13	-	3,375.98	6,473.11
Additions	3,060.14	2,857.66	-	5,917.80
Deletions	-	-	-	-
Balance as at March 31, 2025	6,157.27	2,857.66	3,375.98	12,390.91
Additions	802.77	2,069.24	-	2,872.01
Deletions	(169.73)	-	-	(169.73)
Balance as at March 31, 2026	6,790.31	4,926.90	3,375.98	15,093.19

Accumulated depreciation	Land and Building	Vehicle	ISO tanks	Total
Balance as at March 31, 2024	422.13	-	1,892.78	2,314.91
Depreciation for the year	172.91	143.73	504.99	821.63
Deletions	-	-	-	-
Balance as at March 31, 2025	595.04	143.73	2,397.77	3,136.54
Depreciation for the year	155.56	598.08	346.18	1,099.81
Deletions	(60.17)	-	-	(60.17)
Balance as at March 31, 2026	690.43	741.81	2,743.95	4,176.18

Net Carrying amount as at March 31, 2025	5,562.23	2,713.93	978.21	9,254.37
Net Carrying amount as at March 31, 2026	6,099.88	4,185.09	632.03	10,917.02

Note:

- (a) The Holding Company entered into Memorandum of Undertaking (MOU) dated August 10, 2010, with Government of Gujarat (GOG) for the Land lease which expired on July 31, 2018 and the Holding Company had made an application for renewal on December 28, 2017. As per the MOU with GOG, the lease term can be further extended for a duration and conditions as mutually agreed at that time. There is also a GOG circular no 1597/1372/ख dated October 09, 2017 which states that such leases can be extended for a period of thirty years. The Holding Company has also been receiving demand note annually for the revised lease rents as per GoG circular and the Company has been meeting this payment.

Management made an assessment of the facts disclosed above and taking into consideration of similar experiences during renewal in group company, is confident of obtaining the renewal of land lease. The Useful life of PPE and ROU assets have been determined by the management considering that the lease would be extended. The entire production facility is located on this leased land.

NOTE 4 INTANGIBLE ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amounts of:		
Software	3.99	6.33
Total	3.99	6.33

Gross Block	Software
Balance as at March 31, 2024	60.54
Additions	-
Balance as at March 31, 2025	60.54
Additions	0.85
Balance as at March 31, 2026	61.39



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(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Gross Block	Software
Accumulated depreciation	
Balance as at March 31, 2024	48.93
Amortisation expense	5.28
Balance as at March 31, 2025	54.21
Amortisation expense	3.19
Balance as at March 31, 2026	57.40
Carrying amount as at March 31, 2025	6.33
Carrying amount as at March 31, 2026	3.99

Note 4.1 Intangible assets under development

Particulars	As at March 31, 2026	As at March 31, 2025
Intangible assets under development*	11,015.96	3,486.86

Intangible assets under development Ageing schedule

Particulars	As at March 31, 2026	As at March 31, 2025
Projects in progress		
Less than 1 year	7,529.10	3,286.86
1-2 years	3,286.86	200.00
2-3 years	200.00	-
More than 3 years	-	-
Total	11,015.96	3,486.86
Projects temporarily suspended	-	-

*There are no projects which are overdue or has exceeded its cost compared its compared to its original plan.

NOTE 5A NON CURRENT INVESTMENTS

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of shares/units	Rs. in Lakhs	No of shares/units	Rs. in Lakhs
A. Investment others- at Fair Value				
Clas-Sic wafer fab**	27,77,778	16,522.81	23,14,815	13,649.94
(equity shares of GBP 0.01 each fully paid up @ GBP 5.40 per share) A0 class-18,51,852 and A1 class-9,25,926			-	-
Investment in Offgrid*	3,06,69,250	8,554.68		
(equity shares of USD 0.01 each fully paid up @ GBP 5.40 per share)				
Aggregate amount of unquoted investments				
Total Non current investments		25,077.49		13,649.94
Aggregate amount of quoted investments		-		-
Aggregate amount of unquoted investments		25,077.49		13,649.94
Aggregate amount of impairment in value of investments		-		-

*ACIL subscribed A1 Preferred Stock of 30,669,250 shares with Face value of USD 0.00001 per share, with acquired price of USD 0.32606 per share on May 14,2025 Securing 18.14% stake in Offgrid Energy Labs Inc and the remaining commitment is expected to be made in the subsequent year.

**ACIL subscribed shares in Clas- SiC for GBP 10 Million on October 31, 2024 (A-0 Class – 18,51,852. FV GBP 0.01, Acquired price – GBP 5.40 / share); Payment of GBP 2.50 Million was made on November 4, 2024 towards purchase of A-1 Class – 4,62,963 shares for the same price and Balance payment of GBP 2.50 Million was made on May 21, 2025 towards purchase of A-1 Class – 4,62,963 shares for the same price and and Share certificates were also received.

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(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 5B CURRENT INVESTMENTS

Particulars	As at March 31, 2026	As at March 31, 2025
	Rs. in Lakhs	Rs. in Lakhs
Mutual Funds (FVTPL)- Unquoted		
Investments in Mutual Funds	608.13	20,217.28
Total Investments	608.13	20,217.28

As at March 31, 2026

Name	March 31, 2026		
	Units	Price	Value
BANDHAN Mutual Fund	18,279.92	3,326.77	608.13
Total	18,279.92		608.13

As at March 31, 2025

Name	March 31, 2025		
	Units	Price	Value
ICICI Prudential Mutual Fund	6,48,759.67	1,363.81	8,847.86
BANDHAN Mutual Fund	63,943.17	3,132.53	2,003.04
HSBC Mutual Fund	77,514.44	2,584.33	2,003.23
Bank of India Mutual Fund	1,06,596.96	2,957.47	3,152.58
TATA Mutual Fund	51,445.97	4,092.06	2,105.20
DSP Mutual Fund	56,775.13	3,708.27	2,105.37
Total	10,05,035.34		20,217.28

NOTE 6. OTHER FINANCIAL ASSETS

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)				
a) Security deposits measured at amortised cost				
With related Party	-	-	900.00	900.00
With Others	484.36	473.99	332.50	352.58
b) Interest accrued on Loan/Deposit				
With Others	57.08	204.91	34.29	46.33
c) Balance with statutory authorities	-	-	-	15.88
d) Export benefits receivable	-	-	52.99	106.72
e) Others	-	-	4.84	597.92
f) Bank Deposits with more than 12 months maturity*	1,422.89	1,328.37	-	-
g) Fair value of forward contract	-	-	-	89.21
	1,964.33	2,007.27	1,324.62	2,108.64

*includes guarantee given in favour of National Stock Exchange of India Limited. (FY 2023-24)



Notes Forming Part of Consolidated Financial Statements
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(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 7. LOANS

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)				
Loans to Clas-Sic Wafer Fab Limited	2,739.61	2,214.78	-	-
Loans to employees	-	-	54.32	55.80
Total	2,739.61	2,214.78	54.32	55.80

Note:

Loan to Clas-Sic Wafer Fab Limited repayable over a period of 4 years as per the loan agreement with an interest at base rate of Bank of England plus 200 basis points

Note 7.1 Income Tax Asset (Net)

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Advance Tax and Tax Deducted at Source	-	-	0.37	-
Less: Provision for Taxation	-	-	-	-
Total	-	-	0.37	-

NOTE 8. OTHER ASSETS

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)				
a) Capital advances	26,481.50	6,899.89	5.73	-
b) Balances with statutory authorities	212.44	212.44	7,456.23	4,721.24
c) Others	9.92	-	152.83	146.66
d) Prepaid expenses	-	-	771.31	605.26
e) Advance to suppliers other than for capital asset	-	-	-	-
(i) Advance to related parties	-	-	1,478.93	1,064.84
(ii) Other Advances	-	-	1,566.44	1,665.43
f) Advance to suppliers other than for capital asset	-	-	329.09	329.09
Less: Provision for Advance	-	-	(329.09)	(329.09)
Total	26,703.86	7,112.33	11,431.47	8,203.43

NOTE 9 INVENTORIES (LOWER OF COST OR NET REALISABLE VALUE)

Particulars	As at March 31, 2026	As at March 31, 2025
a Raw materials and components	1,325.71	1,308.97
b Work-in-progress	12,457.22	10,053.25
c Stores & spares	2,316.49	1,647.91
d Finished goods	5,275.21	3,802.76
e Finished goods in transit	117.05	-
Total	21,491.68	16,812.89

Note:

(a) Refer Note 14 for assets pledged as security towards loans

Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 10. TRADE RECEIVABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivables considered good-Secured		
Trade Receivables considered good-Unsecured	12,727.87	16,456.91
Trade Receivables which have significant increase in Credit Risk	603.25	255.00
Trade Receivables-credit impaired	2,271.18	2,342.84
Total	15,602.30	19,054.75
Allowance for doubtful debts (expected credit loss allowance)		
- towards receivables that are credit impaired	(2,271.18)	(2,342.84)
- towards receivables which have significant increase in Credit Risk	(603.25)	(255.00)
Total	12,727.87	16,456.91

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables by adopting a simplified approach by using provision matrix which is based on historical credit loss experience. The expected credit loss allowance is based on the ageing of the days the receivables are due, the rates as given in the provision matrix and other factors. The range of provision created as a percentage of outstanding under various age groups below 180 days past due comes to 0% - 23%. The Company as a policy provides for 100% for outstanding above 180 days past due taking into account other factors.

Movement in expected credit loss allowance	Year ended March 31, 2026	Year ended March 31, 2025
Balance at beginning of the year	(2,597.84)	(2,134.85)
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses (note 29)	(276.59)	(462.99)
Balance at end of the year	(2,874.43)	(2,597.84)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivables (At Amortised Cost)		
(i) Undisputed Trade Receivables – considered good		
- Less than 6 months	12,727.87	16,456.91
- 6 months-1 year	-	-
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk		
- Less than 6 months	603.25	205.00
- 6 months-1 year	-	-
- 1-2 years	-	-
- 2-3 years	-	-
- More than 3 years	-	50.00
(iii) Undisputed Trade Receivables – credit impaired		
- Less than 6 months	-	-
- 6 months-1 year	50.37	99.92
- 1-2 years	6.90	110.79
- 2-3 years	110.59	3.63
- More than 3 years	2,103.32	2,128.50



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
(iv) Disputed Trade Receivables – considered good		
- Less than 6 months		-
- 6 months-1 year		-
- 1-2 years		-
- 2-3 years		-
- More than 3 years		-
(v) Disputed Trade Receivables – which have significant increase in credit risk		
- Less than 6 months		-
- 6 months-1 year		-
- 1-2 years		-
- 2-3 years		-
- More than 3 years		-
(vi) Disputed Trade Receivables – credit impaired		
- Less than 6 months		-
- 6 months-1 year		-
- 1-2 years		-
- 2-3 years		-
- More than 3 years		-
Less: Provision	(2,874.43)	(2,597.84)
Net receivables	12,727.87	16,456.91

*Ageing has been computed based on transaction date.

NOTE 11 CASH AND CASH EQUIVALENTS

11.1 Cash & cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Balances with banks in current accounts and deposit accounts		
(i) In Current account	1,720.08	628.72
(ii) In term deposits with banks (original maturities less than 3 months)	2,400.00	3,415.00
(b) Cash on hand	2.64	10.33
Total Cash and cash equivalents	4,122.72	4,054.05

11.2 Other bank balances

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with banks held as margin money and guarantees*	0.46	-
Deposits due to mature after three months but before twelve months from the reporting date	1,376.44	1,230.00
Total other bank balances	1,376.90	1,230.00
Total Cash and bank balances	5,499.62	5,284.05

*Rs. 1,200 Lakhs represents Fixed deposit made for Acume Chemicals Private limited by ACIL to avail LC facility

Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 12 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
	No. of Shares		Rs. in Lakhs	
AUTHORISED:				
Equity shares:				
Equity shares of Rs. 2 each	16,00,00,000	16,00,00,000	3,200.00	3,200.00
ISSUED:				
Equity shares of Rs. 2 each	12,34,58,394	12,34,27,682	2,469.16	2,468.55
SUBSCRIBED AND FULLY PAID UP:				
Equity shares of Rs. 2 each	12,34,58,394	12,34,27,682	2,469.16	2,468.55

The Holding Company has completed the Initial Public Offer (IPO) of 3,59,28,869 Equity shares of face value of Rs. 2 each at an issue price of Rs. 407 per equity share comprising offer for sale of 1,61,50,000 equity shares by selling shareholders and fresh issue of 1,97,78,869 shares. The equity shares of the Holding Company were listed on National Stock Exchange of India Limited ("NSE") and Bombay Stock Exchange of India limited ("BSE") on November 21, 2022.

Pursuant to the resolution passed by the Board and resolution passed at the Nomination Remuneration Committee on October 07, 2022 the Holding Company has granted the issuance of 4,91,400 Employee Stock Options (ESOP's) to the eligible employees of the Holding Company in accordance with Archeon Chemical - Employee Stock Option Plan 2022. The Vesting Period of ESOP is between 12 months to 60 months. The first lot of shares (3,43,980) were exercised and allotted on November 03, 2023 and December 02, 2023. The second lot of shares (30,713) shares were exercised and allotted on October 16, 2024. The third lot of shares (30,712) shares were exercised and allotted on November 14, 2025.

12.1 Reconciliation of number of shares

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
	No. of Shares	Amount (Rs. In Lakhs)	No. of Shares	Amount (Rs. In Lakhs)
Balance at the beginning of the year	12,34,27,682	2,468.55	12,33,96,969	2,467.94
ESOP Exercised during the year	30,712	0.61	30,713	0.61
Balance at the end of the year	12,34,58,394	2,469.16	12,34,27,682	2,468.55

12.2 Terms/Rights attached to Equity Shares

The Holding Company has only one class of Equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Holding Company, after distribution of all preferential accounts, in proportion to their shareholding.

12.3 Details of shares held by each shareholder holding more than 5 percent of equity shares in the Company:

Name of the Share holder	As at March 31, 2026		As at March 31, 2025	
	No of shares held	%	No of shares held	%
Mr. P. Ranjit	2,82,65,965	22.90%	2,82,65,965	22.90%
Chemikas Speciality LLP (formerly known as Goodearth Fertilisers Company LLP)	3,76,93,219	30.53%	3,76,93,219	30.54%



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

**Disclosure of shareholding of promoters and percentage of change during the year. Additional Information
Disclosure Pursuant to Schedule III of Companies Act, 2013 as per MCA notification dated March 24, 2021:**

Promoter Name	As at March 31, 2026			As at March 31, 2025		
	No of shares held*	% of total shares	% of change during the year	No of shares held*	% of total shares	% of change during the year
Mr. P. Ravi	-	0.00%	0.00%	-	0.00%	0.00%
Mr. P. Ranjit	2,82,65,965	22.90%	0.00%	2,82,65,965	22.90%	(0.01%)
Chemikas Speciality LLP (formerly known as Goodearth Fertilisers Company LLP)	3,76,93,219	30.53%	(0.01%)	3,76,93,219	30.54%	(0.01%)

Note - The change in percentage (0.01%) in the Promoter's holding is due to allotment of ESOP shares to eligible employees as per ESOP policy during the year.

12.4 The Holding Company has issued Stock options to employees under ESOP Scheme 2022. (Refer Note 33D).

12.5 The Holding Company does not have any bonus share issued and shares bought back during the period of five years immediately preceding the reporting date March 31, 2026 and March 31, 2025.

12.6 The Holding Company does not have any shares issued for considering other than cash during the period of five years immediately preceding the reporting date.

NOTE 13 OTHER EQUITY

Particulars	As at March 31, 2026	As at March 31, 2025
a Securities premium	94,329.08	94,204.69
b Retained earnings (net of other comprehensive income)	95,144.37	88,184.50
c Shares option Outstanding Account	194.00	241.23
d Capital Reserve	1,302.35	1,302.35
Total	1,90,969.81	1,83,932.77

Details to other equity

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Securities premium		
Balance at the beginning of the year	94,204.69	94,080.93
Add : Premium on shares issued during the year	-	-
Add : Transfer from ESOP Outstanding Account	124.39	124.39
Less: Adjustment of Share Issue Expenses	-	(0.63)
Balance at the end of the year	94,329.08	94,204.69
(b) Retained earnings		
Balance at the beginning of the year	88,184.50	73,370.48
Total comprehensive income attributable to the owners of the Holding Company	10,662.70	16,199.01
Others	-	(151.02)
Final Dividend Payout for FY 23-24	-	(1,233.97)
Dividend Paid for FY 24-25	(3,702.83)	-
Balance at the end of the year	95,144.37	88,184.50



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
(c) ESOP Outstanding Account		
Balance at the beginning of the year	241.23	235.70
Transferred during the year	77.16	29.92
Options exercised during the year	(124.39)	(124.39)
Balance at the end of the year	194.00	241.23
(d) Capital Reserve		
Balance at the beginning of the year	1,302.35	-
Transferred during the year (Refer note d and note 41)	-	1,302.35
Balance at the end of the year	1,302.35	1,302.35
Total Other equity	1,90,969.81	1,83,932.77

Nature and purpose of other reserves

(a) Capital Reserve

Effective from July 10, 2024, Idealis Mudchemie Private Limited (Formerly known as Oren Hydrocarbons Private Limited) is a wholly owned step down Subsidiary of Archeon chemicals Industries Limited, which was acquired through NCLT order. As per Ind AS 103 (Business Combination), the Holding company has fair valued the assets acquired in the books of Idealis Mudchemie Private Limited of Rs. 8,993.09 Lakhs as against the consideration paid of Rs. 7,690.74 in Lakhs and accounted the difference as to the Capital reserve (Refer note 41).

(b) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(c) Share Options Outstanding Account

Pursuant to the resolution passed by the Board and resolution passed at the Nomination Remuneration Committee on October 07, 2022 the Holding Company has granted the issuance of 4,91,400 Employee Stock Options (ESOP's) to the eligible employees of the Holding Company in accordance with Archeon Chemical -Employee Stock Option Plan 2022. The amount of options (difference between fair value and exercise price) granted under the ESOP scheme has been recognized in the share options outstanding account.

(d) Retained earnings

Retained earnings represents Group company's cumulative earnings attributable to the owners of the Holding Company since its formation less the dividends/ Capitalisation, if any.

NOTE 14 BORROWINGS

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Secured				
Term Loans				
- from Banks	12,666.55	15,159.89	6,531.38	2,646.50
Working Capital Loan	-	-	21,303.89	-
Total	12,666.55	15,159.89	27,835.27	2,646.50



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Summary of borrowing arrangements

Note:

(a) Terms of Secured Loan from Banks -

Particulars	Hypothecation details	Term of loan	Rate
- Working Capital Loan	First Pari passu charge on current asset of the Company and Second Pari passu charge on the movable PPE	Renewal Yearly	7.20% ~ 10.50%
- ICICI Bank-Vehicle loan	1 vehicle	5 Years	8.90%
- ICICI Bank-RTL	Whole of moveable properties except current assets including plant & machinery, machinery spares, tools and accessories, non trade receivables and other movables	69 Months (Moratorium of 3 Months)	(I-MCLR-1Y) 9.65% p.a
- ICICI Bank-RTL 1		57 Months (Moratorium of 3 Months)	(I-MCLR-1Y) 9.65% p.a
Wholly owned Subsidiary-Acume Chemicals Private Limited			
- ICICI Bank	First Pari Passu charge on current asset both present and future, movable and immovable fixed asset of the Company both present and future.	24 Quarters (including moratorium period of 6 Quarters)	(I-MCLR-1Y) 10.4%p.a
- YES Bank		24 Quarters (including moratorium period of 6 Quarters)	(I-MCLR-1Y) 10.4%p.a

(b) Net Debt reconciliation

Particulars	As at March 31, 2026	As at March 31, 2025
Lease Liabilities	6,136.11	5,651.13
Borrowings - Working capital*	21,303.89	-
Borrowings - Term Loan	19,197.93	17,806.39
Less: cash and bank balances	5,499.62	5,284.05
Total	41,138.32	18,173.47

Note: The Holding Company has obtained working capital of Rs.18,559.43 Lakhs from ICICI bank and HDFC bank whereas sanctioned limits is Rs. 20,000 Lakhs. The working capital loan will be repayable on demand and secured by first paripassu charge on the current assets of the Company, second paripassu charge on the movable PPE of the Company

Particulars	Liabilities from Financing Activities		Total
	Borrowings	Lease Liabilities	
Debt as at April 01, 2024	5,954.46	3,827.79	9,782.25
Cash Flows			-
- Proceeds	11,870.44	-	11,870.44
- Repayments	(18.51)	(1,692.87)	(1,711.38)
Addition	-	2,998.93	2,998.93
Forex	-	40.05	40.05
Interest expense	448.24	477.23	925.47
Interest paid	(448.24)	-	(448.24)
Debt as at March 31, 2025	17,806.39	5,651.13	23,457.52
Debt as at April 01, 2025	17,806.39	5,651.13	23,457.52
Cash Flows			
- Proceeds	23,861.63	-	23,861.63
- Repayments	(1,166.20)	(2,604.95)	(3,771.15)

Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	Liabilities from Financing Activities		Total
	Borrowings	Lease Liabilities	
Addition	-	2,149.78	2,149.78
Deletion		(121.69)	
Forex	-	208.66	40.05
Interest expense	1,481.74	853.18	2,334.92
Interest paid	(1,481.74)	-	(1,481.74)
Debt as at March 31, 2026	40,501.82	6,136.11	46,637.94
Less: cash and bank balances			5,499.62
Net debt as at March 31, 2026			41,138.32

NOTE 15 LEASE LIABILITIES

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Liability on right of use assets under IND As 116-Refer note 36	4,501.88	4,200.96	1,634.23	1,450.17
Total	4,501.88	4,200.96	1,634.23	1,450.17

NOTE 16 OTHER FINANCIAL LIABILITIES

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
a. Interest accrued and not due on borrowings	-	-	11.75	-
b. MD Commission Payable	-	-	102.25	283.04
c. Payable towards procurement of capital assets	-	-	2,252.25	3,243.56
d. Employee benefits payable	-	-	100.50	99.72
e. Unpaid dividends	-	-	2.79	1.28
f. Retention money	-	0.01	19.90	583.92
g. Other payables	-	-	12.99	-
h. Derivative Liabilities	-	-	342.87	-
Total	-	0.01	2,845.30	4,211.52

NOTE 17 OTHER LIABILITIES

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
a Customer advances	-	-	111.58	40.19
b Statutory remittances	2.58	17.73	723.73	294.80
	2.58	17.73	835.31	334.99

NOTE 18A INCOME TAX ASSET (NET)

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Advance Tax and Tax Deducted at source	22,289.24	(5.93)	-	-
Less: Provision for Taxation	(21,921.78)	46.45	-	-
Total	367.46	40.52	-	-



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 18B CURRENT TAX LIABILITIES (NET)

Particulars	Non current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Provision for Taxation	-	-	-	16,677.95
Less: Advance Tax and Tax Deducted at source	-	-	-	(16,200.00)
Total	-	-	-	477.95

NOTE 19 DEFERRED TAX BALANCES

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets	1,882.47	440.11
Deferred tax liabilities	(12,553.11)	(12,325.50)
Net Deferred Tax Asset/(Liability)	(10,670.64)	(11,885.39)

Note: Includes DTA of Rs. 1,882.47 Lakhs (Rs. 440.11 Lakhs for FY 2024-25) belonging to subsidiary Company

For the year ended March 31, 2026	April 01, 2025	Recognised in profit or loss	Recognised in other comprehensive	March 31, 2026
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Deferred tax asset/(liabilities) in relation to:

Deferred tax liabilities:

Property plant and equipment	(13,585.21)	(360.55)	-	(13,945.76)
Investments (Current Investments-MF-FVTPL)	(92.11)	88.36		(3.75)

Deferred tax assets:

Carried forward loss	485.41	(1,596.18)	-	2,081.59
Provision for Employee benefits	7.79	7.88	(7.88)	7.79
Disallowance u/s 40(a)	-	-		-
Disallowance u/s 43(b)	39.61	33.68	-	5.93
Provision for Doubtful Debts/Advances	736.71	(59.97)	-	796.67
Provision for Contingencies	377.55	0.00		377.55
DTA on timing differences on ROU assets and liabilities	144.86	135.53		9.33
Net Deferred Tax Asset/(Liability)	(11,885.39)	1,206.87	(7.88)	(10,670.64)

For the year ended March 31, 2025	April 01, 2024	Recognised in profit or loss	Recognised in other comprehensive	March 31, 2025
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Deferred tax asset/(liabilities) in relation to:

Deferred tax liabilities:

Property plant and equipment	(13,191.44)	(393.70)	-	(13,585.21)
Investments (Current Investments-MF- FVTPL)	(289.95)	197.84		(92.11)

Deferred tax assets:

Carried forward loss	172.57	(312.84)		485.41
Provision for Employee benefits		(2.45)	(5.34)	7.79
Disallowance u/s 40(a)	-	-		-
Disallowance u/s 43(b)	33.63	(5.98)		39.61
Provision for Doubtful Debts/Advances	627.72	(108.99)	-	736.71
Provision for Contingencies	125.85	(251.70)		377.55
DTA on timing differences on ROU assets and liabilities	255.61	110.75		144.86
Net Deferred Tax Asset/(Liability)	(12,266.01)	375.35	(5.34)	(11,885.39)



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 20.1 PROVISIONS-NON CURRENT

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Contingencies	1,500.00	1,500.00
Provision for Sick leave	7.18	9.76
Total	1,507.19	1,509.76

20.1.1 Movement of Contingencies

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	1,500.00	500.00
Movement during the year	-	1,000.00
Closing	1,500.00	1,500.00

NOTE 20.2 PROVISIONS-CURRENT

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Sick leave	2.81	3.07
Provision for Earned Leave	13.55	77.12
Provision for Gratuity	145.45	21.28
Total	161.81	101.47

NOTE 21 TRADE PAYABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Amount dues to micro enterprises and small enterprises-Refer Note 38	1,210.26	1,227.15
Dues of creditors other than micro enterprises and small enterprises	9,312.83	9,278.05
Total	10,523.10	10,505.20

21.1 Trade payables are non-interest bearing and are normally settled as per due dates.

21.2 The Group has financial risk management policies in place to ensure that all payables are paid within the agreed credit terms.

Outstanding as at March 31, 2026

Particulars	Outstanding for following periods				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro and Small Enterprises	1,210.26	-	-	-	1,210.26
others	9,200.27	79.27	21.64	11.65	9,312.83
Disputed Micro and Small Enterprises	-	-	-	-	-
Disputed dues others	-	-	-	-	-



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Outstanding as at March 31, 2025

Particulars	Outstanding for following periods				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro and Small Enterprises	1,227.15	-	-	-	1,227.15
others	9,148.14	68.69	6.55	54.67	9,278.05
Disputed Micro and Small Enterprises	-	-	-	-	-
Disputed dues others	-	-	-	-	-

NOTE 22 REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a) Sales of Products*		
Domestic sales	22,374.05	24,679.19
Export sales	85,369.25	79,264.88
(b) Other operating revenues		
Export Incentives	167.61	121.48
Scrap sales	194.16	36.24
Total	1,08,105.07	1,04,101.79

*Includes sale of stock in trade as well.

22.1 Disaggregation of Revenue information

The table below presents disaggregated revenues from contracts with customers which is recognised based on goods transferred at a point of time by geography and offerings of the Group.

As per the management, the below disaggregation best depicts the nature, amount, timing and uncertainty of how revenues and cash flows are affected by industry, market and other economic factors.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue by Geography		
India	22,735.82	24,836.91
Rest of the world	85,369.25	79,264.88
Total revenue from contracts with customers	1,08,105.07	1,04,101.79
Revenue by offerings		
Manufactured goods		
(a) Marine chemicals		
Salt	72,855.42	65,948.10
Bromine	26,551.58	35,313.85
Sulphate of Potash	348.89	96.95
(b) Bromine Derivatives	8,024.89	2,691.89
(b) Others	269.70	51.00
Total revenue from contracts with customers	1,08,105.07	1,04,101.79

22.2 Trade receivables

The Group classifies the right to consideration in exchange for deliverables as receivable.

Holding Company-A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognised upon transfer of control of products or services to customers for an amount that reflects the probable consideration expected to be received in exchange

Acume-A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognised as and when the related goods are delivered to the customer.

Trade receivable are presented net of impairment in the consolidated balance sheet.

Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 23 OTHER INCOME

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income on bank deposits	260.91	252.99
Interest income on loan to other entity	158.10	58.30
Income on mutual funds investments - FVTPL	616.46	2,286.29
Insurance Claim received	236.37	14.98
Miscellaneous income	58.43	41.32
Provision no longer required	33.18	30.00
Profit on sale of fixed assets	0.12	-
Net gain on exchange fluctuation	1,331.34	1,044.42
Total	2,694.91	3,728.30

NOTE 24 COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening Stock of Raw Materials (Ref Note 9)	1,308.97	333.28
Add: Purchases	8,784.46	7,269.48
Less: Closing Stock of Raw Materials (Ref Note 9)	1,325.71	1,308.97
Consumption of raw materials	8,767.72	6,293.79

NOTE 25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening Stock:		
Work-in-progress	10,053.25	7,079.24
Finished goods	3,802.76	3,721.85
Closing Stock:		
Work-in-progress	12,457.22	10,053.25
Finished goods	5,392.26	3,802.76
(Increase)/Decrease in Stocks	(3,993.47)	(3,054.92)
Exceptional loss during the year due to cyclone*	-	(4,018.27)
Total (Increase)/Decrease in Stocks	(3,993.47)	(7,073.19)

*Exceptional item is due to Asna cyclone impact resulting in a loss of Industrial salt stock of Rs. 4,018.27 Lakhs (4.72 Lakhs MT) in Gujarat during August-September 2024. The Company already submitted the claim and is under process with the insurance company.

NOTE 26 EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	6,907.67	5,548.90
Share based payments to employees	77.67	129.92
Staff welfare	103.70	149.83
Contribution to provident and other funds	329.63	276.71
Total	7,418.67	6,105.36



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 27 FINANCE COSTS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest on borrowings & Short Term Loans	1,481.74	100.14
Interest on finance lease	853.18	477.23
Other finance cost	225.33	143.08
Interest on delayed payment of taxes	14.42	89.88
Total	2,574.67	810.33

NOTE 28 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on Property, plant and equipment and Right on Usage of assets pertaining to continuing operations	9,285.68	7,933.17
Amortisation of intangible assets	3.19	5.28
Total	9,288.87	7,938.45

NOTE 29 OTHER EXPENSES

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Consumption of stores and spares	2,393.82	1,895.62
Power and fuel	9,634.39	9,740.84
Rent expense	763.53	657.90
Travelling and conveyance	1,149.98	754.07
Repairs and maintenance		
- Buildings	131.25	159.53
- Plant and Machinery	642.25	1,145.43
- Others	857.65	394.06
Insurance	1,270.54	1,090.97
Rates and taxes, excluding taxes on income	313.70	441.92
Packing, Despatching and Freight	42,548.34	40,469.34
Loading charges	4,712.02	3,844.13
Hire charges-equipment	787.59	706.19
Printing and stationery	8.11	10.79
Communication expenses	62.88	40.90
CSR expenses (Refer Note 29.2)	962.65	587.24
Auditor's remuneration (Refer Note 29.1)	109.10	75.16
Legal and professional charges	1,288.77	1,713.74
Selling and distribution expenses	1,325.80	1,776.33
Loss on sale of Fixed Assets	1.42	42.42
Miscellaneous Expenses	2.03	-
Bad debts written off	26.36	-
Provision for doubtful debts and advances	276.59	462.98
Provision for Contingencies	-	1,000.00
Advertisement Expense	272.66	-
Administration expenses	838.76	350.83
Total	70,381.49	67,360.39

Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

29.1 Payment to statutory auditors

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Statutory auditor's:		
(a) For services as auditors*	65.15	54.65
(b) Tax audit	9.60	9.60
(c) For other services	10.00	9.78
(d) For reimbursement of expenses	24.35	1.13
Total	109.10	75.16

*Including audit fees of Subsidiary Companies

29.2 Expenditure incurred for Corporate social responsibility

CSR Expenditure	Year ended March 31, 2026	Year ended March 31, 2025
Amount required to be spent under section 135 of the Companies Act, 2013	767.90	782.00
Amount spent during the year on:		
i) CSR spent during the year FY 25-26	796.31	587.24

Details of Excess CSR expenditure Under Section 135 (5) of Companies Act, 2013

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance Excess Spent carried forward to current financial Year	(183.96)	10.80
Amount Spent during the year	796.31	587.24
Amount required to be Spent during the year	767.90	782.00
Unspent in PY & transferred to unspent CSR account - charged off in the current year	190.00	-
Excess spent in previous years - charged off in current year	4.75	-
Balance Excess Spent as on last day of current financial Year-carry forward to next year	28.41	(183.96)

* Unspent CSR amount for the year ended March 31, 2025 Rs.190 Lakhs earmarked for CSR Ongoing Project related to Medical Research Foundation was transferred to Unspent CSR account with in due date of April 30, 2025. and has been charged off to profit and loss for the year ended March 31, 2026.

From the CSR Unspent Account of FY 2024-25, Rs. 25 Lakh spent during the year and balance amount lying in the Unspent CSR account amounts to Rs. 165 Lakhs for the on going project related to Medical research foundation.

NOTE 30 INCOME TAX EXPENSE

30.1 Income tax recognised in Profit or Loss

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Income tax expense		
Current tax		
- Current tax	5,406.98	6,537.55
- (Excess) provision for tax relating to prior years	(31.33)	-
Deferred tax		
In respect of the current year	(1,206.87)	(375.35)
Total income tax expense	4,168.78	6,162.20



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

30.2 Income tax recognised in other comprehensive income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	7.88	5.34
Total income tax recognised in other comprehensive income	7.88	5.34
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	7.88	5.34
Items that may be reclassified to profit or loss	-	-
Total income tax recognised in other comprehensive income	7.88	5.34

30.3 The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit/(Loss) before tax	14,709.59	22,376.69
Income tax expense calculated at 25.17%	3,702.40	5,632.21
Tax adjustment:		
(a) other impacts due to permanent allowances/disallowances as per IT Act	245.89	154.54
(b) Effect of other adjustments/disallowances	220.49	375.45
Income tax expense recognised in profit or loss	4,168.78	6,162.20

NOTE 31 SEGMENT REPORTING

The Group is engaged in the activities related to manufacture of marine chemicals. The Chief Operating Decision Maker (Board of Directors) reviews the operating results as a whole. For purposes of making decisions about resources to be allocated and assess its performance, the entire operations are to be classified as a single business segment, namely Marine Chemicals. The geographical segments considered for disclosure are - India and Rest of the World. All the manufacturing facilities are located in India. Accordingly, there is no other reportable segment as per Ind AS 108 Operating Segments.

31.1 Geographical information

The Group's revenue from external customers by location of operations and information about its non current assets** by location of operations are detailed below. The geographical segments considered for disclosure are – India and Rest of the World. All the manufacturing facilities are located in India.

Particulars	Revenue from external customers		Non-current assets as at**	
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
India	22,735.82	24,836.91	2,13,340.02	1,69,764.29
Rest of the world	85,369.25	79,264.88	-	-
Total	1,08,105.07	1,04,101.79	2,13,340.02	1,69,764.29

** Non-current assets are used in the operations of the Company to generate revenues both in India and outside India.

31.2 Information about revenue from major customers

Two external customers contributed more than 10% of total revenues of the Company. The share of the revenue for the year ended March 31, 2026 is 45.79% (FY 2024-25 -38.99%).

Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 32 BASIC AND DILUTED EARNINGS PER SHARE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Basic Earnings per share	8.66	13.13
Diluted Earnings per share	8.65	13.12
Face value per equity share	2.00	2.00

Basic and Diluted Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit for the year after tax	10,685.94	16,214.87
Profit for the year attributable to owners of the Group	10,685.94	16,214.87

The weighted average number of equity shares for the purposes of basic and diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic and diluted earnings per share as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Weighted average number of equity shares used in the calculation of basic earnings per share	12,34,39,294	12,34,11,021
Adjustment:	-	-
Weighted average number of equity shares used in the calculation of basic earnings per share	12,34,39,294	12,34,11,021
Adjustment:		
Employee Stock Options	61,123	91,684
Weighted average number of equity shares used in the calculation of diluted earnings per share	12,35,00,417	12,35,02,705

NOTE 33: EMPLOYEE BENEFIT PLANS

A. Defined contribution plans

The Group makes Provident fund contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits.

B. Defined benefit plans

Gratuity

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Group makes annual contributions to Life Insurance Corporation of India(LIC). The Group accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

The Group is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk: The plan exposes the Group 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 (as shown in financial statements).

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

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.

Demographic Risk: The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Longevity risk: The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants during their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Particulars	Gratuity (Funded)	
	As at March 31, 2026	As at March 31, 2025
Present Value of obligations at the beginning of the year	266.92	228.47
Current service cost	46.31	38.31
Interest Cost	18.83	16.31
Past Service Cost	44.09	-
Re-measurement (gains)/losses:	-	-
- Actuarial gains and losses arising from experience adjustment	32.53	21.51
Actuarial (Gains)/Losses on obligations-Due to change in final assumptions	-	-
Benefits paid	(61.16)	(37.68)
Liabilities assumed/(transferred)	-	-
Present Value of obligations at the end of the year	347.52	266.92
Changes in the fair value of planned assets		
Fair value of plan assets at beginning of the year	189.81	167.13
Interest Income	13.18	12.06
Expected Return on plan assets	1.41	0.31
Contributions from the employer	58.99	47.99
Benefits Paid	(61.32)	(37.68)
Actuarial gain/ (loss) on plan assets	-	-
Asset transferred In/Acquisitions	-	-
Return on plan assets, excluding interest income	-	-
Fair Value of plan assets at the end of the year	202.07	189.81

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Amounts recognised in the Balance Sheet		
Present value of projected benefit obligation at the end of the year	(347.52)	(266.92)
Fair value of plan assets at end of the year	202.07	189.81
Funded status of the plans – Liability recognised in the balance sheet	(145.45)	(77.11)
Provision for Gratuity-Non current liability	-	-
Provision for Gratuity-current liability	(145.45)	(77.11)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Components of defined benefit cost recognised in profit or loss		
Current service cost	46.31	38.31
Net Interest Expense	18.83	16.31
Interest Income	(13.18)	(12.06)
Past service cost	44.09	-
Net Cost in Profit or Loss	96.05	42.56

Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Components of defined benefit cost recognised in Other Comprehensive income		
Remeasurement on the net defined benefit liability:		
- Actuarial gains and losses arising from experience adjustment	32.53	21.51
Return on plan assets	(1.41)	(0.31)
Net Cost in Other Comprehensive Income	31.12	21.20

Assumptions	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate	6.54% - 7.27%	6.54% - 6.78%
Expected rate of salary increases	13.00%	13.00%
Expected rate of attrition	5% - 30%	5% - 30%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Average Expected Future service	2 years - 11 years	2 years - 11 years

The Group has generally invested the plan assets with the insurer managed funds. The insurance Group has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

- The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations
- The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.
- The entire Plan Assets are managed by Life Insurance Corporation of India (LIC). The data on Plan Assets has not been furnished by LIC.
- Experience adjustments has been disclosed based on the information available in the actuarial valuation report

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

Particulars	Impact on defined benefit obligation (Rs. in Lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate		
- 1% increase (+100 BP)	(9.76)	(6.49)
- 1% decrease (-100 BP)	10.46	7.01
Salary growth rate		
- 1% increase (+100 BP)	8.67	5.99
- 1% decrease (-100 BP)	(8.38)	(5.75)
Attrition rate		
- 1% increase (+100 BP)	(4.08)	(2.76)
- 1% decrease (-100 BP)	4.30	2.92

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

The Group's best estimate of the contribution expected to be paid to the plan during the next year is Rs. 92.33 Lakhs (2024-2025: Rs. 70.64 Lakhs).

C. Long Term Compensated Absence

The compensated absences cover the Group's liability for earned leave & sick leave:

Assumptions	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate	6.54% - 7.27%	6.54% - 6.78%
Expected rate of salary increases	13.00%	13.00%
Expected rate of attrition	5% - 30%	5% - 30%

D. Share Based Payments

Pursuant to the resolution passed by the Board and resolution passed at the Nomination Remuneration Committee on October 07, 2022 the Holding Company has granted the issuance of 4,91,400 Employee Stock Options (ESOP's) to the eligible employees of the Company in accordance with Archeon Chemical -Employee Stock Option Plan 2022. The Vesting Period of ESOP is between 12 months to 60 months.

Movements in Share Options during the Year

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Options outstanding at the beginning of the year	92,137.00	1,22,850.00
Granted during the year	-	-
Exercised during the year	(30,712.00)	(30,713.00)
Options outstanding at the end of the year	61,425.00	92,137.00

Each Employee Stock Options converts into one equity share at an exercise price of Rs. 2 per share. The fair value of options granted as on the date of grant is Rs. 407 per grant.

An amount of Rs. 77.67 Lakhs (FY 2024-25: 129.92 Lakhs) has been recognised as employee stock options expenses in statement of profit and loss.

NOTE 34: FINANCIAL INSTRUMENTS

34.1 Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group is not subject to any externally imposed capital requirements.

The capital structure of the Group consists of net debt (borrowings as detailed in note 14 offset by cash and bank balances) and total equity of the Group.

The Group during the year has put in place the risk management policy and the same is being reviewed periodically post implementation.



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

34.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Debt *	40,501.83	17,806.39
Cash and bank balances	5,499.62	5,284.05
Net debt	35,002.21	12,522.34
Equity	1,93,438.97	1,86,401.32
Total Equity**	1,93,438.97	1,86,401.32
Net debt to equity ratio (in times)	0.18	0.07

*Debt is defined as long-term, short-term borrowings, liability portion of CCD and customers bill discounting, Interest accrued and not due on borrowings grouped under debt.

**Equity includes all capital and reserves of the Group that are managed as capital.

34.2 Categories of financial instruments

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
a) Financial assets measured at fair value-Mutual fund investments	608.13	20,217.28
b) Financial assets measured at fair value-Other entity investments	25,077.49	13,649.94
c) Financial assets measured at fair value-Derivative Instruments	-	89.21
Measured at amortised cost		
a) Cash and bank balances	5,499.62	5,284.05
b) Other financial assets at amortised cost	18,810.75	22,754.19
Financial liabilities		
a) Measured at amortised cost	53,870.22	32,523.12
b) Measured at FVTPL	6,136.11	5,651.13

34.3 Financial risk management objectives

The Group's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group has implemented a hedging policy during the period /year, to minimise the effects of foreign exchange fluctuations.

The Corporate Treasury function reports quarterly to the Chief Financial Officer and overseen by the board.

34.4 Market Risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Market risk exposures are measured using sensitivity analysis.

There has been no change to the Group's exposure to market risks or the manner in which these risks are being managed and measured.



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

34.5 Foreign Currency risk management

The Group is exposed to foreign exchange risk arising from foreign currency transactions on account of sale/purchase of goods. Foreign exchange risk arises from recognised assets denominated in a currency that is not the Group's functional currency (Rs). The risk is measured through a forecast of foreign currency cash flows that would arise due to the underlying assets and liabilities held.

The Group has entered into futures contracts to manage a portion of foreign currency risk arising out of realisation of foreign currency receivables. The strategy followed by the Group is tracking the foreign currency exchange rates and settlement of the payables at the time when the exchange rates are favourable.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency	Liabilities as at			
	March 31, 2026	March 31, 2026	March 31, 2025	March 31, 2025
	FC	INR	FC	INR
EUR	13.04	1,421.79	15.50	1,431.03
GBP	7.51	943.06	-	-
SGD	1.91	139.13	-	-
USD	2.43	229.84	16.93	1,448.89
Total		2,733.82		2,879.92

Currency	Assets as at			
	March 31, 2026	March 31, 2026	March 31, 2025	March 31, 2025
	FC	INR	FC	INR
EUR	0.82	88.95	1.06	97.86
GBP	21.81	2,739.61	20.00	2,214.78
USD	153.24	14,505.01	170.36	14,579.31
Total		17,333.57		16,891.96

34.5.1 Foreign currency sensitivity analysis

The Group is mainly exposed to the currency of USD, GBP, SGD and EURO.

The following table details the Group's sensitivity to a 5% increase and decrease against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit where the rupee strengthens 5% against the relevant currency. For a 5% weakening of the rupee against the relevant currency, there would be a comparable impact on the profit.

Particulars	Impact on profit or loss for the year	
	Year ended March 31, 2026	Year ended March 31, 2025
Financial Assets (A)		
USD	725.25	728.55
GBP	136.98	-
EUR	4.45	15.21
Financial Liabilities (B)		
USD	11.49	72.01
GBP	47.15	-
SGD	6.96	-
EUR	71.09	3.41
Total (A) - (B)	729.99	668.33

Impact of change in exchange rates of USD, GBP, SGD and EUR on profit or loss for the period is immaterial and hence not disclosed.

Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

34.6 Interest rate risk management

The long term borrowings appearing in the balance sheet carries a fixed rate of interest and hence the Group is not exposed to interest rate variability.

34.7 Interest rate sensitivity analysis

The sensitivity analyses have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rate had been 50 basis points higher/lower and all other variables were held constant, the Group's 'Profit for the year ended March 31, 2026 would not have any impact as there are no liabilities with floating rate as on March 31, 2026. This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

34.8 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties. The Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved on a regular basis. Also majority of sales are carried out through letter of credit and secured.

The Company does not have significant credit exposure to any single customer. Concentration of Credit Risk to single customer did not exceed 10% of receivables in FY 2025-26 except for three customers whose outstanding balance was Rs. 7,411.79 Lakhs. (FY 2024-25 - 8,114.16 Lakhs).

34.9 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

34.9.1 Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2026

Particulars	Weighted average effective Interest rate (%)	Less than 1 year	Upto 3 years	More than 3 and upto 5 years	More than 5 years	Total contractual cash flows	Carrying amount
Accounts payable and acceptances	-	10,523.09	-	-	-	10,523.09	10,523.09
Others	-	2,845.30	-	-	-	2,845.30	2,845.30
Finance lease liability	-	2,476.78	3,469.27	608.18	8,986.09	15,540.31	6,136.11
Fixed interest rate instruments	8.9% - 10.4%	27,783.33	11,556.83	5,113.31	-	44,453.47	40,501.81



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments other than interest on NCD as at March 31, 2025

Particulars	Weighted average effective Interest rate (%)	Less than 1 year	Upto 3 years	More than 3 and upto 5 years	More than 5 years	Total contractual cash flows	Carrying amount
Accounts payable and acceptances		10,505.20	-	-	-	10,505.20	10,505.20
Others	-	4,211.52	-	-	-	4,211.52	4,211.52
Finance lease liability	-	2,088.67	3,260.95	771.37	9,127.80	15,248.79	5,651.13
Fixed interest rate instruments	8.9% - 10.4%	2,646.50	8,984.29	7,978.20	698.38	20,307.38	17,806.39

The carrying amounts of the above are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Non-interest bearing	13,368.39	14,716.72
Finance lease liability	6,136.11	5,651.13
Fixed interest rate instruments	40,501.81	17,806.39
	60,006.31	38,174.24

The following table details the Group's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
As at March 31, 2026					
Investments	608.13			25,077.49	25,685.62
Security Deposits	1,232.50			484.36	1,716.86
Trade Receivables	12,727.87			-	12,727.87
Others	92.12	57.08		-	149.20
Total Cash and bank balances	5,499.62			-	5,499.62
Bank Deposits	-	1,422.89		-	1,422.89
Loans	54.32		2,739.61	-	2,793.93
As at March 31, 2025					
Investments	20,217.28			13,649.94	33,867.22
Security Deposits	1,252.58			473.99	1,726.57
Trade Receivables	16,456.91			-	16,456.91
Cash and Cash Equivalents	5,284.05			-	5,284.05
Others	856.06	204.91		-	1,060.97
Bank Deposits	-	1,328.37		-	1,328.37
Loans	55.80		2,214.78	-	2,270.58

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

34.10 Fair value measurements

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

34.10.1 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Particulars	Fair Value hierarchy	As at March 31, 2026		As at March 31, 2025	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets					
Measured at fair value through profit or loss (FVTPL)					
Financial assets measured at fair value- Mutual fund investments	Level 1	608.13	608.13	20,217.28	20,217.28
Financial assets measured at fair value- Derivative Instruments	Level 1	-	-	89.21	89.21
Financial assets measured at fair value- investment in other entities	Level 3	25,077.49	25,077.49	13,649.94	13,649.94
Financial liabilities					
Lease Liabilities measured at FVTPL	Level 3	6,136.11	6,136.11	5,651.13	5,651.13
Financial liabilities measured at fair value- Derivative Instruments	Level 1	342.87	342.87	-	-

The fair values of the financial assets and financial liabilities included in the level 1 and level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

NOTE 35: RELATED PARTY TRANSACTION

35.1 Names of Related Parties & Nature of Related parties relationship

i. Entities or persons having significant influence	Chemikas Speciality LLP (Formerly known as Goodearth Fertilisers Company LLP)
ii. Enterprise over which Key management personnel exercise significant influence.	Goodearth Maritime Private Limited Jakhau Salt Company Private Limited Bharath Salt Refineries Limited Archean Industries Private Limited Sea Salt Holdings Pte Limited Bahuvudhaah Holdings Private Limited KGF Granites Private Limited Archean Salt Holdings Private Limited Dakshin Super Stars LLP Archean Foundation
iii. Key management personnel and other directors	Mr. P Ranjit- Executive Vice Chairman (Managing Director till January 21, 2026 and Executive Vice Chairman since January 22, 2026) Mr. P Ravi- Non-Executive Director Mr. Subrahmanyam Meenakshisundaram- Non-Executive Director Mr. Kandheri Munuswamy Mohandass- Independent Director Mr. Chittoor Ghatambu Sethuram- Independent Director Mrs. Padma Chandrasekaran- Independent Director-Chairperson Mr. N R Kannan- (KMP with effect from August 02, 2024 and ceased to be KMP April 30, 2026) Mr. R.Natarajan- CFO (CFO with effect from January 21, 2025) Mr. R.Raghunathan- CFO (CFO with appointed with effect from June 01, 2022 and resigned with effect from January 20, 2025) Mr. G Balaji - Company Secretary (resigned with effect from November 30, 2021) Mr Vijayaraghavan N E- Company Secretary (with effect from February 07, 2025) Mr. Rampraveen Swaminathan- Managing Director (with appointed with effect from January 22, 2026) Mr. Guru Thalapaneni



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

35.2 Transactions with related parties

Particulars	Transaction Value		Amount Outstanding Receivable/(Payable)	
	Year ended March 31, 2026	Year ended March 31, 2025	As at March 31, 2026	As at March 31, 2025
Jakhau Salt Company Private Limited				
- Reimbursement of Jetty Expenses	510.2	464.17	100.31	(101.91)
- Reimbursement of Expenses	1,652.44	-		
P. Ranjit				
- Payment of Dividend	847.98	282.66		
- Office Rent	50.24	52.46	-	(4.38)
- MD remuneration payable			(102.25)	(283.04)
Goodearth Maritime Private Limited				
- Receivable Bromine				50.00
- Expenses towards jetty services	2,580.19	2,347.39		
- Shipment Management fee expenses	528.51	377.06	2,257.21	1,296.24
- Reimbursement of expenses	1,100.79	759.49		
- Barge Transportation Cost	817.92	324.71		
Archean Industries Private Limited				
- Reimbursement of Expenses	-	-		12.15
Sea Salt Holdings Pte Limited				
- Reimbursement of expenses	110.51	366.68		
- Sale of salt	10,401.45	2,974.38	2,243.27	-
Chemikas Speciality LLP				
- Payment of Dividend	1,130.79	376.93	-	-
- Payment of rent	132.00	11.00	-	-
- Receipt of rent	0.27		-	-
Cloudgen Digital Private Limited				
- Others	-	-	-	0.30
KGF Granites Private Limited				
- Reimbursement of Expenses	-	-	-	1.20

35.3 Compensation of Key Managerial personnel

The remuneration of directors (including other reimbursement) and other members of key management personnel during the period/ year was as follows :

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Employee benefits expense		
Mr. P Ranjit	903.48	2,015.36
Sitting fees paid to directors	50.00	53.50
Commission to directors	75.00	60.00
Mr. N R Kannan (From August 02, 2024)*	135.08	80.62
Mr.R Raghunathan (Till January 20, 2025)		86.27
Mr.S Balasundharam (Till June 01, 2024)		5.32
Mr. Natarajan Ramamurthy (From January 21, 2025)	89.85	17.34
Mr. Vijayaraghavan N E (From February 07, 2025)	32.47	4.95
Mr. Rampraveen Swaminathan (From January 22, 2026)	84.83	-

Note: Employee benefit expenses does not include Gratuity.

* N R Kannan ceased to be KMP effective April 30, 2026



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 36: LEASE ARRANGEMENTS

Lease liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Maturity analysis - contractual undiscounted cash flows		
- Less than one year	2,476.78	2,088.67
- One to five years	4,077.45	4,032.32
- More than five years	8,986.09	9,127.80
Total undiscounted lease liabilities	15,540.32	15,248.79
Lease liabilities included in the financial statement as at		
- Current	1,634.23	1,450.17
- Non Current	4,501.88	4,200.96

Particulars	As at March 31, 2026	As at March 31, 2025
Amounts recognised in profit or loss		
- Interest on lease liabilities	853.18	477.23
- Expenses relating to short-term leases	763.53	657.90

Movement of lease liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	5,651.13	3,827.79
Lease liability on Ind AS 116 "Leases" adoption		
Additions	2,149.78	2,998.93
Accretion of interest	853.18	477.23
Payments	(2,604.95)	(1,692.87)
Forex	208.66	40.05
Deletions	(121.69)	
Balance at the end of the year	6,136.11	5,651.13

NOTE 37: ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

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

Particulars	As at March 31, 2026	As at March 31, 2025
Contingent liabilities		
a. Disputed Service tax, Sales tax, Income tax and Wealth tax dues under appeal (Refer Note 37.1 (a))	5,627.00	5,627.00
b. Corporate Guarantee / Fixed deposit on behalf of Acume Chemicals Private Limited (WOS)	13,440.00	17,900.00
c. Minimum demand charges payable to PGVCL*	156.86	156.86
Total	19,223.86	23,683.86

* Appeal has been filed against the demand raised by PGVCL. An amount of Rs. 156.86 Lakhs has been paid under protest.



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Note 37.1 (a) Details of disputed statutory dues

Name of Statute	Period to which amounts relates	Forum where dispute is pending	As at March 31, 2026	As at March 31, 2025
Sales tax and Gujarat VAT matters in respect of which Group is in appeal.	FY 2015-16	Joint	324.73	324.73
	FY 2016-17	Commissioner, Rajkot	273.92	273.92
	FY 2017-18		23.05	23.05
Income tax matters in respect of which Group is in appeal [#]	FY 2021-22	ITAT	5,005.30	5,005.30
Total			5,627.00	5,627.00

Note: Closing balance of amount paid under protest Rs. 55.58 (March 31, 2025: Rs. 55.58)

[#] Compay has not paid any tax amount under Protest against the demand. In addition to that we have received High Pitched Scrutiny Assessment communication from the department.

Future cashflows in respect of the above matters are determinable only on receipts of judgments/decisions pending at various forums/authorities.

Note 37.1 (b) Capital Commitment

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Commitments	10,414.64	8,796.58
Other Commitments	157.67	-

NOTE 38: DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES:

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2026 and March 31, 2025 has been made in the financial statements based on information received and available with the Group. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Group has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at March 31, 2026	As at March 31, 2025
The principal amount remaining unpaid to any supplier at the end of each accounting year;	1,210.26	1,227.15
The interest due thereon remaining unpaid to any supplier at the end of each accounting year;	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 39: EVENTS AFTER THE REPORTING DATE

Nil

NOTE 40: OTHERS

A. Except as disclosed in the table below:

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 Group 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

Lending Company	Year of Transaction	Intermediary	Relation between Lending Company and Intermediary	Amount	Type of Transaction
Archean Chemical Industries Limited	FY 2025-26	Neun Infra Private Limited	Holding – Subsidiary	31,925.00	Loan
Archean Chemical Industries Limited	FY 2024-25	Neun Infra Private Limited	Holding – Subsidiary	4,663.50	Loan

Intermediary Company	Year of Transaction	Ultimate Beneficiary	Relation between Intermediary and Ultimate Beneficiary	Amount	Type of Transaction
Idealis Chemicals Private Limited	FY 2024-25	Idealis Mudchemie Private Limited	Holding – Subsidiary	7,190.74	Loan
Idealis Chemicals Private Limited	FY 2024-25	Idealis Mudchemie Private Limited	Holding – Subsidiary	500.00	Investment in Share Capital
NeunInfra Private Limited	FY 2025-26	Sicsem Private Limited	Holding – Subsidiary	31,925.00	Loan
NeunInfra Private Limited	FY 2024-25	Sicsem Private Limited	Holding - Subsidiary	4,960.00	Loan

The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified 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 borrowings from banks and financial institutions have been used for the purposes for which it was taken at the balance sheet date.
- C. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group and benami property.
- D. The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond statutory period.
- E. The Group has not traded or invested in Crypto currency or virtual currency during the financial Year.
- F. The Group does not have any transaction which is not recorded in the books of account that has been surrendered, disclosed as income during the year in the tax assessments under the income tax act, 1961 (such as, search or survey or any of the relevant provisions of the Income tax Act, 1961.)however in respect of Acume Chemical Private Limited (Subsidiary Company) income was disclosed during the year in relation to tax proceedings under the Income tax Act 1961, which had not been previously recorded in the books of accounts. Refer Note K below.
- G. Relationship with Struck-off Companies: The Group has searched for transactions with Struck-off companies by comparing Group's counter parties with publicly available database of struck-off companies through a manual name search. Based on such a manual search, there are no transactions with struck off Companies for FY 2025-26.



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

- H. Dividend of Rs. 2.5 per equity share amounting to Rs. 3,086.46 Lakhs for the Financial Year 2025-26 recommended by Board of Directors of Holding Company which is subject to approval of shareholders at the ensuing Annual General Meeting is not recognized as liability at the Consolidated Balance Sheet date.
- I. Strategic Investment by holding company
- a) 'Clas-SiC Wafer Fab Limited, a UK-based company is specializing in silicon carbide (SiC) MOSFETs/device manufacturing (Semiconductor Industry). The Holding company is making a strategic investment in Clas-SiC Wafer Fab Limited, a UK-based dedicated Silicon Carbide wafer Foundry with manufacturing capability for SiC Devices. This will be India's first investment in a company with silicon carbide MOSFETs/Devices production capability. This investment aligns with the Holding Company's broader semiconductor initiative through SiCSem Private Limited (SiCSem) and secures technology exclusivity in India. Sicsem and Clas-Sic have entered into Technical license agreement to this effect.
- Refer Note 5A for details of investments made.
- b) 'Offgrid Energy Labs Inc (Offgrid), is an IP-led company specializing in zinc-bromide battery technology. Offgrid has developed a patented battery technology based on Zinc Bromide chemistry with significant cost and performance advantages. Offgrid has built a battery technology that is particularly suited to applications requiring daily deep charge and discharge, such as renewable energy storage and low power mobility solutions. The Holding Company has executed the Restated Stockholders Agreement, Stock Subscription Agreement with Offgrid Energy Labs Inc. and its existing stockholders for an investment of USD 12 Mln in a Series A fundraise for securing 21% stake. This investment aligns with the Holding Company's broader strategy to enter the energy storage sector, particularly focusing on applications in renewable energy, industrial storage etc. This proposed investment will enable the Holding Company to support Offgrid's requirement of speciality chemicals, manufacturing scale-up, participate in the rapidly growing energy storage market, and create long-term value.
- Refer Note 5A for details of investment made.
- J. Effective November 21, 2025, the Government of India consolidated 29 existing labour regulations into four Labour codes, namely, The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes'. The New Labour Codes has resulted in a one-time increase in provision for employee benefits on account of recognition of past service costs. Based on the requirements of New Labour Codes and the ICAI clarification, the Company has assessed and accounted the estimated incremental impact of Rs. 44.09 Lakhs in the employee benefit expenses for the year ended March 31, 2026.
- K. Income Tax Search and Seizure
- 'The Income tax department conducted search and seizure operations u/s Section 132 of the Income Tax Act, 1961, at various premises of the Company and related locations during the period from September 4, 2025 to September 9, 2025. During proceedings, there was no demand in respect of Archean Chemical Industries Limited (Holding Company). With respect to Acume Chemicals Private Limited (Subsidiary Company of Archean Chemical Industries Limited), there was a voluntary disclosure of Rs. 26.92 Lakhs relating to Scrap Sales on a prudent basis. Acume also paid Rs. 18.47 Lakhs towards self-assessment tax in respect of the above matter. As no corresponding asset, cash or economic benefits has been identified, the Acume accounted for the disclosure of income by simultaneously recording the corresponding charge in the financial statements in accordance with Schedule III of Companies Act.
- After the year end, both the Holding Company and Subsidiary Company have received notices u/s 158 BC of the Income tax Act, 1961, for the block period from April 1, 2019 to November 6, 2025, and the respective companies are in the process of filing the returns. The Management is confident that the said event does not have any material adverse impact on the consolidated financial statements for the year ended March 31, 2026.
- The Management is confident that the said event does not have any material adverse impact on the consolidated financial statements for the year ended March 31, 2026.
- L. 'Update on Fiscal Support
- SiCSem Private Limited (SiCSem), Step down subsidiary of Archean Chemical Industries Limited has received approval from the Government of India under India semiconductor mission for the establishment of a compound semiconductor fabrication and ATMP facility in Bhubaneswar, Odisha, as well as from Government of Odisha. In connection with this

Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

- approval, SiCSem is in the process of entering into a Fiscal Support Agreement (FSA) with the India Semiconductor Mission, the nodal agency and Government of Odisha.
- Under the proposed terms of the FSA, SiCSem would be eligible for fiscal support of up to 75% of the eligible capital expenditure. As the FSA is yet to be executed, the grant is considered a contingent asset as at the reporting date.
- M. One of our stepdown Subsidiary Companies - SiCSem capitalised expenses that are directly attributable to IAUD and CWIP. A total of INR 97.52 Lakhs has been capitalised as a part of CWIP and IAUD for the year ended March 31, 2026. The amount of borrowing costs capitalised during the year ended 31 March 2026 for qualifying assets grouped under IAUD was Rs. 483 Lakhs and under CWIP was Rs. 249.62 Lakhs.
- N. SiCSem has incorporated a company (Sicsem Star Pte Ltd.) in Singapore on November 10, 2025. Sicsem is in the process of making an investment into this company, hence not considered for consolidation purpose.
- O. In order to simplify the corporate structure, consolidate operations and reporting, and eliminate multi-layer subsidiaries, it is proposed to undertake a reverse merger between Idealis Chemicals Private Limited (holding company) with Idealis Mudchemie Private Limited (subsidiary company). The Boards of both the companies have consented to the scheme of amalgamation under section 233 of the Companies Act, 2013 read with Rule 25(2) of the Companies Rules, 2016, in their board meetings and the process is currently on-going with the regulators.

NOTE 41: DETAILS OF SIGNIFICANT BUSINESS COMBINATIONS:

1. Acquisition of Oren Hydro chemicals Private Limited

Idealis Chemicals Private Limited, a subsidiary of Archean Chemical Industries Limited having CIN U20299TN2023PTC164103 ("Idealis") was declared as the successful bidder for acquiring Oren Hydrocarbons Private Limited (OREN) as a going concern in the auction conducted by the liquidator of OREN, on December 21, 2023 in terms of the Insolvency and Bankruptcy Code, 2016. The sale consideration of Rs. 7,690.74 Lakhs (Rupees seventy-six crores ninety Lakhs seventy-four thousand and sixty-six only) was paid and the liquidator issued the sale certificate dated February 22, 2024 under the provisions of Insolvency and Bankruptcy Code, 2016 and its regulations in force, in favour of Idealis. The Hon'ble NCLT granted various reliefs, concessions, exemptions and directions vide its order that was uploaded on NCLT's website on July 10, 2024. Effective July 10, Oren became a step-down subsidiary of ACIL and accordingly their books of account has been consolidated for the quarter/ year ended March 31, 2025. Effective October 9, 2024, the 'OREN' was changed to "Idealis Mudchemie Private Limited".

The following table summarised the consideration paid, and the fair value of the assets acquired as at the acquisition date:

Particulars	Rs. in Lakhs
Land	5,591.01
Building	2,073.49
Plant & Machinery	1,194.54
Office equipment	4.16
Vehicles	42.53
Furniture & Fixtures	3.39
Computer equipment	0.17
Electrical Equipment	78.82
Cash and Cash equivalents	6.98
Provision for expenses	(2.00)
Total fair value of assets (A)	8,993.09
Consideration paid (B)	7,690.74
Capital reserve (A-B)*	1,302.35

*Refer note no.13(d)

NOTE 42: APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the Board of Directors on May 11, 2026.

NOTE 43: The previous year figures have been regrouped/rearranged to conform to current period classification.



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

NOTE 44: ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT 2013,
OF THE ENTERPRISES CONSOLIDATED AS SUBSIDIARY

Name of the Entity in the Group	Net Assets (total assets - total liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated Net Assets	Amount	as % of Consolidated Profit	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
FY 2025-26								
Parent								
Archean Chemical Industries Limited	102.1%	1,97,526.13	145.3%	15,311.45	102.0%	(23.70)	145.4%	15,287.75
Subsidiary								
Indian:								
Acume Chemicals Private Limited	(2.4%)	(4,609.84)	(33.3%)	(3,513.02)	(2.0%)	0.46	(33.4%)	(3,512.56)
Idealis Chemicals Private Limited	0.0%	9.54	(0.7%)	(75.76)	0.0%	-	(0.7%)	(75.76)
Neun Infra Private Limited	0.2%	331.02	0.1%	10.81	0.0%	-	0.1%	10.81
Idealis Mudchemie Private Limited	0.3%	664.48	(6.7%)	(708.88)	0.0%	-	(6.7%)	(708.88)
Sicsem Private limited	-0.2%	(337.65)	-3.2%	(338.66)	0.0%	-	-3.2%	-338.66
Non Controlling Interest								
Indian Subsidiary:								
Sicsem Private limited	(0.1%)	(144.71)	(1.4%)	(145.14)	-	(1.4%)	(1.4%)	(145.14)
Total	100%	1,93,438.97	100%	10,540.80	100%	(23.24)	100%	10,517.56



Notes Forming Part of Consolidated Financial Statements
For the Year Ended March 31, 2026 (Contd.)

(All amounts are stated in Rupees in Lakhs, except share data, unless otherwise stated)

Name of the Entity in the Group	Net Assets (total assets - total liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated Net Assets	Amount	as % of Consolidated Profit	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
FY 2024-25								
Parent								
Archean Chemical Industries Limited	99.7%	185749.304	110.9%	17982.984	97.6%	-15.476	110.9%	17,967.51
Subsidiary								
Indian:								
Acume Chemicals Private Limited	(0.6%)	(1,097.28)	(7.4%)	(1,192.34)	0.0%	-	(7.4%)	(1,192.34)
Idealis Chemicals Private Limited	0.0%	55.30	(1.0%)	(163.08)	0.0%	-	(1.0%)	(163.08)
Neun Infra Private Limited	0.2%	320.21	0.1%	17.58	0.0%	-	0.1%	17.58
Idealis Mudchemie Private Limited	0.7%	1,373.36	(2.6%)	(428.99)	0.0%	-	(2.6%)	(428.99)
Non Controlling Interest								
Indian Subsidiary:								
Sicsem Private limited	0.0%	0.43	0.0%	(1.28)	2.4%	(0.38)	0.0%	(1.66)
Total	100%	1,86,401.32	100%	16,214.87	100%	(15.86)	100%	16,199.01

As per our report of even date attached
For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No:003990S/S200018

S. Prasana Kumar
Partner
Membership No.:212354

Place: Chennai
Date: May 11, 2026

For and on behalf of the Board of Directors

P. Ranjit
Executive Vice Chairman (Whole Time Director)
DIN: 01952929

R.Natarajan
Chief Financial Officer

Rampraveen Swaminathan
Managing Director
DIN: 01300682

Vijayaraghavan N E
Company secretary and compliance officer
M.No. A 41671

Notice to the Shareholders

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Shareholders of the Company will be held on Friday, June 12, 2026 at 10.00 A.M. through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"), to transact the following businesses:

ORDINARY BUSINESS:

Item No. 1

TO CONSIDER AND ADOPT THE AUDITED STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026, TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS, AUDITORS THEREON.

"RESOLVED THAT the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

Item No. 2

TO DECLARE FINAL DIVIDEND ON THE EQUITY SHARES OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026.

"RESOLVED THAT a dividend at the rate of Rs. 2.50/- (Rupees Two and Fifty Paise Only) (i.e. 125%) per Equity Share of Rs. 2/- (Rupees Two only) each fully paid-up of the Company, as recommended by the Board of Directors, be and is hereby declared for the Financial Year ended March 31, 2026 and the same be paid out of the profits of the Company."

Item No. 3

TO CONSIDER AND APPOINT A DIRECTOR IN PLACE OF MR. RAVI PENDURTHI (DIN: 02334379), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, HAS OFFERED HIMSELF FOR RE-APPOINTMENT.

"RESOLVED THAT Mr. Ravi Pendurthi, (DIN: 02334379) who retires by rotation at this Annual General Meeting and being eligible and offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation".

Item No. 4

TO CONSIDER AND REAPPOINT M/S. PKF SRIDHAR & SANTHANAM LLP, CHARTERED ACCOUNTANTS, (FIRM REGISTRATION NUMBER: 003990S/S200018) AS STATUTORY AUDITORS OF THE COMPANY AND FIX THEIR REMUNERATION.

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions 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), and pursuant to the recommendation of the Audit Committee and the Board of Directors of the Company, M/S. PKF Sridhar & Santhanam LLP, Chartered Accountants (Firm Registration Number: 003990S/S200018) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office for a second term of 4 (four) consecutive years from the conclusion of this 17th Annual General Meeting until the conclusion of the 21st Annual General Meeting of the Company to be held in the year 2030."

"RESOLVED FURTHER THAT the Auditors shall be paid for 2026-27, a remuneration of Rs. 56,60,000/- (Rupees Fifty-Six Lakhs Sixty Thousand only) (exclusive of applicable taxes and Out-of-pocket expenses) for statutory audit."

"RESOLVED FURTHER THAT for FY 2027-28, 2028-29 and 2029-30, the Board of Directors is authorised to fix the remuneration based on the recommendation of the Audit Committee."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

SPECIAL BUSINESS:

Item No. 5

TO APPROVE THE CONTINUATION OF DIRECTORSHIP OF MR. KANDHERI MUNUSWAMY MOHANDASS (DIN: 00707839) AS AN INDEPENDENT DIRECTOR OF THE COMPANY UPON ATTAINING THE AGE OF 75 YEARS.

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

"RESOLVED THAT pursuant to the provisions of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder, including any amendment(s), statutory modification(s) or re-enactment(s) made thereof for the time being in force and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded for the continuation of Directorship Mr. Kandheri Munuswamy Mohandass (DIN: 00707839), as an Independent Director of the Company upon attaining the age of 75 years on July 10, 2026, up to the completion of his current term of office i.e., December 05, 2026.

Notice

**Item No. 6****TO RE-APPOINT MR. KANDHERI MUNUSWAMY MOHANDASS (DIN: 00707839) AS NON-EXECUTIVE INDEPENDENT DIRECTOR.**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17, 17(1A) and other the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Kandheri Munuswamy Mohandass (DIN: 00707839), who was appointed as an Independent Director of the Company for a first term of five (5) consecutive years commencing from December 06, 2021 to December 05, 2026 (both days inclusive) and who is eligible for re-appointment and has submitted a declaration confirming that he meets the criteria for independence under Section 149(6) of the Act and the rules framed thereunder and Regulation 16(1)(b) of the SEBI LODR and in respect of whom the Company has received a notice in writing under Section 160 (1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years commencing from December 06, 2026 up to December 05, 2031 (both days inclusive), based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company.”

Item No. 7**TO RE-APPOINT MR. CHITTOOR GHATAMBU SETHURAM (DIN: 01081951) AS NON-EXECUTIVE INDEPENDENT DIRECTOR.**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17, 17(1A) and other the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,

2015 (“SEBI LODR”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Chittoor Ghatambu Sethuram (DIN: 01081951), who was appointed as an Independent Director of the Company for a first term of five (5) consecutive years commencing from December 06, 2021 to December 05, 2026 (both days inclusive) and who is eligible for re-appointment and has submitted a declaration confirming that he meets the criteria for independence under Section 149(6) of the Act and the rules framed thereunder and Regulation 16(1) (b) of the SEBI LODR and in respect of whom the Company has received a notice in writing under Section 160 (1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years commencing from December 06, 2026 up to December 05, 2031 (both days inclusive), based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company.”

Item No. 8**TO CONSIDER & APPROVE THE RATIFICATION OF REMUNERATION TO THE COST AUDITOR FOR THE FY 2026-27.**

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

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 and based on the recommendation of Audit Committee & approval of the Board of Directors, the remuneration of Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus re-imbursment of out-of-pocket expenses and applicable taxes payable to Mr. G Sundaresan, (Membership No. 11733) Cost Auditor, Chennai, appointed by the Board of Directors as the Cost Auditor of the Company to conduct the audit of the cost records of the Company for FY 2026-27, be and is hereby ratified and confirmed.”

**By order of the Board,
For ARCHEAN CHEMICAL INDUSTRIES LIMITED**

VIJAYARAGHAVAN N E

Company Secretary & Compliance Officer

M. No. A-41671

Place: Chennai

Dated: May 11, 2026

**Notes:**

1. The Company has chosen to conduct this Annual General Meeting (“AGM”) through VC. The AGM would be conducted in compliance with the applicable provisions of the Companies Act, 2013 (“The Act”) read with Ministry of Corporate affairs (“MCA”) General Circular No. 03/2025 dated September 22, 2025 read with the circulars issued earlier on the subject and such other instructions as may be issued by Statutory Authorities. Hence, Members can attend and participate in the ensuing AGM through VC.
2. Relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of special business set out in Item no. 4 to 8 above is annexed hereto.
3. M/s. PKF Sridhar & Santhanam LLP, Chartered Accountants (*Firm Registration Number: 003990S/S200018*), Chennai were appointed as Statutory Auditors of the Company to hold office from the conclusion of Twelfth AGM of the Company held on December 29, 2021 till the conclusion of the Seventeenth AGM of the Company, shall be reappointed for another term of 4 (four) consecutive years from the conclusion of 17th AGM (2026-2027) until the conclusion of the 21st AGM subject to the approval of Members in the ensuing AGM.
4. Details of the Directors proposed to be appointed/re-appointed as required in terms of Regulation 36(3) of the SEBI LODR and Secretarial Standards on General Meetings (“Secretarial Standards – 2”) issued by The Institute of Company Secretaries of India, are provided at the end and form an integral part of this Notice as **Annexure – I**.
5. The meeting shall be deemed to be held at the Registered office of the Company at No.2, North Crescent Road, T Nagar, Chennai 600 017.
6. The recorded transcript of the AGM will be hosted on the website of the Company.
7. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
8. Dividend on equity shares, if declared at the meeting, will be credited/dispatched on or before July 11, 2026, (Saturday) to those Members whose names shall

appear on the Company’s register of Members as on record date/cut-off date i.e. June 05, 2026.

Dividend income is taxable in the hands of Shareholders, w.e.f. April 01, 2020, in accordance with Finance Act, 2020, and the Company is required to deduct TDS from the dividend to be paid to the Shareholders as per rates prescribed under the Income Tax Act, 2025 (“IT Act”).

The Shareholders are requested to refer the IT Act, 2020 and amendments thereof for prescribed rates for various categories of Shareholders. The Company shall send the e-mail in this regard to all the Shareholders whose e-mail id is registered with RTA or Depository Participant.

9. Members holding shares in electronic form are requested to intimate immediately, any change in their address or bank mandates to their depository participant(s) with whom they are maintaining their demat accounts.
10. In the event the Company is unable to pay the dividend to any Member directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the Bankers’ cheque/ demand draft to such Member, as soon as possible.

SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/ National Electronic Fund Transfer (NEFT)/Real Time Gross Settlement (RTGS)/Direct Credit, etc. Members holding shares in demat form are requested to update their bank account details with their respective Depository Participant (“DP”). The Company or MUFG Intime cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members are requested to ensure that their bank account details in their respective demat accounts are updated, to enable the Company to provide timely credit of dividend in their bank accounts.

In terms of the provisions of Section 124 and other applicable provisions of the Companies Act, 2013, the amount of dividend not encashed or claimed within



Notice to the Shareholders (Contd.)

- 7 (Seven) years from the date of its transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund ('IEPF') established by the Central Government. Members who have not yet encashed their dividend warrant(s) pertaining to the dividend for FY 2023 onwards, are requested to lodge their claims with the Company or with the Registrar and Share Transfer Agent ('RTA') of the Company at the earliest.
- The details of the unclaimed dividends are available on the Company's website at HYPERLINK "<http://www.archeanchemicals.com>." Members are requested to contact MUFG Intime, Unit: Archean Chemical Industries Limited, C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai – 400083, Company's RTA, to claim the unclaimed/unpaid dividends.
11. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.
 12. Pursuant to Sections 101 and 136 of the Act read with the relevant Rules made thereunder and Regulation 36 of the SEBI Listing Regulations read with SEBI circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 07 2023, SEBI/HO/CFD/PoD-2/P/CIR/2024/133 dated October 03, 2024 issued by Securities Exchange Board of India (collectively referred to as "SEBI Circulars"), companies can send Annual Reports and other communications through electronic mode to those Members who have registered their e-mail addresses with MUFG Intime India Private Limited ("MUFG Intime" or "RTA") or with their respective the Depository Participant(s) ("DP"). A letter containing the web link, along with the exact path to access the complete details of the Annual Report, is being sent to Members who have not registered their email address with the Company's RTA or DP. The physical copies of Annual Report along with Notice of AGM will be dispatched only to those shareholders who request for the same.
 13. In compliance with the MCA Circulars, the Annual Report 2025-26 including, the Notice of the AGM and instructions to Members for e-voting/attending meeting through VC/OAVM are being sent only through electronic mode to those Members whose email addresses are registered with the depositories.
 14. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker and send their request mentioning their name, demat account number/folio number, e-mail ID, mobile number to secretarial@archeanchemicals.com on or before June 05, 2026. The shareholders who have registered themselves as a 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.
 15. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. As the AGM is being held through VC/OAVM in accordance with the MCA circulars, 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 are not annexed to this Notice.
 16. Pursuant to MCA Circulars, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the Members can attend the AGM through VC/OAVM and cast their votes through e-voting. Corporate members intending to authorise their representatives to participate and vote at the meeting are requested to send a certified copy of the board resolution/authorisation letter to the Company.
 17. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, key Managerial Personnel, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
 18. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
 19. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI LODR (as amended) and MCA Circulars, the Company is providing facility of e-voting to its members in respect of the business to



Notice to the Shareholders (Contd.)

- be transacted at the AGM. In this regard, the Company has entered into an agreement with MUFG Intime for facilitating voting through electronic means, as the authorised e-voting agency. The facility of casting votes by a Member using e-voting as well as the e-voting system on the date of the AGM will be provided by MUFG Intime.
20. The Members who have cast their vote by e-voting prior to the meeting may also attend the meeting by way of VC/OAVM but shall not be entitled to cast their vote again. The details indicating the process and manner for voting by electronic means, the time, schedule including the time period during which the votes may be cast by e-voting, the details of the login ID, the process and manner for generating or receiving the password and for casting of vote in a secure manner are provided to the shareholders. The procedures and instructions for 'e-voting', 'attending the meeting through VC/OAVM' and 'e-voting at the meeting' are furnished as part of this Notice.
 21. The Board of Directors have appointed M/s. V. Sudarshan Babu & Associates, (Membership No. 55465), Practising Company Secretaries, Chennai, as the Scrutiniser for conducting the e-voting process in a fair and transparent manner. The Company has engaged the services of MUFG Intime India Private Limited to provide e-voting facilities enabling the Members to cast their vote in a secure manner. The e-voting facility will be available at <https://instavote.linkintime.co.in>. The e-voting period would commence on June 09, 2026 (Tuesday) 9:00 A.M. (IST) and conclude on June 11, 2026 (Thursday) 5:00 P.M. (IST).
 22. Any person, whose name is recorded in the Register of Members or in the Register of beneficial owners (in case of electronic shareholding) maintained by the depositories as on the cut-off date, i.e June 05, 2026 only shall be entitled to avail the facility of e-voting.
 23. The Scrutiniser shall, immediately after the conclusion of the meeting, count the votes cast at the meeting and thereafter, unblock the votes cast through e-voting in presence of atleast two witnesses not in employment of the Company. The Scrutiniser shall submit a Consolidated Scrutiniser's Report of the total votes cast in favour of or against, if any, not later than two days after the conclusion of the Meeting. Thereafter, the Results of e-voting and e-voting during the 17th AGM shall be declared by the Chairperson or a person authorised by her in writing. The Results declared along with the Report of the Scrutiniser shall be placed on the Company's website at www.archeanchemicals.com and also be displayed on the website of MUFG Intime India Private Limited at www.in.mpms.mufg.com immediately after the results are declared and simultaneously communicated to the Stock exchanges.
 24. In case you have any queries or issues regarding e-voting, you may refer the frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an e-mail to enotices@in.mpms.mufg.com.
 25. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. The Members holding shares in electronic form are, therefore, requested to submit their PAN to their respective DP.
 26. The Register of Directors and key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and the Secretarial Auditor Certificate for implementation of ESOP Scheme under Regulation 13 of SEBI (SBEB) Regulations, 2021 and other registers/certificates will be available electronically for inspection by the members during the AGM. Other documents referred to in the notice, if any, will be available for electronic inspection. The members seeking to inspect such documents can mail to secretarial@archeanchemicals.com.
 27. In line with the MCA Circulars, the Notice calling the AGM has been uploaded on the website of the Company at www.archeanchemicals.com. The Notice can also be accessed from the websites of the stock exchanges, at www.nseindia.com or www.bseindia.com. The AGM Notice is also disseminated on the website of MUFG Intime India Private Limited (agency for providing the e-voting facility and e-voting system during the AGM) at <https://instavote.linkintime.co.in>.
 28. Members may kindly note that in accordance with SEBI Circular reference SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, the Company is registered on the newly launched SMART ODR Portal (Securities Market Approach for Resolution through Online Disputes Resolution Portal). This platform aims to enhance investor grievance resolution by providing access to Online Dispute Resolution Institutions for addressing complaints. Members can access the SMART ODR Portal via the following link: <https://smartodr.in/login>. Members may feel free to utilise this online conciliation and/or arbitration facility, as outlined in the circular, to resolve any outstanding disputes between Members and the Company (including RTA).



Notice to the Shareholders (Contd.)

29. The e-voting facility will be available during the following voting period:

Voting Starts on_	Voting Ends on
09.00 A.M. (IST) June 09, 2026	05.00 P.M. (IST) June 11, 2026

REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, 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-NSDL OTP based login

- Visit URL: <https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp>.
- Enter your 8-character DP ID, 8-digit Client Id, PAN, Verification code and generate OTP.
- Enter the OTP received on your registered email ID/mobile number and click on login.
- 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.
- 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-NSDL IDeAS facility

Shareholders who have registered for NSDL IDeAS facility:

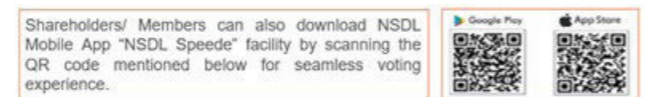
- Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "IDeAS Login Section".
- Enter IDeAS User ID, Password, Verification code & click on "Log-in".

30. As per SEBI circular dated December 09, 2020, individual Members holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts. Members are advised to update their mobile number and email addresses in their Demat accounts in order to access the evoting facility.

- Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on "Access to e-Voting" under e-Voting services.
- 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.

Shareholders who have not registered for NSDL IDeAS facility:

- 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>.
- Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "Submit".
- Enter the last 4 digits of your bank account/generate 'OTP'
- Post successful registration, user will be provided with Login ID and password.
- Follow steps given above in points (a-d).



METHOD 3-Individual Shareholders directly visiting the e-voting website of NSDL

- Visit URL: <https://www.evoting.nsdl.com>.
- Click on the "Login" tab available under 'Shareholder/ Member' section.
- Enter User ID (i.e., your Sixteen-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen & click on "Login".
- 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.
- 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.



Notice to the Shareholders (Contd.)

Individual Shareholders holding securities in demat mode with CDSL

METHOD 1-Individual Shareholders directly visiting e-voting website of CDSL

- Visit URL: <https://www.cdslindia.com>.
- Go to e-voting tab.
- Enter Sixteen-digit Demat Account Number (BO ID) and PAN No. and click on "Submit".
- System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account.
- Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. 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 registered with CDSL Easi/ Easiest facility

Shareholders who have registered/ opted for CDSL Easi/ Easiest facility:

- Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or Visit URL: www.cdslindia.com, click on "Login" and select "My Easi New (Token)".
- Enter existing username, Password & click on "Login".
- Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. 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.

Shareholders who have not registered for CDSL Easi/ Easiest facility:

- To register, visit URL: <https://web.cdslindia.com/myeasitoken/Home/EasiRegistration>/<https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration>.
- Proceed with updating the required fields for registration.
- Post successful registration, user will be provided username and password on the registered email id. Follow steps given above in points (a-c).

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.

- Login to DP website
- After Successful login, user shall navigate through "e-voting" option.
- Click on e-voting option, user will be redirected to NSDL/CDSL Depository website after successful authentication, wherein user can see e-voting feature.
- Post successful authentication, 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.

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:

STEP 1: LOGIN/SIGNUP ON INSTAVOTE

Shareholders who have registered for INSTAVOTE facility:

- Visit URL: <https://instavote.linkintime.co.in> & click on "Login" under 'SHARE HOLDER' tab.
- Enter details as under:
 - User ID: Enter User ID
 - Password: Enter existing Password
 - Enter Image Verification (CAPTCHA) Code
 - Click "Submit".

(Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")

InstaVote USER ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g. IN123456) and 8 digit Client ID (eg. 12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no., registered with the Company



Notice to the Shareholders (Contd.)

Shareholders who have not registered for INSTAVOTE facility:

a) Visit URL: <https://instavote.linkintime.co.in> & click on "Sign Up" under 'SHARE HOLDER' tab & register with details as under:

1. User ID: Enter User ID
2. PAN: Enter your 10-digit Permanent Account Number (Shareholders who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable).
3. DOB/DOI: Enter the Date of Birth (DOB)/Date of Incorporation (DOI) (As recorded with your DP/ Company-in DD/MM/YYYY format).
4. 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 'point 4' above.
 - Shareholders, holding shares in CDSL form, shall provide 'point 3' or 'point 4' above.
 - Shareholders, holding shares in physical form but have not recorded 'point 3' and 'point 4', shall provide their Folio number in 'point 4' above
5. 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).

6. Enter Image Verification (CAPTCHA) Code.

7. Click "Submit" (You have now registered on InstaVote).

Post successful registration, click on "Login" under 'SHARE HOLDER' tab & follow steps given above in points (a-b).

InstaVote USER ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g. IN123456) and 8 digit Client ID (eg. 12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no., registered with the Company

STEP 2: STEPS TO CAST VOTE FOR RESOLUTIONS THROUGH INSTAVOTE

- A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".
- B. Select 'View' icon. E-voting page will appear.
- C. 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).

- D. After selecting the desired option i.e. Favour/Against, click on 'Submit'.
- E. 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.

NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutiniser at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the Company at registered email address.

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 Insta Vote Login credentials.
- B. Click on "Investor Mapping" tab under the Menu section.



Notice to the Shareholders (Contd.)

C. Map the Investor with the following details:

- 1) 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.
- 2) 'Investor's Name-Enter Investor's Name as updated with DP.
- 3) 'Investor PAN'-Enter your 10-digit PAN.
- 4) 'Power of Attorney'-Attach Board resolution or Power of Attorney.

NOTE: 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.

- D. 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 – Steps to cast vote for Resolutions through InstaVote

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."
- 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). After selecting the desired option i.e. Favour/Against, click on 'Submit'.
- f) 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.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2-VOTES UPLOAD

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.

- b) After successful login, you will see "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).

NOTE: Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutiniser at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the Company at registered email address.

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



Notice to the Shareholders (Contd.)

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>.

- Click on "Login" under 'SHARE HOLDER' tab
- Further Click on "forgot password?"
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT"

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>.

- Click on 'Login' under "Custodian/Corporate Body/ Mutual Fund" tab
- Further Click on "forgot password?"
- Enter User ID, Organisation ID and Enter Image Verification code (CAPTCHA)
- Click on "SUBMIT"

In case shareholders have a valid email address, Password will be sent to his/her registered e-mail 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.

General Instructions-Shareholders

- 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".

INSTAMEET VC INSTRUCTIONS FOR SHAREHOLDERS

In terms of MCA General Circular No. 03/2025 dated 22.09.2025, the companies can continue to conduct AGMs by VC or OAVM, as per the existing procedural requirements. Till further orders, the relaxations will remain in force. 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:

- Visit URL: <https://instameet.in.mpms.mufg.com> & click on "Login".
- Select the "Company Name" and register with your following details:
- Select Check Box-Demat Account No./Folio No./PAN
 - Shareholders holding shares in NSDL/ CDSL demat account shall select check box-Demat Account No. and enter the 16-digit demat account number.
 - Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the Company.
 - Shareholders shall select check box – PAN and enter 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 by MUFG Intime, if applicable.
 - Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
 - Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Email Id with the DP shall enter the Email Id.

- Click "Go to Meeting"

You are now registered for InstaMeet, and your attendance is marked for the meeting.



Notice to the Shareholders (Contd.)

Instructions for shareholders to Speak during the General Meeting through InstaMeet:

- Shareholders who would like to speak during the meeting must register their request with the Company at company's registered email address.
- Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
- 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.
- 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:

- On the Shareholders VC page, click on link "Cast your vote".
- 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.
- Click on 'Submit'.
- After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.
- 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'.
- 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.

**By order of the Board,
For ARCHEAN CHEMICAL INDUSTRIES LIMITED**

VIJAYARAGHAVAN N E
Company Secretary & Compliance Officer
M. No. A-41671

Place: Chennai

Dated: May 11, 2026



DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE AGM

[PURSUANT TO REGULATION 36(3) OF THE SEBI LODR AND REVISED SECRETARIAL STANDARD-2 ON GENERAL MEETINGS]

Annexure – I Item No.3

Name, Age, DIN, and qualification	Mr. P Ravi, Non-Executive Director, Age: 54 years, DIN: 02334379, Qualification: Bachelor of Science (Business Administration with a concentration in Management) from Monmouth University, New Jersey
Experience and other details	He has over 2 decades of experience in the chemical industry
Details of remuneration sought to be paid	Sitting Fee and Commission, if any, as approved by the Board of the Directors
Current remuneration (last drawn remuneration)	Sitting Fees – Rs. 3.50 Lakhs Commission – (During the year, Mr. P. Ravi voluntarily waived his entitlement to commission of Rs. 15 Lakhs)
Date of first appointment on the Board, terms and conditions of appointment or re-appointment	January 29, 2022 Appointed as Non-Executive Non-Independent Director, liable to retire by rotation
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Relative of Mr. P Ranjit (Promoter and Executive Vice Chairman of the Company)
Number of Meetings of the Board attended during the year	Attended Three(3) meetings held during the year.
Names of Companies/LLP/listed entities in which the person also holds the directorship and the membership of Committees of the board	Directorships/Partner in other companies/LLP: a. Seleccion Consulting Private Limited b. Chemikas Speciality LLP Membership/Chairmanship of the committees in the Company: ➤ CSR Committee: Member
Listed entities from which the Director has resigned in the past three years	Nil

Mr. P Ravi is not debarred from holding the office of Director pursuant to any Order issued by the SEBI or any other authority.

His skill set includes Strategy Management, Business Management, knowledge in Speciality Chemicals/Industrial Salt, Bromine Derivatives, Technology etc.

Except Mr. P Ravi, being the appointee and Mr. P Ranjit (Promoter and Executive Vice Chairman/Whole Time Director, brother of Mr. P Ravi) none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the Resolution. The Notice together with this statement may be regarded as a disclosure under Regulation 36(3) of SEBI LODR.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval of the Members.



DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE AGM (Contd.)

Annexure-II Item No.5 & 6

Name, Age, DIN, and qualification	Mr. Kandheri Munuswamy Mohandass Independent Director, Age: 74 years, DIN: 00707839, Qualification: He is fellow member of the Institute of Chartered Accountants of India and holds a degree of Bachelor of Science from University of Madras
Experience and other details	He has about 48 years of experience in audit, tax, project finance, corporate restructuring and corporate laws advisory
Details of remuneration sought to be paid	Sitting Fee and Commission, if any, as approved by the Board of the Directors
Current remuneration (last drawn remuneration)	Sitting Fees – Rs. 11.50 Lakhs Commission – Rs. 15.00 Lakhs
Date of first appointment on the Board, terms and conditions of appointment or re-appointment	a) December 06, 2021 b) Appointed as Independent Director of the Company for a term of 5 consecutive years commencing from December 06, 2021 to December 05, 2026 (both days inclusive)
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	He is not related to any Directors or Key Managerial Personnel of the Company
Number of Meetings of the Board attended during the year	Attended Seven (7) meetings held during the year.
Names of Companies/LLP/listed entities in which the person also holds the directorship and the membership of Committees of the board	Directorships in other companies: • Aptus Finance India Private Limited • Idealis Mudchemie Private Limited Membership/Chairmanship of the committees in the Company: ➤ Audit Committee: Chairman ➤ Nomination and Remuneration Committee: Chairman
Listed entities from which the Director has resigned in the past three years	Aptus Value Housing Finance India Limited

Mr. Kandheri Munuswamy Mohandass is not debarred from holding the office of Director pursuant to any Order issued by the SEBI or any other authority.

His skill set includes Strategy Management, Business Management, Accounting & Finance and Taxation.

Except Mr. Kandheri Munuswamy Mohandass, being the appointee none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the Resolution. The Notice together with this statement may be regarded as a disclosure under Regulation 36(3) of SEBI LODR.

The Board recommends the Special Resolution set out at Item No. 5 and 6 of the Notice for approval of the Members.



Annexure-III Item No.7

Name, Age, DIN, and qualification	Mr. Chittoor Ghatambu Sethuram Independent Director, Age: 71 years, DIN: 01081951, Qualification: He is a Chemical Engineer from Regional Engineering College, Warangal belonging to Jawahar Lal Nehru Technological University, Andhra Pradesh and is a Post Graduate in Management from Indian Institute of Management, Ahmedabad
Experience and other details	He has about 48 years of experience in the Chemicals and Speciality materials industry having handled many businesses, projects successfully in India. He is also an Advisor, Consultant, Director, Mentor to various organisations helping them in their business growth strategy and technology implementation in existing and new domains
Details of remuneration sought to be paid	Sitting Fee and Commission, if any, as approved by the Board of the Directors
Current remuneration (last drawn remuneration)	Sitting Fees – Rs. 9.00 Lakhs Commission – Rs. 15 Lakhs
Date of first appointment on the Board, terms and conditions of appointment or re-appointment	c) December 06, 2021 d) Appointed as Independent Director of the Company for a term of 5 consecutive years commencing from December 06, 2021 to December 05, 2026 (both days inclusive)
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	He is not related to any Directors or Key Managerial Personnel of the Company
Number of Meetings of the Board attended during the year	Number of Meetings of the Board attended during FY 2025-26: Attended Seven (7) meetings held during the year.
Names of Companies/LLP/listed entities in which the person also holds the directorship and the membership of Committees of the board	Directorships in other companies: i. Best Value Chem Private Limited Membership/Chairmanship of the committees in the Company: i. Stakeholders Relationship Committee: Member ii. Risk Management Committee: Member
Listed entities from which the Director has resigned in the past three years	Nil

Mr. Chittoor Ghatambu Sethuram is not debarred from holding the office of Director pursuant to any Order issued by the SEBI or any other authority.

His skill set includes business growth strategy (Strategy Management), Technology implementation & Business management.

Except Mr. Chittoor Ghatambu Sethuram, being the appointee none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the Resolution. The Notice together with this statement may be regarded as a disclosure under Regulation 36(3) of SEBI LODR.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval of the Members.



STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE ACT

Item No.4

M/S. PKF Sridhar & Santhanam LLP, Chartered Accountants (Firm Registration Number: 003990S/S200018) ("PKF") is a peer reviewed firm of Chartered Accountants having extensive experience in statutory audit, assurance, taxation and advisory services across various sectors. The firm, founded in 1978 and headquartered in Chennai, has a national presence and follows established professional and quality standards.

PKF was initially appointed as Statutory Auditors of the Company by the Board of Directors on July 13, 2021 to fill the casual vacancy caused in the office of the Statutory Auditors and the said appointment was approved by the Members at the Extraordinary General Meeting held on July 16, 2021, to hold office up to the conclusion of the Twelfth Annual General Meeting ("AGM") of the Company.

Thereafter, the Members at the Twelfth AGM of the Company, approved the appointment of PKF as the Statutory Auditors of the Company for a first term of five (5) consecutive years from the conclusion of the Twelfth AGM up to the conclusion of the Seventeenth AGM of the Company to be held in the year 2026.

Considering the provisions relating to rotation of auditors under Section 139 of the Companies Act, 2013 and after evaluating factors such as audit experience, independence, audit effectiveness and familiarity with the Company's business operations, the Audit Committee at its meeting held on May 11, 2026 recommended the re-appointment of PKF as the Statutory Auditors of the Company for a second term of Four (4) consecutive years commencing from the conclusion of the Seventeenth AGM until the conclusion of the Twenty-First AGM of the Company, subject to approval of the Members at the ensuing AGM.

Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on May 11, 2026 approved the re-appointment of PKF as the Statutory Auditors of the Company for the aforesaid second term.

PKF has consented to the said re-appointment and confirmed that:

- Its re-appointment, if made, will be in accordance with Sections 139 and 141 of the Act,
- It satisfies the criteria provided under Section 141 of the Act; and
- It holds a valid peer review certificate issued by the Institute of Chartered Accountants of India ("ICAI").

The remuneration paid/payable to PKF for the FY 2025-26 towards statutory audit was Rs.51.60 Lakhs (Rupees Fifty-One Lakhs Sixty Thousand Only) excluding applicable taxes and reimbursement of out-of-pocket expenses.

The proposed remuneration payable to PKF for the FY 2026-27 is Rs. 56.60 (Rupees Fifty Six Lakhs Sixty Thousand Only) excluding applicable taxes and reimbursement of out-of-pocket expenses for carrying out Statutory Audit of the Company. The remuneration for the subsequent year(s) during their proposed tenure shall be determined by the Board of Directors based on the recommendation of the Audit Committee.

Accordingly, the Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

Item No. 5 & 6

Regulation 17(1A) of the SEBI LODR, provides that "No listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of 75 (seventy-five) years unless a special resolution is passed by the Members. Pursuant to

In accordance with Sections 149(10) and 149(11) of the Companies Act, 2013, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company and shall be eligible for re-appointment by passing of a Special Resolution by the Members. An Independent Director shall not hold office for more than two consecutive terms. Further, pursuant to Regulation 25(2A) of the SEBI LODR, appointment or re-appointment of an Independent Director shall be subject to approval of the Members by way of a Special Resolution.

Mr. Kandheri Munuswamy Mohandass (DIN: 00707839) was appointed as a Non-Executive Independent Director of the Company with effect from December 06, 2021 for a first term of five (5) consecutive years up to December 05, 2026.

Mr. Kandheri Munuswamy Mohandass will attain the age of 75 years on July 10, 2026. Based on the recommendation of the Nomination and Remuneration Committee ("NRC"), the Board of Directors at its meeting held on May 11, 2026 approved and recommended the continuation of Directorship and accordingly approval of Members by way of a special resolution is sought under Regulation 17(1A) of the SEBI LODR for continuation of his Directorship beyond the age of 75 years up to completion of his current term on December 05, 2026, as set out in Item No. 5 of the Notice.

Further, based on the recommendation of the NRC, the Board of Directors at its meeting held on May 11, 2026 approved and recommended the re-appointment of Mr. Kandheri Munuswamy Mohandass as a Non-Executive



STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE ACT (Contd.)

Independent Director of the Company for a second term of five (5) consecutive years commencing from December 06, 2026 up to December 05, 2031, not liable to retire by rotation, subject to approval of the Members by way of Special Resolution, as set out in Item No. 6 of the Notice.

Mr. Kandheri Munuswamy Mohandass, is a fellow member of the Institute of Chartered Accountants of India and holds a degree of Bachelor of Science from University of Madras. He has about 48 years of experience in audit, tax, project finance, corporate restructuring and corporate laws advisory.

The NRC, after taking into consideration the performance evaluation, qualifications, skills, experience, expertise, integrity and knowledge of Mr. Kandheri Munuswamy Mohandass, recommended his continuation and re-appointment as an Independent Director in terms of the Nomination and Remuneration Policy of the Company. The Board is of the opinion that his continued association on the Board would be of immense benefit to the Company considering his rich experience, expertise and contribution to the deliberations of the Board and Committees.

The Company has received:

- Consent in writing from Mr. Kandheri Munuswamy Mohandass to act as Director in terms of Section 152 of the Companies Act, 2013;
- Declaration confirming that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR Regulations;
- Confirmation that he is not disqualified from being appointed/re-appointed as Director under Section 164 of the Act;
- Confirmation that he is not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact his ability to discharge his duties with objective independent judgment;
- Notice under Section 160 of the Act proposing his candidature for the office of Director; and
- Confirmation regarding registration in the Independent Directors' databank maintained by the Indian Institute of Corporate Affairs ("IICA") in terms of Section 150 of the Act read with the applicable Rules.

In the opinion of the Board, Mr. Kandheri Munuswamy Mohandass fulfils the conditions specified under the Act and the Rules made thereunder and the SEBI LODR for continuation and re-appointment as an Independent Director of the Company and is independent of the Management.

Mr. Kandheri Munuswamy Mohandass is entitled to receive sitting fees and profit-related commission, if any, within the limits approved by the Members and permissible under Section 197 of the Companies Act, 2013 and the SEBI LODR.

A copy of the draft letter of appointment setting out the terms and conditions of appointment of Independent Directors is available for inspection by the Members at the Registered Office of the Company during business hours on all working days and is also available on the website of the Company at www.archeanchemicals.com.

The additional information required pursuant to Regulation 36 of the SEBI LODR Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India forms part of Annexure II to the Notice.

Except Mr. Kandheri Munuswamy Mohandass, none of the Directors or any Key Managerial Personnel or any of their relatives is, in anyway, concerned or interested, financially or otherwise in the resolution no.5 & 6 as set out in this Notice.

The Board recommends the special resolution as set out at Item No.5 & 6 of the Notice for approval by the shareholders.

Item No. 7

In accordance with Sections 149(10) and 149(11) of the Companies Act, 2013, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company and shall be eligible for re-appointment by passing of a Special Resolution by the Members. An Independent Director shall not hold office for more than two consecutive terms. Further, in accordance with Regulation 25(2A) of the SEBI LODR, appointment or re-appointment of an Independent Director shall be subject to approval of the Members by way of a Special Resolution.

Mr. Chittoor Ghatambu Sethuram (DIN: 01081951) was appointed as a Non-Executive Independent Director of the Company with effect from December 06, 2021 for a first term of five (5) consecutive years up to December 05, 2026.

Further, based on the recommendation of the NRC ("NRC"), the Board of Directors at its meeting held on May 11, 2026 approved and recommended the re-appointment of Mr. Chittoor Ghatambu Sethuram as a Non-Executive Independent Director of the Company for a second term of five (5) consecutive years commencing from December 06, 2026 up to December 05, 2031, not liable to retire by rotation, subject to approval of the Members by way of Special Resolution at the ensuing AGM.

Mr. Chittoor Ghatambu Sethuram possesses rich experience and expertise in the areas of Chemicals



STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE ACTS (Contd.)

and Speciality materials industry having handled many businesses, projects successfully in India. He is also an Advisor, Consultant, Director, Mentor to various organisations helping them in their business growth strategy and technology implementation in existing and new domains.

The NRC, after taking into consideration the performance evaluation, qualifications, skills, experience, expertise, integrity and knowledge of Mr. Chittoor Ghatambu Sethuram, recommended his re-appointment as an Independent Director in terms of the Nomination and Remuneration Policy of the Company. The Board is of the opinion that his continued association on the Board would be of immense benefit to the Company considering his experience, expertise and contribution to the deliberations of the Board and Committees.

Mr. Chittoor Ghatambu Sethuram will attain the age of 75 years during the proposed second term of appointment and accordingly, continuation of his directorship beyond the age of 75 years, is placed as part of re-appointment proposal to the Members for approval in compliance with Regulation 17(1A) of the SEBI LODR.

The Company has received:

- Consent in writing from Mr. Chittoor Ghatambu Sethuram to act as Director in terms of Section 152 of the Act;
- Declaration confirming that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR;
- Confirmation that he is not disqualified from being appointed/re-appointed as Director under Section 164 of the Act;
- Confirmation that he is not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact his ability to discharge his duties with objective independent judgment;
- Notice under Section 160 of the Act proposing his candidature for the office of Director; and
- Confirmation regarding registration in the Independent Directors' databank maintained by the Indian Institute of Corporate Affairs ("IICA") in terms of Section 150 of the Act read with the applicable Rules.

In the opinion of the Board, Mr. Chittoor Ghatambu Sethuram fulfils the conditions specified under the Act and the Rules made thereunder and the SEBI LODR for re-appointment as an Independent Director of the Company and is independent of the Management.

Mr. Chittoor Ghatambu Sethuram is entitled to receive sitting fees and profit-related commission, if any, within the limits approved by the Members and permissible under the applicable provisions of the Companies Act, 2013 and the SEBI LODR.

A copy of the draft letter of appointment setting out the terms and conditions of appointment of Independent Directors is available for inspection by the Members at the Registered Office of the Company during business hours on all working days and is also available on the website of the Company at www.archeanchemicals.com.

The additional information required pursuant to Regulation 36 of the SEBI LODR and Secretarial Standard-2 issued by the Institute of Company Secretaries of India forms part of Annexure III to the Notice.

Except Mr. Chittoor Ghatambu Sethuram, none of the Directors or any Key Managerial Personnel or any of their relatives is, in anyway, concerned or interested, financially or otherwise in the resolution no. 7 as set out in this Notice.

The Board recommends the Special Resolution set out in this Agenda item for the approval of Members.

Item No.8

Pursuant to the provisions of Section 148 of the Act, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records and have the same audited by a Cost Auditor in respect of its applicable manufacturing activities. The Company operates manufacturing facility at Hajjipir Plant, Bhuj Taluk, Kutch, Gujarat. The cost records for these facilities must undergo an audit by the Cost Auditor.

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on May 11, 2026 approved the appointment of Mr. G. Sundaresan (Membership No. 11733), Cost Accountant, as the Cost Auditor of the Company for conducting the audit of the cost records of the Company for the FY 2026-27 at a remuneration of Rs.1,50,000/- (Rupees One Lakh Fifty Thousand Only), excluding applicable taxes and reimbursement of out-of-pocket expenses.

Mr. G. Sundaresan possesses experience in the field of cost audit and cost accounting services. The remuneration payable to the Cost Auditor has been determined considering the scope and coverage of cost audit, turnover and operations of the Company. Cost Audit is conducted in line with the standards laid down by the Institute of Cost Accountants of India.

In accordance with the provisions of Section 148(3) of the



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