

Coloring the Future.

**Brighter.
Bolder.
Together.**

Heubach Colorants India Limited
Annual Report 2024-25

Coloring the Future. Brighter. Bolder. Together.

At Heubach India, stepping into the future begins with a shift; from uncertainty to possibility, guiding us towards a world that is brighter, more vibrant, and full of promise. Coloring the future is about illuminating paths, delivering sustainable solutions, and inspiring confidence through color.

Brighter reflects our commitment to innovation, possibilities, driving clarity, and creating vibrant outcomes that leave a lasting impact across industries and communities.

Bolder embodies courage and ambition – our resolve to challenge convention, push boundaries, and turn challenges into opportunities for growth.

Together represents collaboration and shared purpose, where growth happens because the strongest results come from working collectively. By combining expertise, creativity, and responsibility, we build solutions that are not only effective and meaningful, but also sustainable.

This is how we color the future – shaping a world where possibilities are limitless, innovation is constant, and every hue tells a story of progress.

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Integration Story

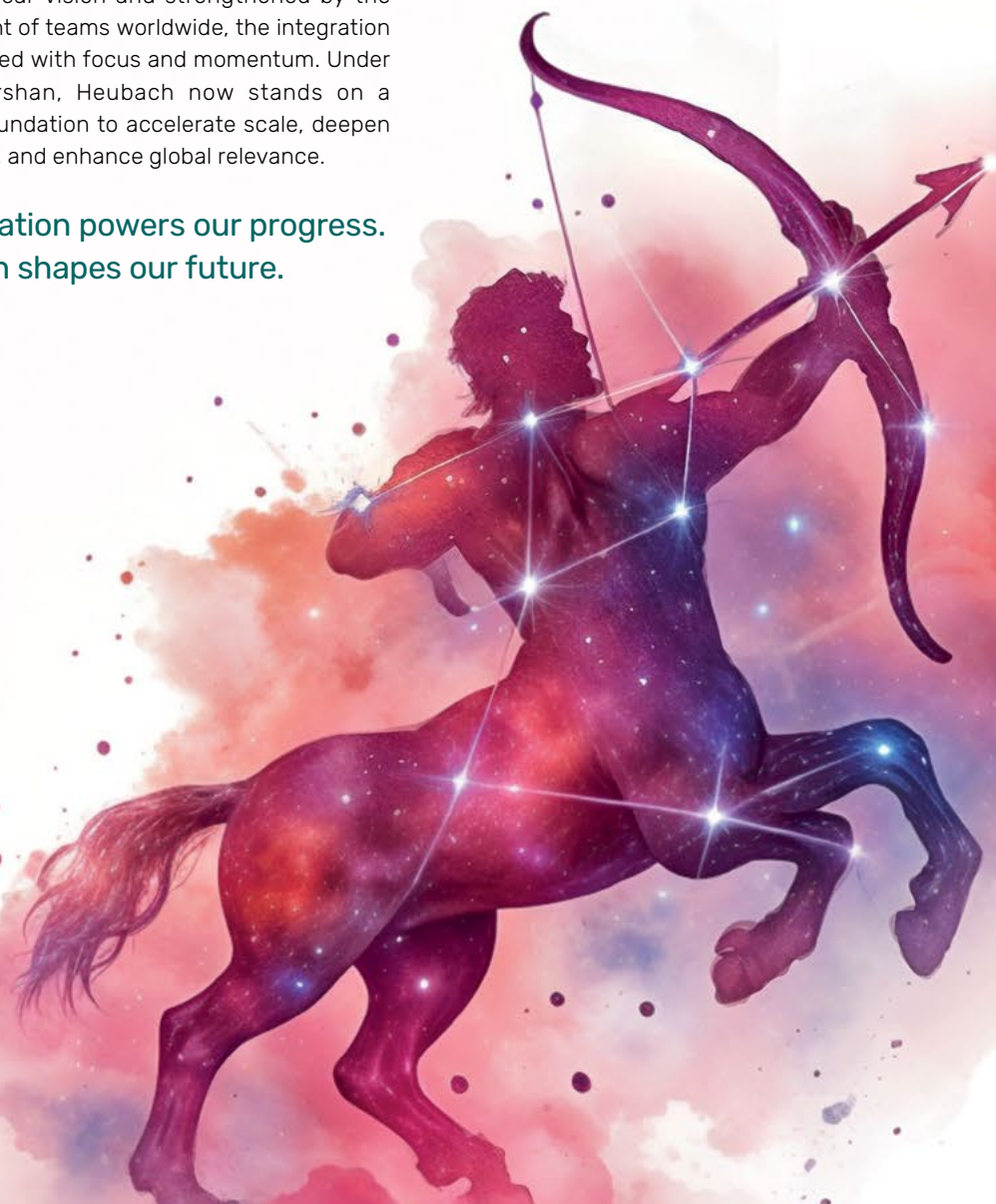
Weaving in Color

In FY2025, a defining chapter unfolded as Sudarshan Chemical Industries Limited ("SCIL") united three global leaders – Sudarshan, Heubach, and Clariant's pigment business – to form ONE Sudarshan. For Heubach India, this marked the dawn of a new era, weaving together of shared strengths, complementary expertise, and a united ambition to lead globally as a customer-centric force in colorants and pigments.

From the moment the Heubach-Sudarshan transaction was signed, the journey moved forward with purpose and precision. The Integrated Management Office (IMO) anchored this transition, ensuring milestones were intentional and every decision aligned with the larger vision.

Led by a clear vision and strengthened by the commitment of teams worldwide, the integration has advanced with focus and momentum. Under ONE Sudarshan, Heubach now stands on a stronger foundation to accelerate scale, deepen capabilities, and enhance global relevance.

**Collaboration powers our progress.
Ambition shapes our future.**



Four Pillars of the IMO



Master Planning

Mapping milestones, timelines, and Day 1 readiness



Organisation

Defining leadership roles, aligning teams, and preparing new reporting structures



Value Capture

Identifying synergies in cost, growth, and cash



Change Management

Embedding cultural, operational, and communication foundations for a smooth transition

“The integration with Sudarshan significantly strengthens our operational and supply chain capabilities. By combining Sudarshan's agile operations with Heubach India's global footprint, we gain a diversified asset base that enhances risk management, optimises logistics, and improves responsiveness to regional markets. Together, these synergies enable us to drive efficiency, accelerate innovation, and deliver superior service excellence to our customers.”

Sambit Roy
Managing Director,
Heubach Colorants India Limited

ONE Sudarshan

Unveiling ONE Sudarshan

In March 2025, a unified brand identity was unveiled, bringing together the heritage and strengths of Sudarshan, Heubach, and Clariant's pigment business. With over 270 years of combined expertise, this rebranding reflects a bold ambition to be a global, customer-centric leader in colorants and pigments.

ONE Sudarshan's purpose is to unleash joy, vibrancy, and possibilities and its mission is to be the inspirational leader of the colorants industry, delivering breakthrough results for all our stakeholders through reliable and sustainable solutions.

SUDARSHAN

heubach

Fastest growing and most profitable pigment company with 1,270+ employees

Top-2 player globally with a legacy of over 200 years and about a billion Euros in revenue

Customer centricity (Sevā) as a core value and strong entrepreneurial and agile culture

Global manufacturing footprint with 17 sites across the world and expansive customer base

75+ years of experience in pigment industry with global presence (85+ nations) and wide product portfolio (695 products)

Broad and high-quality product portfolio with advanced product development and R&D capabilities

 **SUDARSHAN**

A global, value-creating pigment leader, rooted in customer centricity and agility

Heubach India Legacy

One Team | One Goal | One System | One Culture | One Face to All Stakeholders

Expanded Manufacturing Footprint

19

Manufacturing facilities

11

Countries with sites

Truly Global Reach

120+

Countries with customers

4,000+

Global customers

Unrivalled Pigment Portfolio and Technology

~1,600

Pigment products

63

Brands

200+

Employees working in technology roles

"The new identity isn't just visual – it is a symbol of our united purpose, our global vision, and our shared belief in delivering breakthrough value to customers worldwide."

Rajesh Rathi
Chairman

Corporate Overview

An Evolving Legacy

About Heubach Colorants India Limited

Heubach India has long mastered the hidden artistry of pigments, creating solutions that shape everyday experiences across industries. Our pigments and preparations find applications in interior and exterior paints, automotive and coil coatings, plastics, corrosion protection, pharmaceuticals, and even seed coloration.

With deep expertise in complex chemistries, product performance, and applications, combined with a global manufacturing footprint, we have long been a driving force in the global pigment industry, delivering vibrancy and functionality across diverse markets worldwide.



Our Purpose

To unleash vibrancy, joy, and possibilities



Our Mission

To be the inspirational leader of the colorants industry, delivering breakthrough results for all our stakeholders through reliable and sustainable solutions



Our Values

Respect: We listen actively and embrace diverse voices

Entrepreneurship: We spot opportunity, own it, do it

Agility: We act quickly and decisively

Passion: We put our heart in everything we do

Seva: We create joy through service

Rooted in Sudarshan's vision, mission, and purpose, we at Heubach India are weaving these guiding principles into our culture, strengthening the shared identity of ONE Sudarshan.

◆ **Today, as part of ONE Sudarshan, Heubach India enters a new chapter of growth and scale.**

Together, the companies have united complementary strengths in application expertise and global reach to deliver sustainable, high-performance solutions. This partnership reinforces our legacy of excellence while opening new horizons and shaping the next generation of innovative, sustainable colorant solutions for industries worldwide.

Geographical Presence

Our Global Canvas

One Sudarshan operates a global network of 19 production sites across Europe, the Americas, Asia, and Africa, built on operational excellence and sustainability. Supported by a worldwide sales and distribution presence, we ensure a reliable supply of high-quality materials, complemented by technical consultancy, swift delivery, tailored warehousing, and customised solutions.



*Roha includes two manufacturing plants.

Key Performance Indicators

The Pulse of Progress

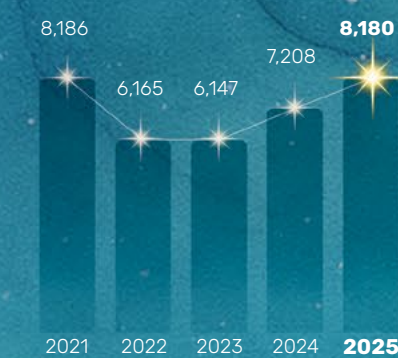
Revenue from Operations

₹82,506 Lakh



Operating EBITDA

₹8,180 Lakh



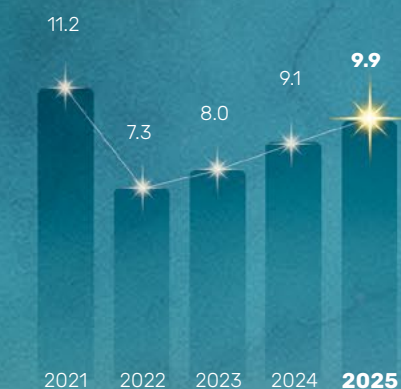
Profit After Tax

₹5,145 Lakh



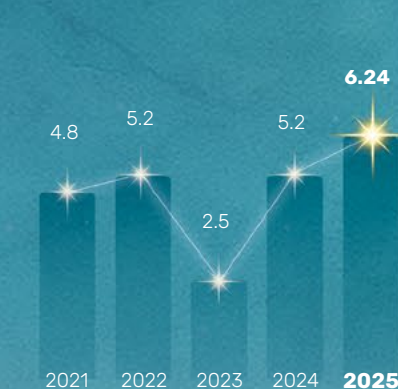
Operating EBITDA Margin

9.9 %



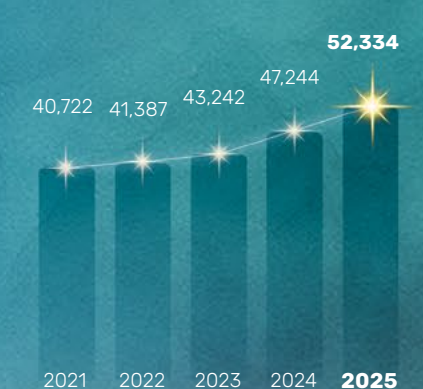
PAT Margin

6.24 %



Net Worth

₹52,334 Lakh



Message from the Chairman

FY2025 has proven that Heubach India is capable of turning adversity into opportunity – a quality that will continue to define our journey forward.

Day-1 Readiness

Following the acquisition, our priority from day one was clear: to stabilise operations, harmonise product portfolios, and strengthen supply chains. Despite a six-week disruption linked to Group-level insolvency proceedings, Heubach India remained day-1 ready, ensuring business continuity and customer service. Revenues of ₹779 Crore during FY2024-25 reflect the commitment of our people, the agility of our leadership, and the confidence of our customers.

Powering Ahead

Our immediate focus was to protect our core customers, accelerate integration, and exercise financial discipline while continuing to invest selectively in innovation and sustainability. Just as important has been the task of winning back trust among our customers, rebuilding relationships, and, most critically, regaining business. These actions have stabilised operations, unlocked early synergies, and reinforced confidence in our ability to deliver. Yet integration is a journey, and disciplined execution will remain essential.

Industry Positioning

With the pigments industry steadily consolidating into a few global players, Heubach India is well positioned in ONE Sudarshan, which is among the top two players in the global pigments industry. With 19 manufacturing sites across 11 countries, Heubach India has the scale and reach to compete. At the same time, we operate in markets exposed to regulatory shifts, raw material volatility, and changing demand cycles – risks that we must continue to manage prudently.

Global Culture

A key dimension of our success lies in our people. Heubach brings together diverse teams across geographies and cultures, and our ability to integrate this talent into a unified organisation will shape long-term performance. Motivating employees, re-energising morale, and strengthening faith across the organisation are central to this effort. Our employees

have shown remarkable resilience during uncertain times, and we are committed to upholding their confidence and advancing their aspirations as we move forward.

Innovation and Sustainability

In FY2024-25, we introduced certified Product Carbon Footprints for 13 Azo pigments, reinforcing transparency and supporting customers in achieving their sustainability goals. Our R&D pipeline balances near-term improvements in coatings, inks, plastics, and personal care with longer-term research into bio-based pigments and emerging technologies. These opportunities hold promise but also require disciplined investment.

Sustainability is embedded in our strategy as both a responsibility and a driver of growth. We are advancing renewable energy use, efficiency measures, and eco-responsible product design, while embedding accountability through transparent ESG practices. Progress requires sustained effort and resources, but it is essential for long-term competitiveness.

Looking Ahead

The successful integration of ONE Sudarshan is the foundation for our future aspirations. Our objective is to make Heubach India a reliable growth driver for the Group, setting new benchmarks in customer trust, innovation, and sustainable operations.

As I assume this responsibility, I wish to thank all who stood with us during a challenging year – our employees for their dedication, our customers and suppliers for their confidence, and you, our shareholders, for your trust and patience. Together, we will overcome challenges and shape a more resilient, innovative, and sustainable future for the pigments industry.

Warm regards,

Rajesh Rath
Chairman

Dear Stakeholders,

It is with a sense of responsibility and humility that I present my first address as Chairman of Heubach Colorants India Limited, together with the Annual Report for the financial year 2024-25. This has been a year that tested our resilience while also reaffirming our position within the global pigment industry.

At this important juncture, I warmly welcome all of you into ONE Sudarshan – a unified company that honors the legacies of Sudarshan, Heubach, and Clariant Pigments. Each brings a heritage of innovation, customer trust, and technical excellence. Together, we have created the most valuable pigment player.

Message from the Managing Director

✦ **As Heubach India navigates this transformational phase, our leadership priorities focus on building a strong, sustainable foundation for the future.**

Dear Stakeholders,

I am pleased to share Heubach's journey over the past year, a period marked by growth and new opportunities. The integration with Sudarshan Chemical Group has been a transformative step, strengthening our operations, expanding our reach, and enhancing our ability to serve customers with speed and scale. Together, we are driving innovation, building capabilities, and creating lasting value for our stakeholders.

Delivering Performance

At Heubach, our focus remains on driving sustainable growth, while delivering value to our customers and stakeholders. FY2025 demonstrated our resilience, strategic agility, and growth momentum. The integration with Sudarshan strengthens our global operations and supply chain, combining Sudarshan's agility with Heubach's footprint to optimise logistics, reduce lead times, and enhance service excellence. Despite a six-week disruption in April-May, domestic sales grew 5% and exports 6%, with our innovation pipeline and Business Continuity Plan contributing ₹77.2 Crore in revenue. This synergy, blending Heubach's 200-year legacy with Sudarshan's customer-centric "SEVA" approach, strengthens our innovation pipeline, broadens our market reach, and accelerates our ability to serve customers with both scale and speed.

Purpose-Led Growth

Amidst a year of complex challenges, our ability to respond decisively reinforced both performance and confidence.

Disciplined execution, strong governance, and a customer-first approach sustained growth across key segments and reinforced stakeholder confidence. This resilience now guides strategic investment in innovation, ESG initiatives, and capacity optimisation, underpinning long-term value creation while maintaining financial robustness.

Heubach is redefining growth beyond scale, creating value across markets for people, and with purpose. We are advancing green innovation, customer-centric solutions, and operational efficiencies globally. By fostering collaboration, empowerment, and trust, and embedding sustainability into our operations from low-emission pigments to carbon-reduction strategies, we ensure growth that delivers strong performance and meaningful, lasting impact.

Pioneering Innovations

The integration has positioned Sudarshan Chemical Group as the second-largest pigment manufacturer globally, combining Sudarshan's agility with Heubach's technical legacy to drive next-generation, sustainable color solutions. Our R&D develops high-performance, customised pigments for coatings, plastics, inks, and specialty applications including Home and Personal Care, Agro, and Stationery. FY2025 witnessed the innovations of Ultrazur™ Ultramarine Blue, Hostatint™ SA, and the Automotive Styling Shades 2027 Trendbook – "Plan B for Planet A," which provides a visionary color forecast for sustainable automotive design. With 19 global sites, we are expanding across geographies, segments, and industries while redefining benchmarks in sustainability and service.

Empowering Our People

Our people are at the heart of Heubach's transformation, and the integration has been guided by a clear focus on talent alignment and empowerment. The integration focuses on aligning talent with the right roles and adopting potential-driven recruitment, using tools to identify adaptability, creativity, and problem-solving skills – the qualities that will shape our future. We are moving beyond productivity to emphasise well-being, innovation, and team-driven ways of working, with our leaders exemplifying the values and behaviours we strive to uphold. Transparency, open communication, and active employee participation foster trust, unify diverse teams, and build a high-performing global workforce. This approach ensures cultural integration becomes a source of long-term strength and growth.

Leading with Sustainability

As sustainability regulations around the world become more stringent, Heubach is proactively preparing not just to comply, but to help shape industry standards for responsible color solutions. In India, we are investing in renewable energy projects to power our Roha and Cuddalore sites, targeting over 65% renewable energy usage in the near-term. To ensure transparency and accountability in measuring our

environmental impact, we have adopted a TÜV Rheinland-certified product carbon footprint methodology, setting a strong benchmark for the industry.

Our strategy is also firmly aligned with the UN Sustainable Development Goals, reflecting our broader commitment to global environmental stewardship. By embedding sustainability into innovation, operations, and governance, we are positioning Heubach to lead the transition toward environmentally responsible pigments worldwide.

Emerging Horizons

As Heubach navigates this transformational phase, our leadership priorities focus on building a strong, sustainable foundation for the future. Safety and well-being remain paramount, alongside driving innovation, customer-centric solutions, and operational agility to adapt quickly to dynamic markets. Above all, we are committed to operating as ONE Sudarshan – a unified, purpose-driven organisation where global scale and local strength come together to deliver value for all stakeholders.

Integration challenges, including aligning operations, systems, and cultures, have been met with strategic focus, agile problem-solving, and financial discipline, stabilising the business while maintaining momentum toward long-term growth. Looking ahead, our strategy is anchored on three pillars: customer intimacy, sustainable innovation, and operational agility. By anticipating evolving market needs and investing in breakthrough R&D over a 3-5-year horizon, we aim to shape the future of pigments. Operational flexibility and excellence ensure we respond swiftly to market shifts while maintaining service reliability.

Over the next three years, our ambition is to grow sustainably above GDP levels, complete integration to unlock synergies, and deliver high returns through disciplined financial management and strategic investments in technology, sustainability, and talent. These priorities position Heubach to lead the pigments industry, set new benchmarks in innovation and sustainability, and create lasting value for customers, employees, and shareholders alike.

As I close, I want to sincerely thank all our shareholders and stakeholders for their unwavering support and trust. Your confidence has enabled us to navigate challenges with clarity and purpose. Together, we have laid strong foundations, and I am confident that the future holds even greater opportunities for growth, innovation, and shared success.

Warm regards,

Sambit Roy
Managing Director

Product Innovations and Applications

Innovations in Every Hue

At Heubach India, innovation fuels agility and relevance. By uniting technical expertise with future-ready thinking, we create sustainable, high-impact solutions that anticipate market needs and shape tomorrow's possibilities.



Shaping Future Solutions

At Heubach, innovation shapes how we create value and stay future-ready. Our approach is structured around two levels of innovation:

- **Life Cycle Innovation (LCI):** Enhancing and modifying existing products to align with changing application demands and customer requirements
- **Top Line Innovation (TLI):** Developing entirely new products designed for specific segments, applications, or regions, unlocking fresh growth opportunities

Every innovation initiative at Heubach is purpose-driven, designed to solve customer challenges, anticipate trends, optimise costs, secure alternative resources, meet evolving regulations, and enhance functional performance.



Expanding the Palette

In FY2025, Heubach launched a series of impactful new products across industries, demonstrating both initiative and agility in responding to customer needs:

- **Cosmenyl 100-IN series** for home and personal care applications
- **Polyfast PUF series** for PU foam
- **Colanyl 500-IN series, Hansa Brilliant Yellow 2GX 70-IN, Hostaperm Pink E-WD-IN and Hostaperm Scarlet GO-01** for architectural coatings
- **Novoperm Yellow HR 70-IN and Dalamar Yellow 805** for industrial coatings
- **PV Fast Orange H2GL-IN** for plastics

Our innovative solutions strengthened our portfolio and drove adoption among key customers, reinforcing leadership in sustainable, high-performance color solutions. Backed by decades of expertise and global application knowledge, our cross-functional teams swiftly translate insights into solutions, reflecting our resilience, adaptability, and ambition to set new benchmarks in the pigments industry.



Sustainable Color Solutions

Our portfolio is built to conserve resources, minimise environmental impact, and deliver high-performance solutions. We are introducing new sustainable color innovations that embody our commitment to safety, quality, and environmental responsibility.

- **Ultrazur HGIN62-R - Home & Personal Care**

Ultramarine Blue is based on C.I. Pigment Blue 29. Ultramarine Blues provide a unique reddish undertone blue color and can easily tint many colors. Ultrazur HGIN62-R is an Ultramarine for which there is a special quality control to fulfil cosmetic purity specifications and succeed at meeting microbiological requirements for cosmetic and home care applications.

Sustainable Operations

Performance with Purpose

As a manufacturer of chemical raw materials, we are committed to minimising environmental impact by embedding energy efficiency, sustainable operations, and resource optimisation into our processes. With a responsible and proactive approach, we ensure our operations uphold the highest standards of environmental stewardship.

Driving ESG Through Operations



Energy Efficiency

At Heubach India, we prioritise energy efficiency through initiatives such as installing Variable Frequency Drives (VFDs) for motors, switching to LED lighting in production plants, and implementing energy monitoring systems to optimise electricity use. The Hybrid Power Plant (solar + wind) marks a transition to renewable energy, while bio-briquettes for steam generation significantly reduce CO₂ emissions.



Resource Optimisation

Heubach drives resource efficiency by reducing batch cycle times and improving yields, ensuring better process output. Training and awareness programmes on water consumption, coupled with waste heat recovery measures, further emphasise responsible use of resources and minimising waste.



Operational Sustainability

We strengthen operational sustainability through initiatives such as the Hybrid Power Plant and transparent polycarbonate sheets that harness natural lighting. Additional measures, including waste heat recovery, adoption of alternate fuels, reduced water consumption, and advanced process controls, further reinforce environmentally responsible operations.



Sustainability in Action



Greening the Landscape

For over 20 years, Heubach India has planted more than 50,000 trees and saplings, fostering biodiversity and creating a natural habitat for birds, insects, and plant species.



The 3R Mindset

At our DSIR-recognised R&D Center, we embrace Recycle, Reuse, Reduce, ensuring product development is efficient, sustainable, and generates minimal waste.



Powering Responsibly

From renewable energy adoption to eco-green synthesis processes, we continue to reduce emissions, conserve resources, and embed Responsible Care in every aspect of manufacturing.



Circular Solutions

Our Integrated Waste Management System (IWM System) transforms waste streams into useful inputs, setting new benchmarks for sustainable pigment manufacturing.



Water Stewardship

Through advanced treatment technologies and recycling practices, we ensure responsible water use while supporting both operations and the environment.



Ethical Sourcing

At Heubach, we work closely with suppliers across continents to ensure raw materials are procured responsibly, while actively setting higher standards for environmental and social responsibility. By engaging our partners, we aim to shape a more sustainable industry and future together.



Quality Standards

For Heubach, quality means aligning with customer expectations, safeguarding the environment, and ensuring the highest levels of safety. With 90% of our production sites certified under ISO 9001, 14001, and 45001, we continuously raise the bar, strengthening both product excellence and process integrity.



Transparency and Commitment

Heubach upholds sustainability through transparent ESG reporting, keeping stakeholders informed of progress, challenges, and goals, while fostering a culture of continuous improvement. Our commitment extends publicly as we are signatories of the UN Global Compact and active partners in Responsible Care, reinforcing our dedication to human rights, anti-corruption, environmental protection, and safe chemical practices across the value chain.

Board of Directors

Visionaries Guiding Innovation and Growth



Mr. Ravi Kapoor
Chairman (Non-Executive)
(till July 16, 2025)



Mr. Rajesh Rathi
Chairman and Non-Executive and
Non-Independent Director
(appointed as a Director effective
April 14, 2025 and as a Chairman
effective July 16, 2025)



Mr. Bharath Sesha
Managing Director
(till August 31, 2024)



Mr. Sambit Roy
Managing Director
(effective November 25, 2024)



Mr. Kewal Handa
Non-Executive and
Independent Director



Mr. Sunirmal Talukdar
Non-Executive and
Independent Director



Mrs. Diana Dhote
Non-Executive and
Independent Director



Mr. Amitabha Mukhopadhyay
Non-Executive and
Independent Director
(appointed effective April 14, 2025 and
resigned effective August 11, 2025)



Mr. Naresh Raisinghani
Non-Executive and
Independent Director
(effective April 14, 2025)



Mrs. Anu Wakhlu
Non-Executive and
Independent Director
(effective April 14, 2025)



Mr. Mandar Velankar
Non-Executive and
Non-Independent Director
(effective May 02, 2025)



Mr. Jugal Sahu
Executive Director and
Chief Financial Officer
(ceased as an Executive Director
effective August 11, 2025)



Corporate Information

Chief Financial Officer

Mr. Jugal Sahu

Company Secretary

Ms. Ameer Joshi (till June 30, 2024)

Ms. Ashwini Natekar (Interim) (from
September 20, 2024 till July 16, 2025)

Mr. Adwait Joshi (effective August 01, 2025)

Statutory Auditors

M/s. MSKA & Associates

Bankers

Citibank N.A.
Standard Chartered Bank
HDFC Bank Limited

Registrar & Transfer Agents

MUFG Intime India Private Limited (formerly
Link Intime India Private Limited)
C-101, 247 Park, L. B. S. Marg, Vikhroli
(West) Mumbai – 400 083, Maharashtra
Phone: (+91) 22 20874406
Email: investor.relations_india@heubach.com

Plant Locations

Roha Site

113/114, M.I.D.C. Industrial Area
A.V.P.O. Dhatav, Taluka Roha
District Raigad – 402 116, Maharashtra

Nagda Site

Plot/Phase No. 378/2/2
Durgapura Colony Road, Birlagram
Nagda – 456 331, Madhya Pradesh

Cuddalore Site

Kudikadu, SIPCOT
Post Cuddalore – 607 005, Tamil Nadu

Management Discussion and Analysis

Economic Outlook

Global

Despite uncertainty in the world economic outlook since April 2025, global growth is projected at 3.0% in 2025 and 3.1% in 2026, according to the International Monetary Fund's World Economic Outlook Update (July 2025). The 2025 forecast is 0.2 percentage points higher than April's projection, while the 2026 forecast is 0.1 points higher. The IMF attributes these upward revisions to front-loading of activity ahead of tariff measures, lower effective US tariff rates than previously assumed, and improved financial conditions, including support from a weaker US dollar.

At the same time, global headline inflation is expected to fall to 4.2% in 2025 and 3.6% in 2026, broadly unchanged from earlier projections.

World trade volume shows a short-term boost, with a +0.9 percentage point revision in 2025, followed by a -0.6 point adjustment in 2026. This reflects the temporary lift from front-loaded trade flows in the face of policy uncertainty, with a payback effect expected the following year.

Overall, the IMF notes that the global outlook shows resilience despite ongoing trade and policy uncertainty. Looking ahead, credible trade agreements, stronger labor market measures, and streamlined business regulations could provide fresh momentum to medium-term growth.

India

With RBI's GDP projection at 6.5% for FY2025 and FY2026, the Indian economy's growth momentum remains balanced and strong, supplemented by reviving urban demand, surging investments, uniform rural demand, and the government's continued nudge on capex.

India's headline consumer price index (CPI) inflation eased to 2.8% in May 2025, the lowest in six years, supported by steady crop production and moderating food prices. Softer commodity and crude oil prices, amid expectations of slower global growth, have also kept the risk of imported inflation relatively low, though geopolitical tensions remain a source of uncertainty.

On the growth front, India continues to draw strength from its resilient services sector, expanding manufacturing base under the Production-Linked Incentive (PLI) scheme, and a stable banking system. High-value manufacturing and services—particularly in electronics and defence—underscore the country's growing competitiveness and expanding role in global trade.

Overall, India's economic trajectory reflects stability and resilience, supported by rural consumption, infrastructure investments, and favourable financing conditions, even as global headwinds persist.

Industry Overview

Global Specialty Chemical Industry

The global specialty chemicals market is looking at steady growth prospects, driven by rising demand across construction, water treatment, electronics, and personal care industries. Growth is further supported by advancements in process technology, trade liberalisation, and expanding opportunities in emerging economies. Increasing consumption of processed food and beverages in developed nations is boosting demand for flavouring agents, while novel flavours and fragrances continue to shape market growth. In the US, strong demand from the water treatment, automotive, and electronics sectors is expected to support expansion. Additionally, rising use of detergents, cleaning products, and crop protection chemicals is anticipated to further fuel market momentum over the forecast period.

The Asia Pacific region leads the specialty chemicals market, driven by rapid industrialisation, economic growth, and expansion of end-use sectors such as food and beverages, personal care, cosmetics, and pharmaceuticals. China, India, and Japan are key manufacturing hubs, with China's position as a global production leader further reinforcing regional market strength.

India Specialty Chemical Industry

India is rapidly emerging as a global hub for specialty chemicals, with growth underpinned by innovation, collaboration, and a strong focus on sustainability. Specialty chemicals make up about one-fifth of the \$4 Trillion global chemicals industry. India's market is projected to grow at a robust 12% CAGR to reach \$64 Billion by 2025.

A major driver has been the surge in exports, as global supply chain diversification prompts the US, Europe, and Japan to seek alternatives beyond China. In this regard, India's skilled workforce, technical expertise, and cost-efficient manufacturing give it a competitive edge. In response, domestic players are scaling up capacity and investing in R&D to capture rising global demand and strengthen their position in the value chain.

Furthermore, India's expanding middle class, rapid urbanisation, and rising living standards are driving demand for specialty chemicals. Growth is evident across personal care, household cleaning, and water treatment products, while construction chemicals are gaining traction in line with the country's infrastructure push and urban development goals.

Moreover, the government has prioritised specialty chemicals under its Make in India and Atmanirbhar Bharat programs, encouraging investment, localisation, and R&D. Measures include potential extension of the Production-Linked Incentive (PLI) scheme to the sector and efforts to reduce import dependence on critical raw materials by promoting upstream integration and a stronger domestic supply chain.

Global Organic Pigments Industry

The global organic pigments market, valued at \$5.7 Billion in 2023, is projected to grow at a CAGR of 4.7% to reach nearly \$8.6 Billion by 2032. Growth is driven by expanding use in printing inks and paints & coatings, alongside rising demand from packaging and textiles. Emerging economies are expected to play a key role, supported by growing textile output and a shift in consumer preference toward eco-friendly products. The market is also witnessing a clear move toward low-VOC and sustainable pigment solutions, reinforcing their appeal across diverse applications.

Emerging economies are driving the growth of the global organic pigments market, supported by rapid industrialisation, urbanisation, and expanding consumer demand. Strong momentum in construction, automotive, packaging, textiles, and consumer goods across countries such as China, India, Brazil, Mexico, Indonesia, and Vietnam continues to fuel market expansion.

India Organic Pigments Industry

In India, growing environmental awareness and stricter regulations are driving a shift from synthetic to organic pigments, with rising demand across textiles, coatings, and polymers. This transition is creating opportunities for local manufacturers to develop innovative, eco-friendly formulations for diverse industries.

India's rapidly expanding textile sector is a key driver of organic pigment demand. Government initiatives and budgetary support have provided strong momentum to the industry. Several initiatives have been introduced to support and grow the Indian textile market, with the Union Budget providing a notable boost.

Furthermore, India's growing packaging industry is driving demand for organic pigments as brands shift to safer, recyclable options, while the automotive sector is adopting them for durable, eco-friendly, high-performance coatings. Moreover, process innovations are fuelling growth in India's organic pigments market, with advances in biotechnology and nanotechnology enabling more vibrant, durable, and eco-friendly pigments. The Department of Science and Technology reports a 30% rise in pigment-related patents over the past five years, highlighting a strong R&D focus on efficiency and quality.

Company Overview

Heubach Colorants India Limited (HCIL) (hereafter referred to as "HCIL" or "the Company") is among the leading global producers of organic pigments, offering a comprehensive

portfolio backed by sustainability, Responsible Care practices, and a strong commitment to product safety. The Company operates a dedicated R&D centre along with advanced application and analytical laboratories to develop pigments and preparations for diverse uses in paints, inks, and plastics. HCIL also brings expertise in high-value segments such as automotive coatings and digital printing. Over the years, the Company has maintained steady growth through forward, backward, and lateral integration, ensuring supply security and strengthening client relationships. As a Responsible Care-certified organisation, with ISO 14000 and ISO 18000 accreditations, HCIL embeds sustainability into every aspect of its operations, making it an intrinsic part of its culture.

HCIL, based in Navi Mumbai, India, has a strong manufacturing presence across India with manufacturing facilities strategically located in Roha (Maharashtra), Cuddalore (Tamil Nadu), and Nagda (Madhya Pradesh). The Company exports via associated entities to over 75 countries, serves more than 100 domestic customers, and offers over 500 products.

HCIL has a rich history of shaping the world of colors and has established a legacy of excellence. The Company is committed to pioneering sustainable color technologies to create a brighter future. It is dedicated to driving positive change in the pigments industry through industry-leading Environmental, Social, and Governance (ESG) measures. These measures ensure that HCIL's operations meet the highest standards in quality and sustainability while maintaining ethical business practices.

On March 3, 2025, Sudarshan Chemical Industries Limited (SCIL), through its wholly owned subsidiary Sudarshan Europe B.V., completed the acquisition of Germany-based Heubach Group in a combination of an asset and share deal, and as a result, 58 subsidiaries (including step-down subsidiaries) and two joint venture companies have now become a part of Sudarshan Chemical Group. SCIL, incorporated in 1951 in Pune, is a multinational pigment and color solutions leader. With over 270 years of combined expertise between Sudarshan Chemical Group and Heubach Group, this strategic transaction has created a global pigment leader, combining SCIL's operational expertise with Heubach's advanced technological capabilities.

ONE Sudarshan is a unified brand identity that brings together the heritage and strengths of Sudarshan, Heubach, and Clariant Pigments. The new identity reflects the ambition to build a global, customer-centric leader in colorants and pigments, while honouring the legacies that shaped its foundation. With an expanded, high-quality pigment range and a strong presence in key markets such as Europe and the Americas, ONE Sudarshan is well-positioned to deliver comprehensive, customer-focused solutions across the global pigments industry. While ownership has changed, the brand continuity and operational stability of Heubach colorant India remain intact. The immediate priority is to operate as ONE unified organisation, integrating Clariant Pigments, Heubach, and Sudarshan to drive synergies, unlock efficiencies, and build on shared values.

Product Portfolio

Organic Pigments: Offer vibrant colors across a broad range of colorful compounds derived from organic sources.

Inorganic Pigments: Known for excellent opacity and durability, though colors are less intense, and the range is narrower.

Pigment Preparations: Carefully formulated liquid or solid pigment mixes tailored for customised colors and specific uses.

Dyes: Sustainable specialty and aluminium dyes providing eco-friendly coloring solutions.

Product Features

Organic Pigments

- High chroma
- High color strength
- Large coverage of color space
- Limited resistance

Inorganic Pigments

- Lower chroma
- Lower color strength
- Limited color space
- High opacity
- High resistance/fastness properties

Pigment Preparations

- Pre-dispersed pigment in liquid & solid form
- Custom color blends
- Specialised properties for specific use cases

Dyes

- Specialty Dyes
- Aluminium Dyes

HCIL's Colorants Portfolio Composition

Organic Pigments

- Quinacridone
- Dioxazine
- Benzimidazolone
- DPP
- Isoindolinone
- Perylene
- Phthalos

Inorganic Pigments

- Bismuth Vanadate
- Rutile pigments

- Cobalt blue

- Spinel pigments

Pigment Preparations

- Based on high-performance pigments
- Customised solutions

Dyes

- Polymer soluble dyes
- Solvent dyes
- Water-soluble dyes

Applications

The Company's products are used in various industries, including coatings, plastics, printing, and special applications. Coatings is the largest segment by revenue, followed by plastics, special applications and printing, amongst others.

Coatings

HCIL's wide range of high-performance organic and inorganic pigments, as well as pigment preparations, are known for their brilliance and durability, especially in paints and coatings. They are highly effective in various applications, such as the following:

- Automotive coatings
- Coil coatings
- Corrosion protection
- Exterior paints and plasters
- Floor coatings
- Industrial coatings
- Interior decorative paints
- Powder coatings
- Road marking and traffic paints
- Wood coatings

Plastics

HCIL's products for plastics meet strict global standards for environmental, health, and safety, aiming to conserve energy and reduce carbon footprint. They are used in diverse applications such as:

- Automotive plastics
- Construction and electrical components
- Consumer goods
- Fiber production
- Packaging

Printing & Digital Printing

Modern printing demands versatile and high-quality solutions. HCIL's pigments and pigment preparations are tailored to meet the needs of inkjet, toner, offset, flexographic, and gravure printing, performing exceptionally well with UV, solvent, and water-based inks.

HCIL's printing solutions serve various industries:

- Inkjet printing
- Packaging printing
- Publication printing
- Specialty printing
- Toner

Special Applications

The Company's wide range of pigment dispersions and pigments is suitable for a variety of applications, from vibrant textiles to high-quality handbags, lightweight aluminium casings to colorful balloons.

HCIL's solutions are versatile and cater to:

- Home & fabric care
- Personal care products
- Seed coloration & crop protection
- Aluminium anodising dyes and chemicals
- Stationery
- Viscose coloration & Textile printing
- Latex coloration
- Leather and paper coloration
- Concrete & plaster

Innovations in Eco-Friendly Pigments and Colorants

The Company has introduced significant innovative products across the business segments that cater to its diverse customer base. The innovations include the following:

- Coatings:
 - Shift to vibrant shades in automotive, especially EVs, leading to increased pigment consumption and the development of new shades in our portfolio
 - Introduced low-VOC colorants for odourless paints along with water-borne systems (eco-friendly)
 - Created lead-free pigments for eco-friendly paints
 - Delivered high-quality pigments with strong color intensity for resource-efficient solutions, enhancing material longevity in paints and coatings

- Plastics and Printing:
 - Enabled black polymer identification through Heubach's Near Infrared (NIR) technology, facilitating the recycling of black plastics
 - Ensured biodegradability through selected products like PV Fast and Graphtol
 - HCIL's organic pigments comply with strict environmental standards and are suitable for coloring biodegradable polymers such as polylactic acid (PLA), polyhydroxyalkanoate (PHA), polybutylene succinate (PBS), and polybutylene adipate terephthalate (PBAT)
 - Innovated pigments for NTNK packaging inks, replacing hazardous solvents like toluene and methyl ethyl ketone
 - Promoted sustainability with biodegradable, OK Compost, and recyclable colorant options, prioritising environmental protection
- Others
 - Developed water-based pigment preparations for three decades, catering to various applications without solvents for eco-friendliness
 - Pioneering in zinc-free alternatives for a decade, HCIL's exclusive access to the range of orthophosphates and polyphosphates offers effective protection in various applications
 - Prioritised the safe handling of pigments, adhering to and often surpassing global regulations
 - Easy to disperse pigments that make production efficient and optimise energy costs

Four Pillars of Our Core Strategy:

Growth

- Protect the core and grow the domestic business
- Commercialise the innovation pipeline to enhance value creation
- Further expand our global footprint
- Enhance product portfolio across organics

Green Innovation

- Keep sustainability as the central driver for business and innovation
- Responsible use of natural resources
- Shifting the plants' energy source to renewable and enhancing focus on green chemistry

Efficiency

- Increase demand planning accuracy
- Focus on improving the production yield and implement a cost savings plan across sites
- Ensure sales as per the set pricing guidance

- Optimise the net working capital and avoid any unnecessary cash blockages

Peace of Mind

- Focus on customer satisfaction by ensuring on-time and full delivery
- Focus on quality and a high complaint closure rate
- Product stewardship, safety and regulatory compliance are core differentiators
- Educate customers and the market on potentially harmful byproducts and regulatory issues

Financial Performance

The Company remains dedicated to achieving sustainable growth to meet stakeholder expectations. This commitment is driven by a strategic approach, efficient cost management, and the introduction of innovative products. The Company aims to capitalise on market opportunities, enhance its competitive position, and drive continued success by aligning these factors.

The Company ensures compliance with Indian Accounting Standards (Ind AS) for its financial statements in accordance with the Companies Act, 2013. In FY2025, the Company recorded net revenue of ₹82,506 Lakh, compared to ₹79,070 Lakh in FY2024, growing by 4.4%. Exports accounted for 32% of the total revenue from contracts with customers in FY2025, demonstrating its strong global reach and market presence. EBITDA grew by 24.5% from ₹8,080 Lakh in FY2024 to ₹10,057 Lakh in FY2025. EBITDA Margin also grew from 10.2% in FY2024 to 12.2% in FY2025. PAT registered 25.06% growth in FY2025, by growing from ₹4,114 Lakh in FY2024 to ₹5145 Lakh in FY2025.

Financial Highlights FY2025 (in ₹ Lakh)

Particulars	Year ended on March 31, 2025	Year ended on March 31, 2024
Income from Operations	82,506	79,070
Operational Profit (EBITDA)	8,180	7,208
Other Income	1,877	872
Profit Before Tax and Exceptional Items	7,693	5,600
Exceptional Item	(882)	-
Profit Before Tax	6,811	5,600
Profit After Tax	5,145	4,114
EPS (₹)	22.29	17.82

Key Ratio Analysis FY2025

Particulars	Year ended on March 31, 2025	Year ended on March 31, 2024
Debtors' Turnover ratio (x)	4.7	3.8
Inventory Turnover Ratio (x)	3.7	3.8
Debt to Equity Ratio (x)	No borrowings	No borrowings

Particulars	Year ended on March 31, 2025	Year ended on March 31, 2024
Current Ratio (x)	2.8	2.2
Interest Coverage Ratio (x)	17.6	21.3
Return on Net Worth (%)	10%	9%
Return on Capital Employed (ROCE) (%)	13%	11%
Operating Profit Margin (%)	10%	9%
Net Profit Margin (%)	6%	5%

Outlook and Opportunities

Growing Domestic Demand

As a pigment manufacturing company, HCIL can benefit from the rising chemical consumption in sectors such as HPPC, textiles, and consumer goods, tapping into substantial growth opportunities. With projections indicating that 80% of Indian households will move into the middle-income bracket by 2030, a substantial rise in demand is anticipated for paints and coatings. The demand will also be driven by infrastructure development, residential & commercial construction, and industrial expansion. Government initiatives like the 'Smart Cities Mission' and 'Housing for All' will further amplify these construction activities.

Strong Export Potential

With global companies diversifying supply chains away from China, India's chemical sector has significant growth opportunities. Competitive manufacturing costs, high-quality products, and adherence to global standards position the Indian pigment chemicals industry for strong international expansion. India's status as a major chemical exporter is enhanced by cost-effective manufacturing and strategic location, facilitating trade and export opportunities. The Company can leverage these advantages to expand internationally and capitalise on the shift towards alternative sourcing markets.

Sustainability Initiatives

The growing global demand for eco-friendly and sustainable chemicals presents opportunities for Indian companies to innovate and capture new markets. Companies that adopt eco-friendly practices and offer green alternatives can gain a competitive advantage. For instance, the Company's water-based pigment preparations, which are solvent-free, highlight its commitment to environmental responsibility. Moreover, the Company has invested in renewable energy sources to fulfil a significant portion of its energy requirements across its production facilities. Using biofuels for boilers and steam generation further mirrors HCIL's dedication to sustainable practices.

Technological Advancements

Focusing on research and development for new products, improving existing ones, and adopting sustainable practices will strengthen the Company's product portfolio. A key factor that sets the Company apart is that it develops innovative



solutions by combining external insights with its core technical expertise. For example, its products address stringent regulatory requirements such as LVOC colorants, lead-free pigments, and pigments tailored for NTNK packaging ink.

Highly Fragmented Industry

The pigment chemicals industry is fragmented, presenting challenges like intense competition but also opportunities for companies to stand out and consolidate their position.

Customer-Centric Solutions through Product Innovation

HCIL uses its products to deliver meaningful solutions to customers. The Company regularly partners with customers to understand their most pressing challenges and develops solutions to address them. For example, in response to feedback to improve plastic recyclability, the Company introduced a black colorant. These colorants aid polymer identification using near-infrared technology sorting devices, offering a solution for enhancing plastic recycling processes.

Challenges

Economic Fluctuations

The expansion of domestic production capacities aimed at exports, combined with declining demand in global markets, may affect the Company's business. Last year, downstream industrial demands from construction, paints, adhesives, and other fabric and packaging sectors dwelt at lower levels with stockpiling seen at customers' end, especially in Europe.

Raw Material Dependency

The rising costs of essential raw materials due to inflation present further challenges to the Company. Reliance on imported raw materials with fluctuating prices can impact production costs and profitability. Exchange rate fluctuations can also affect profitability, especially for export-oriented businesses.

Risk Mitigation and Strategies

The Company emphasises effective risk management to safeguard its business operations and ensure sustainable growth. It has established a comprehensive risk management framework that includes identifying, assessing, mitigating, and continuously monitoring potential risks across all operational aspects.

Risk Themes	Risk	Mitigation Approach
Business Related Risk	Industry structure changes have led to oversupply and increased competition	The Company focuses on product innovation, operational efficiency, and maintaining a strong reputation for consistent quality.
	Challenges in tapping business opportunities arise due to a lack of innovation, insufficient customer engagement and partnerships	The Company prioritises innovation and promotes active customer engagement and strategic partnerships to overcome these challenges and seize business opportunities.
	Failure to plan for fluctuating costs can affect profitable growth	The Company implements a dynamic cost management strategy, which includes regular cost analysis, strategic sourcing, and contingency planning.

Geopolitical Events

Several geopolitical disruptions adversely affected the overall pigments industry, both on the demand and supply side, which continues to remain an overhang on the industry. For instance, rising energy costs across the EU due to the Russia-Ukraine conflict (i.e. cut off from a cheap power supply) continue to affect RM prices, and the Red Sea blockage, have led to increased lead times and rising freight costs globally.

Environment, Corporate Sustainability, and Social Responsibility

The Company is deeply committed to ethical and sustainable business practices, guided by principles such as ESG, Responsible Care, and its own Code of Conduct. HCIL has set ambitious goals to reduce carbon emissions, supported by a clear roadmap for achieving them. Sustainability forms the foundation of HCIL's growth strategy, shaping its goals, market positioning, differentiation strategy, and risk management practices. The Company innovates constantly to offer sustainable solutions, enhancing its role as a trusted solution provider.

Corporate Social Responsibility (CSR) is integral to the Company's philosophy, aligning closely with the Companies (Corporate Social Responsibility Policy) Rules, 2014. HCIL focuses on significant contributions to areas like education, safety, healthcare, and community support to make a positive impact on society. The CSR strategy places a strong emphasis on integrating sustainable practices, with a focus on achieving measurable impacts and promoting partnerships with government agencies and other stakeholders. Employee engagement programmes are designed to cultivate a culture of volunteerism and active participation in CSR initiatives, which serve to uphold the Company's ethical standards and enhance its credibility within the community. The CSR committee plays a pivotal role in overseeing and conducting these CSR activities effectively.

Risk Themes	Risk	Mitigation Approach
Environmental Risk	Difficulty in creating environmentally friendly products through research & development	HCIL utilises a specialised research & development team focused on innovation and environmentally friendly practices to address challenges in developing green and sustainable products.
Operational Risk	Lower production capacity utilisation impacting efficiency Inadequate planning for demand, supply, and logistics is resulting in higher costs	HCIL implements a detailed production optimisation plan to improve capacity utilisation and operational efficiency. The Company implements strategies such as demand forecasting, optimising supply chain operations, and improving logistics coordination to reduce costs and enhance overall efficiency.
Attrition Risk	Facing challenges in attracting and retaining talent across the organisation Lack of a robust leadership succession plan at critical levels	HCIL promotes a dynamic and inclusive workplace with competitive compensation, professional growth opportunities, and clear career paths. The Company identifies high-potential individuals, offering targeted development opportunities, and promoting a culture of mentorship to ensure smooth leadership transitions and continuity.

Internal Control Systems

The Company has established robust internal control systems tailored to its size and business scope, including corporate policies, management information, and reporting systems crucial for overseeing key operational areas. Adhering to stringent internal financial controls mandated by the Companies Act, 2013, and SEBI Regulations, 2015, is essential for ensuring accurate financial reporting, maintaining policy compliance, safeguarding assets, preventing fraud, and ensuring timely disclosure of both financial and non-financial information. These measures contribute to the Company's transparency, integrity, and overall operational efficiency.

Independent auditors, authorised by the Audit Committee, assess the adequacy and compliance of these controls, providing detailed reports with observations and recommendations. The Audit Committee oversees these controls, approving the annual audit plan covering all business operations and functions, and reviewing quarterly audit results and recommendations for management actions.

An independent chartered accountant conducted a thorough review of these controls and governance processes, confirming their adequacy and effectiveness. The Audit Committee affirmed that as of March 31, 2025, the internal financial controls were operating effectively and met required standards.

Human Resources (HR)

Communication and Engagement

Effective communication remains at the core of our HR strategy. Regular town halls and HR forums have helped maintain transparency and engagement across all levels of the organisation.

HR Listening sessions, or open house sessions, were conducted across all sites to gauge employee sentiments and gather pointed feedback. Detailed action plans have been implemented based on the insights gained from these sessions, with progress being closely monitored to ensure continuous improvement.

By creating a supportive and growth-focused work environment, the Company aims to retain employee confidence and inspire them to reach their full potential. Through our commitment to innovation, continuous learning, and open communication, we are dedicated to fostering a workplace where every employee can thrive.

Training and Performance Management

Employee engagement and development are key priorities. Our workforce, comprising 485 employees—454 male and 31 females, as of March 31, 2025, is supported through a variety of training programmes on topics of safety, behavioural skills, and technical knowledge.

Online sessions covered topics such as Leading Self, Communicating with Impact, Planning, Decision Making, Time Management and Execution, and Customer Centricity. Additionally, group learning opportunities like the Explorer Series and the Fireside Chats with senior organisational leaders provided employees with valuable insights and personal reflections. We also implemented our "Performance Management Cycle" in a timely and meaningful manner. This helped drive insightful performance conversations, laid the foundation for fair remuneration and ensured we retain the culture of transparency and meritocracy in the organisation.

Recognition and Rewards

To honour long-standing employees, various Long Service Awards were organised at our HQ, Roha, and Cuddalore locations, recognising their loyalty and commitment to the organisation.

We also launched a formal Reward and Recognition (R&R) programme to acknowledge exceptional performance and promote the Company's work culture. This programme included initiatives such as "On the Spot Appreciation Cards" for immediate recognition and special rewards for employees who embody the Company's values in action.

Job Evaluation and Grading Roles

Grade harmonisation across all levels and roles was completed this year, which includes the evaluation of jobs to build a robust grading framework. This has enabled us to also

benchmark remuneration for the roles with the market, which will be a useful insight to develop reward programmes and organisational structures and design for the near future.

Cautionary Statement

Certain statements under "Management Discussion & Analysis" that describe the Company's objectives, projections, estimates, expectations, or predictions may constitute "forward-looking" statements within the meaning of applicable securities laws and regulations. While these expectations are based on reasonable assumptions, actual results may differ from those expressed or implied due to various external and internal factors beyond the Company's control. The Company does not assume any obligation to publicly amend, modify, or revise any "forward-looking" statements based on subsequent developments, information, or events.

Directors’ Report

Dear Members,

Your Directors are pleased to present the 68th Annual Report together with the Audited Statement of Accounts for the Year ended March 31, 2025.

1. Financial performance of the Company

Particulars	(₹ in Lakhs)	
	Year ended 31.03.2025	Year ended 31.03.2024
Sales	82,505.75	79,070.15
Profit before tax from continuing operations	6,811.07	5,599.99
Exceptional Item		-
Less : Tax expenses (Incl. deferred tax)	1,666.13	1,486.14
Profit after tax from continuing operations	5,144.94	4,113.85
Profit before tax for discontinued operations	-	-
Less : Tax expenses (Incl. deferred tax)	-	-
Profit After Tax for discontinued operations	-	-
Add : Balance brought forward from previous period	33,218.16	29,216.29
Amount available for appropriation	38,363.10	33,330.14
Appropriations	-	-
Dividend (including interim and final)	-	-
Corporate tax on dividend	-	-
Other comprehensive income (OCI)/(Loss)	(54.92)	(111.94)
Reversal of vested option forfeiture	-	-
Transferred to retained earnings	-	-
Balance carried forward to the balance sheet	38,308.18	33,218.16

2. Review of operations

The Company’s continued operations reported sales for the year ended March 31, 2025 of ₹82,505.75 Lakhs as against ₹79,070.15 Lakhs for the previous year ended March 31,2024. The Company recorded an increase in sales by 4.3% of the total sales revenue for the year under review, 32.1% is contributed by exports. There is no change in company affairs or business by the Company during the period under review.

3. Capacity Expansion

During the year, the Company continued its expansion plans and has incurred capex spend of ₹1,014.29 Lakhs during the year under review.

4. Reserves

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

5. Dividend

The Board of Directors have not recommended any Dividend for the Financial Year ending March 31, 2025.

Pursuant to the requirement of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated and adopted Dividend Distribution Policy which is available on the website of the Company at <https://admin.heubach.com/wp-content/uploads/2023/02/HCILDividend-Distribution-Policy-EN.pdf>

6. Corporate Governance, Management Discussions and Analysis Report & Business Responsibility and Sustainability Report

The Company is committed to compliance with standards, ensuring checks and balances between the Board and Management, as well as a sustainable approach to creating value for all stakeholders. As stipulated under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Report on Corporate Governance, Management Discussion and Analysis Report as well as



Certificate confirming the compliance with the conditions of corporate governance and Business Responsibility and Sustainability Report are annexed herewith and forms part of this Annual Report.

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

7. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company’s operations in future

During the year under review, there has been no such significant and material orders passed by the regulators or courts or tribunals impacting on the going concern status and Company’s operations in future.

8. Acquisition of the Global Pigment Business Operations of Heubach Group

On April 22, 2024, the Company received a communication from Heubach GmbH, a related party within the Heubach Group, informing that it had issued a press release announcing the filing of an application for the opening of regular insolvency proceedings over its assets with the competent insolvency court in Braunschweig, Germany. In the same communication, Heubach GmbH also notified that it had applied for the Braunschweig insolvency court to serve as the group court for the German subgroup of the Heubach Group. The court has appointed an insolvency administrator to evaluate the feasibility of continuing business operations and exploring potential restructuring or sale options. Additionally, a preliminary insolvency administrator and custodian were appointed by the court.

Subsequently, on May 3, 2024, the Company received another communication from Heubach Group GmbH, the holding company of Sudarshan Switzerland HLD1 AG (formerly known as Heubach Holding Switzerland AG and Colorants International AG and one of the Company’s promoter shareholders). The notice stated that Heubach Group GmbH, along with certain affiliated companies, had also filed for insolvency proceedings over its assets with the Braunschweig insolvency court.

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

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

Pursuant to the acquisition related agreements, the acquisition of assets, business operations and shares were interdependent and were executed together to acquire the entire business operations of the Heubach Group. This acquisition is a strategic move aimed at consolidating market expertise and expanding global reach of Sudarshan Chemical Group in the pigment industry.

Consequent to the aforesaid acquisition, Sudarshan Europe B.V., Wholly Owned Subsidiary of Sudarshan Chemical Industries Limited has acquired entire shareholding of Sudarshan Switzerland HLD1 AG (formerly known as Heubach Holding Switzerland AG and Colorants International AG) and Sudarshan Switzerland HLD2 AG (formerly known as Heubach Ebito Chemieeteiligungen AG and Ebito Chemieeteiligungen AG), promoters of the Company, resulting in indirectly acquiring 36.56% and 17.80% shareholding, respectively, in the Company. As per the provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended, Sudarshan Europe B.V., being an Acquirer, along with Persons Acting in Concert (“PACs”) is in a process of acquiring upto 6,001,268 Equity Shares of Face Value ₹10/- each, representing 26% of the voting share capital of the Company by way of an Open Offer process.

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

9. Highlights of Performance of Subsidiary / Associate / Joint Venture Companies

As of March 31, 2025, the Company do not have any subsidiary or joint venture or associate company.

Also, there were no instances where companies that became or ceased to be subsidiaries, joint venture companies or associate companies during the year.

10. Share Capital

The paid-up Equity Share Capital as on March 31, 2025, was ₹23,08,17,980/-. There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued shares with differential voting rights or sweat equity shares.

11. Details of Directors and Key Managerial Personnel

Your Company is dedicated to follow best practices and values through a diverse Board that enhances stakeholder value and ensures strong governance. The Company's Board consists of highly skilled and respected individuals who provide valuable experience and leadership.

All Independent Directors of the Company have given declarations that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Rules made thereunder and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015"), as amended from time to time.

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

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

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

Changes in Directors and Key Managerial Personnel

I. Changes in Directors

During the year under review:

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on March 27, 2024 approved the appointment of Mrs. Diana Dhote (DIN: 10558367) as an Additional Director in the capacity of a Non-Executive and Independent Director of the Company for a term of five consecutive years commencing from April 01, 2024. Subsequently, the shareholders accorded its approval for appointment of Mrs. Diana Dhote as a Non-Executive and Independent Director of the Company through Postal Ballot on June 14, 2024.

Mr. Bharath Sesha (DIN 01983066), Managing Director of the Company, submitted his resignation vide letter dated June 28, 2024, to pursue other opportunities outside the Organization. The Nomination and Remuneration Committee and the Board formally accepted his resignation during its meeting held on June 28, 2024 and Mr. Bharath Sesha was relieved from his service as a Managing Director of the Company with effect from the close of business hours on August 31, 2024. The Board of Directors and Management placed on record its sincere appreciation for the contribution made by Mr. Sesha towards growth of the Company under his leadership.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Rules made thereunder and the Articles of Association of the Company, Mr. Jugal Sahu (DIN: 02629782), Executive Director and Chief Financial Officer, was liable to retire by rotation, and being eligible, had offered himself for re-appointment at the 67th Annual General Meeting. Based on the recommendation of the Nomination and Remuneration Committee and Board of Directors, approval of Shareholders was accorded at the 67th Annual General Meeting for re-appointment of Mr. Jugal Sahu as an Executive Director, liable to retire by rotation.

The Board of Directors at its meeting held on November 14, 2024, appointed Mr. Sambit Roy (DIN: 08291664) as an Additional and Managing Director, based on the recommendation of the Nomination and Remuneration Committee effective November 25, 2024 subject to the approval of shareholders. Subsequently, approval of shareholders was accorded for appointment of Mr. Sambit Roy as the Managing Director of the Company through Postal Ballot on January 22, 2025.

Consequent to the closure of Financial Year 2024-25, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on April 14, 2025, approved:

1. Appointment of Mr. Rajesh Rathi (DIN: 00018628) as an Additional Non- Executive Director of the Company, effective April 14, 2025, subject to approval of Shareholders;
2. Appointment of Mr. Amitabha Mukhopadhyay (DIN: 01806781) as an Additional Independent Director of the Company, for the term of 5 years, effective April 14, 2025, to April 13, 2030, subject to approval of Shareholders;
3. Appointment of Mr. Naresh Raisinghani (DIN: 00568298) as an Additional Independent Director of the Company, for the term of 5 years effective April 14, 2025, to April 13, 2030, subject to approval of Shareholders;
4. Appointment of Mrs. Anu Wakhlu (DIN: 00122052) as an Additional Independent Director of the Company, for the term of 5 years effective April 14, 2025, to April 13, 2030, subject to approval of Shareholders.

Further, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors also appointed Mr. Mandar Velankar (DIN: 11069055) as an Additional Non-Executive Director of the Company, effective May 2, 2025 by way of circular resolution dated May 2, 2025, subject to approval of Shareholders.

Approval of Shareholders was accorded for appointment of Mr. Rajesh Rathi as a Non-Executive and Non-Independent Director, Mr. Amitabha Mukhopadhyay as a Non-Executive and Independent Director, Mr. Naresh Raisinghani as a Non-Executive and Independent Director, Mrs. Anu Wakhlu as a Non-Executive and Independent Director and Mr. Mandar Velankar as a Non-Executive and Non-Independent Director through Postal Ballot on July 6, 2025.

Mr. Ravi Kapoor (DIN: 01761752), Chairman and Non-Executive Director of the Company, submitted his resignation vide letter dated July 16, 2025, due to his preoccupation with effect from close of business hours on July 16, 2025. The Board of Directors and Management placed on record their deep appreciation for the contributions made by Mr. Ravi Kapoor during his association with the Company.

Mr. Ravi Kapoor was succeeded by Mr. Rajesh Rathi (DIN: 00018628) who was appointed as a Chairman of the Board of the Company with effect from July 16, 2025, in addition to his current role as a Non-Executive Director.

Mr. Amitabha Mukhopadhyay (DIN: 01806781), Independent Director tendered his resignation with effect from close of business hours on August 11, 2025 due to possibility of Mr. Mukhopadhyay getting into increased level of engagement with one of the group Companies of Sudarshan Chemical Group, which might potentially affect his independence to continue as an Independent Director of the company. This was not envisaged earlier when Mr. Mukhopadhyay joined the Board of the Company. Mr. Mukhopadhyay confirmed that there were no other reasons, material or otherwise, for his resignation other than those mentioned above.

Mr. Jugal Sahu (DIN: 02629782), tendered his resignation from the position of Executive Director of the Company with effect from close of business hours on August 11, 2025. However, Mr. Sahu shall continue to serve as a Chief Financial Officer, Key Managerial Personnel and Senior Management Personnel of the Company.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Rules made thereunder and as per Articles of Association of the Company and based on the recommendations of the Nomination and Remuneration Committee and Board, Mr. Rajesh Rathi (DIN: 00018628), Chairman and Non-Executive Director of the Company retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking Shareholders' approval for his re-appointment forms part of Notice of the 68th Annual General Meeting.

During the year under review, the Non-Executive Directors of the Company had no material pecuniary relationship or transactions with the Company, other than sitting fees, commission, if any and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committee of the Company, if any. The Board has made the recommendation for the above appointment(s) / re-appointment(s) of Directors based on the recommendation of the Nomination and Remuneration Committee ("NRC") and the Committee has made its recommendation after ensuring that none of the Directors seeking appointment(s) / re-appointment(s) is debarred from holding the position of a Director by virtue of any Order from SEBI, The Ministry of Corporate Affairs ("MCA") or any other Regulatory Authority. The Board is of the opinion that the Independent Directors appointed / re-appointed / proposed to be appointed are of integrity and possess the requisite expertise and experience (including the proficiency). Details of the Directors seeking appointment(s) / re-appointment(s) including profile of such Directors, are given in the Notice convening the 68th Annual General Meeting of the Company.

II. Key Managerial Personnel

Ms. Amee Joshi, Company Secretary and Nodal Officer of the Company, had submitted her resignation vide letter dated June 24, 2024, to pursue an alternate career opportunity outside the Organization. Ms. Amee Joshi was relieved from her duties with effect from the close of business hours on June 30, 2024.

Mr. Bharath Sesha (DIN 01983066), Managing Director of the Company, submitted his resignation vide letter dated June 28, 2024, to pursue other opportunities outside the Organization. The Nomination and Remuneration Committee and the Board formally accepted his resignation during its meeting held on June 28, 2024 and Mr. Bharath Sesha was relieved from his service as a Managing Director of the Company with effect from the close of business hours on August 31, 2024. The Board of Directors and Management placed on record its sincere appreciation for the contribution made by Mr. Sesha towards growth of the Company under his leadership.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on September 20, 2024, inter alia had considered and approved the appointment of Ms. Ashwini Natekar as an Interim Company Secretary and Compliance Officer of the Company with effect from September 20, 2024.

The Board of Directors at its meeting held on November 14, 2024, appointed Mr. Sambit Roy (DIN: 08291664) as an Additional and Managing Director, based on the recommendation of the Nomination and Remuneration Committee effective November 25, 2024 subject to the approval of shareholders. Subsequently, approval of shareholders was accorded for appointment of Mr. Sambit Roy as the Managing Director of the Company through Postal Ballot on January 22, 2025.

Ms. Ashwini Natekar resigned from the position of Interim Company Secretary and Compliance Officer vide letter dated April 17, 2025 effective close of business hours on July 16, 2025, to pursue an alternate career opportunity outside the Organization. Ms. Ashwini Natekar was relieved from her duties with effect from the close of business hours on July 16, 2025.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on July 16, 2025, inter alia considered and approved the appointment of Mr. Adwait Joshi as a Company Secretary and Compliance Officer of the Company with effect from August 01, 2025.

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

1. Mr. Sambit Roy, Managing Director (appointed effective November 25, 2024)
2. Mr. Jugal Sahu, Chief Financial Officer
3. Ms. Amee Joshi, Company Secretary (ceased effective June 30, 2024)
3. Ms. Ashwini Natekar, Interim Company Secretary (ceased effective July 16, 2025)

There were no changes other than those mentioned above in the Key Managerial Personnel of the Company during the year.

12. Audit Committee

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

The details on the composition, meeting, attendance, etc. of the Audit Committee are provided in the Corporate Governance Section of the Annual Report. The Board has accepted all the recommendations of the Audit Committee during the Financial year under review.

Details of the current committee members are also available on website of the Company at <https://heubach.com/heubach-india/investor-relations-india-overview/committee-information/>

13. Number of meetings of the Board

During the year under review, the Board of Directors met 15 (Fifteen) times on April 3, 2024, April 23, 2024, May 1, 2024, May 8, 2024, May 29, 2024, June 28, 2024, July 24, 2024, August 31, 2024, September 20, 2024, October 16, 2024, November 14, 2024, November 29, 2024, January 3, 2025, January 29, 2025, March 29, 2025.

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

14. Conservation of energy, technology absorption, foreign exchange earnings and outgo

As required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the relevant information and data for the year ended March 31, 2025, are annexed to this report as 'Annexure A'.

15. Corporate Social Responsibility

In terms of the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, the Board of Directors of your Company

has constituted a Corporate Social Responsibility (CSR) Committee which constitutes of following members:

Name	Category
Mrs. Diana Dhote	Chairperson
Mr. Kewal Handa	Member
Mr. Sambit Roy (w.e.f. November 25, 2024)	Member
Ms. Anu Wakhlu (w.e.f. August 11, 2025)	Member

Your Company also has a CSR policy in place and the same is available on the website of the Company at www.heubach.com A detailed report as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed as 'Annexure B', forming part of this report.

16. Nomination and Remuneration Policy

The Board has, based on the recommendation of Nomination and Remuneration Committee, framed a policy on Nomination and Remuneration of its Directors and Key Managerial Personnel, which is available on the website of the Company at www.heubach.com

17. Board Evaluation and Familiarization programme

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board has carried out the annual evaluation of its own performance and Board Committees by seeking the input of Directors on various aspects of the Board/Committee Governance. The Board has reviewed the performance of the individual Directors and the Chairperson. The manner in which the evaluation has been carried out is stated in the Corporate Governance Report.

The details of programme for familiarization of the Independent Directors of your Company are available on the Company's website at www.heubach.com

18. Particulars of Employees

As per provisions of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, disclosure pertaining to the particulars of employees who are in receipt of remuneration is annexed as 'Annexure C'.

The statement of particulars of employees pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Annual Report. However, pursuant to proviso to Section 136 (1) of the Companies Act, 2013, the report and accounts are being sent to members excluding this statement of particulars of employees. Any

member interested in obtaining a copy of this statement, may write to Company Secretary at investor.relations-india@heubach.com

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

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

20. Directors' Responsibility Statement

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i. In the preparation of the annual accounts for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as of March 31, 2025 and of the profit and loss of the Company for that period;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts on a going concern basis;
- v. The Directors have laid down Internal Financial Controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. Statutory Auditor & Audit Report

Based on the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on June 17, 2020 approved appointment of M/s. MSKA & Associates, Chartered Accountants (Firm Registration No. 105047W), as Statutory Auditors of the Company in the casual vacancy caused by the resignation of M/s. Price Waterhouse Chartered Accountant LLP, for a term of 5 (Five) years i.e. till the conclusion of 68th Annual General Meeting.

Pursuant to the provisions of Section 139, 142 of the Companies Act, 2013, and Rules made thereunder and based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on July 16, 2025, had approved re-appointment of M/s. MSKA & Associates, (Firm Registration No.: 105047W), Chartered Accountants, as Statutory Auditors of the Company for a term of 5 (Five) years i.e. from the conclusion of 68th Annual General Meeting up to the conclusion of the 73rd Annual General Meeting to be held in the year 2030, subject to approval of Shareholders.

Pursuant to Section 139 of the Companies Act, 2013 and Rules made thereunder, M/s. MSKA & Associates, Chartered Accountants, have confirmed that they are eligible to be re-appointed as Statutory Auditors. A resolution seeking approval of shareholders for re-appointment of M/s. MSKA & Associates as Statutory Auditors forms part of the Notice convening 68th Annual General Meeting. The notes on the Audited Financial Statements referred to in the Auditor's Report are self-explanatory and hence do not call for any further comments.

The Auditor's Report contains the following Qualification for the Financial Year 2024-25:

We draw your attention to the following paragraph included in the audit report of the Company dated July 16, 2025, and reproduced as under:

"We draw attention to Note 16 which describes that the Board of Directors is assessing the effect on the financial results with respect to transfer of certain items of property, plant and equipment without due approval from the Board of Directors. Pending Management review and reconciliation, and in absence of an appropriate valuation of the aforesaid items, we are unable to comment on the consequential effects, if any, on the financial results.

The reply by the Management of the Company to the Statutory Auditors' qualifications is reproduced below, the contents of which are self-explanatory -

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

22. Cost Audit

The Board of Directors, in pursuance of order under Section 148 of the Companies Act, 2013 had appointed M/s. Kishore Bhatia & Associates, Cost Accountants (Firm Registration No. 00294), as Cost Auditors of the

Company to carry out the audit of the cost accounts of the Company for the Financial year 2025-26.

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be ratified by the Shareholders of the Company. Accordingly, resolution seeking Shareholders' approval for ratification of the remuneration to be paid to Cost Auditor is included in the Notice convening the 68th Annual General Meeting.

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

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

23. Secretarial Audit Report

Pursuant to provisions of Section 204 of the Companies Act, 2013, and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s J. R. Ahuja & Co., Company Secretary, as Secretarial Auditor to carry out the Secretarial Audit for the Financial year 2024-25.

The Secretarial Audit Report is annexed herewith as '**Annexure D**'. The Secretarial Auditor Report does not contain any qualification, reservation or adverse remark and is self-explanatory and thus does not require any further comments.

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

In terms of amended Regulation 24A of SEBI Listing Regulations, 2015, the Board at its meeting held on July 16, 2025, has approved the appointment of M/s. J. B. Bhawe & Co., Practicing Company Secretaries, a peer reviewed firm (Peer Review Certificate No. 1238/2021 and UIN S1999MH025400) as the Secretarial Auditor of the Company for a period of five consecutive years commencing from FY2025-26 till FY2029-30, subject to approval of shareholders of the Company at the ensuing 68th Annual General Meeting. Detailed explanatory statement setting out the terms of appointment forms part of the Notice of Annual General Meeting.

24. Internal Financial Controls and their Adequacy

The details in respect of Internal Financial Controls and their adequacy are included in the Management

Discussion & Analysis Report, which forms part of this Report.

25. Internal Auditors

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

26. Extract of Annual Return

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013, the Annual Return in Form MGT-7 as on March 31, 2025, is available on Company's website at www.heubach.com

27. Risk management policy

The Company has a robust Risk Management Policy to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. Many risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis. The Company has framed a Risk Management Policy to manage the risks involved in all activities of the Company, to maximize opportunities and minimize adversities.

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has constituted a Risk Management Committee. Particulars of the committee are provided in the Report on Corporate Governance forming part of this Annual Report.

28. Related Party Transactions

In line with the requirements of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has framed a Policy on Material Related Party Transactions which is available on Company's website at www.heubach.com

All Related Party Transactions entered during the year under review were in ordinary course of business and on arm's length basis. All Related Party Transactions were placed before the Audit Committee for review and approval. Prior omnibus approvals are granted by Audit

Committee for Related Party Transactions which are of repetitive nature, entered in the ordinary course of business and are on arm's length basis.

The disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules 2014 in the Form AOC-2 is annexed as '**Annexure E**' to this report.

29. Particulars of loans, guarantees or investments

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, are given in the notes forming part of Financial Statements.

30. Public Deposits

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

31. Vigil Mechanism/ Whistle Blower Policy

The Company believes in upholding professional integrity and ethical behavior in the conduct of its business. To uphold and promote these standards, the Company has adopted Whistle Blower Policy for its Directors and Employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct without fear of reprisal.

During the year under review, two complaints were received and both these complaints were resolved.

The vigil mechanism / whistle blower policy is available on the Company's website at www.heubach.com

32. Prevention of Sexual Harassment of Women at Workplace

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has the Policy on Prevention of Sexual Harassment at Workplace which is available on the website of the Company at www.heubach.com

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

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

33. Constitution of Internal Complaints Committee

The Company has Internal Complaint Committee (ICC) in place and complied with all the requirements of provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

34. Details in respect of frauds reported by auditors under Sub-Section (12) of Section 143 of the Companies Act, 2013

No matter of actual or alleged fraud has been reported by the auditors under Sub-Section (12) of Section 143 of the Companies Act, 2013.

35. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016, during the year along with their status as at the end of the Financial Year:

Nil, hence not applicable.

36. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof:

Nil, hence not applicable.

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

Sr. No.	Particulars	No. of employees
1.	Male	454
2.	Female	31
3.	Transgender	Nil
Total		485

38. Compliance of provisions of the Maternity Benefit Act, 1961:

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

39. Recognition:

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

40. Other Disclosures

Change in nature of business

During the year, there has been no change in the nature of the business of the company.

Details of deposits which are not in compliance with the Chapter V of the Act:

Nil

41. Acknowledgement

The Board of Directors wishes to place on record its sincere appreciation for the support received from its stakeholders including shareholders, bankers, distributors, suppliers and business associates. The Directors recognize and appreciate the sincere and hard work, loyalty, dedicated efforts and contribution of all the employees that ensured sustained performance in a challenging business environment.

For and on behalf of the Board of Directors

Rajesh Rathi	Sambit Roy
Chairman	Managing Director
DIN (00018628)	DIN (08291664)

Place: Navi-Mumbai,

Date: August 11, 2025



Annexure A

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report

A. Conservation of Energy

(i) Steps taken or impact on conservation of energy:

• Water consumptions optimized by:

- Closely monitoring of daily water consumption report.
- Closely monitoring and controlling of each individual filter press wash water parameter and in- wash water time and quantity.
- Recycling of alkaline wash water collected from filter press, in acidic filter press washing purpose.
- Continuous usage of WWTP treated wastewater for various applications such as – plant floor washing, scrubber system, drum washings, lime solution preparation etc. and maximize its use by finding more scope of its use.
- Monitoring and controlling cooling tower loss.
- Closing loops of water used for water ring vacuum pumps to avoid wastage of water.
- Implementing sensor-based water tap in the washroom area.
- Conducting campaign to close water leakages across the site under TPM.
- Using treated water generated from sewage water treatment plant towards use in the cooling tower and gardening purposes.

• Steam consumption optimized by:

- Weekly monitoring of steam network, including the initiation of replacing defective steam traps using a leak tag system, as well as the regular monitoring and repairing of steam traps.
- Usage of high-pressure filtrations.
- Setting revised target to reduce steam consumption per ton of product.
- Conducting regular steam and air audits.
- Conducing campaign under TPM to close steam and air leakages across sites.
- Implementing steam trap servicing of band dryer and drying chambers by expert external agency.
- Daily monitoring of steam line network for any leakages.
- Utilities consumptions optimized by increasing various batch sizes.

- Consumption of Electrical units reduced per ton of production.

• Electricity consumption optimized by implementing the following:

- Reduction of frequency with VFD for higher HP motor to get desired result without compromising quality and quantity.
- Replaced conventional lights by energy efficient LED lights across pigment plants, plant offices, admin building offices etc.
- Replacement of old AC's by latest energy efficient AC's and usage at optimized temperatures and set on & off system based on timer.
- "Compressed Air audit" Conducted on weekly basis.
- Replacing old motors by energy efficient motors.
- Installed permanent magnet VSD (PM VSD) air compressor.
- VFD based process air compressor to save electricity during load variation.
- Use of gravity flow for effluent handling instead of pumping.
- Disposal of bi-product instead of treating at site has reduced energy consumption.
- Installation of VFD.
- Installed energy efficient pump for effluent transfer.
- Implemented conductivity-based auto-wash system for filter press for conservation of water.
- Installed PP membrane filter plates to increase cake dryness and reduce further energy for drying the product.
- 7.5 MWp Offsite Solar Power Plant is installed for Roha site which has resulted in achieving annual saving of ₹3.62 Crores during the year under review.
- Cuddalore site is on renewable electricity source of Wind + Solar, which has resulted in achieving savings of ₹111.14 Lakhs during the year under review.
- Existing Spin Flash Dryers at Cuddalore site have been converted on LPG fuel as a green energy initiative which has successfully reduced CO₂ emission.
- Electricity consumption is optimized by reducing the Batch Cycle Time at Nagda plant.

• **Improved productivity resulting in energy saving by implementing following:**

- Reduction in drying time at tray dryers and RVDs by optimizing drying temperature.
- Water batching system modification for consistent water supply which has reduced the batch cycle time.
- Additional chlorine tonner operation implemented which eliminated cylinder changeover time.
- A4R ACM 30 – Introduced 5 Micron Cartridge Filter for better Milling Operation.
- Direct Fired HAG was introduced for one SFD to minimize LPG consumption.
- Process operation was optimized in chloranil plant to reduce the batch cycle time.
- MCB Solvent consumption reduced by 20 % in Intermediate Plant.
- INT Conversion Cost reduced by 10%.
- INT Plant Hypo concentration increased to 8.2% from 6%.
- Reduced the milling passes without affecting quality resulting electricity saving at Nagda plat.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

- Usage of higher calorific value LPG instead of Bio Diesel for hot air generator which resulted in environment benefit and cost savings.
- Usage of LSHS oil as fuel instead of furnace oil.
- Usage of briquette as green fuel for steam generation.
- Renewable solar power supply at the Roha site.
- Renewable hybrid (solar and wind) power supply at the Cuddalore site.
- In preparation plant air operated pumps for bead mills were replaced with electrically operated pumps which resulted in air consumption optimization.

(iii) Capital investment in energy conservation equipment: ₹195 Lakhs.

B. Technology Absorption

(i) The efforts made towards technology absorption:

- Polyelectrolyte was used at WWTP water at primary treatment and secondary treatment side to get maximum solid content on disposal of solid waste.
- Use of bag compactor machine to pack the waste bags to minimize the space occupation.
- Instrument control for consistent quantity of water to the reactor based on chlorine consumption to complete the reaction in time with quality.
- Auto changeover of LPG header manifold without manual intervention and also triggering of SMS

to concerned person on leakage of LPG and Manifold empty.

- Installed HDPE drum shredding machine at Roha for enabling plastic recycle.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

- Batch cycle and quality was improved by maintaining the chlorine gas pressure consistent by introducing control valve-based pressure transmitter.
- Use of double blow leg in the reactor for more absorption of chlorine gas to reduce the cycle time.
- Recovery and reuse of Methanol and MTT from crude generated during process.
- 25 m³ coupling vessels replaced with 60m³ coupling vessels.
- Increased the number of plates in filter press to accommodate additional feed.
- Provided a separate header and feed lines facility to Filter Press so primary and secondary sludge could be discarded smoothly which may hamper operation of WWTP and final quality of treated effluent.
- Usage of Poly Aluminium Chloride (PAC) which is by-product of Mahad unit and started using a coagulant in place of Alum which will result in significant WWTP treatment cost.
- By Reducing the milling passes without affecting quality resulting electricity saving at Nagda plant.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Nil

(iv) The expenditure incurred on Research and Development: Nil

C. Foreign exchange earnings and outgo:

The particulars of foreign exchange earned and used during the year is given below:

The Foreign Exchange earned **₹26,238.80 lakhs (previous period ₹25,003.10 lakhs)**

Foreign exchange used **₹11,273.09 lakhs (previous period ₹12,226.64 lakhs)**

For and on behalf of the Board of Directors

Rajesh Rathi

Chairman
DIN (00018628)
Place : Navi-Mumbai,
Date: August 11, 2025

Sambit Roy

Managing Director
DIN (08291664)



Annexure B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

(Particulars required as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time)

1. Overview of Corporate Social Responsibility

a. Brief outline on CSR Policy of the Company

The CSR Policy of the Company has been framed in accordance with Section 135 of Companies Act 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014 as amended from time to time The Policy is applicable to all our sites and offices in India and the emphasis is towards allocation of resources and employee engagement to the marginalized groups in the society.

The Company's CSR Vision is based on tenets of trust, fairness, and care. Following are the keystones to Company's CSR Philosophy.

- To actively initiate projects and/ or participate in projects that together make us the local lighthouse of the region which significantly improves the lives of the people where we operate and are present.
- To provide vocational training and impart skilling to enhance the livelihood and skills of people who are primarily from the unorganized sector.
- Commitment in creating social and economic value as a corporate citizen and encourage employees to participate and contribute to various CSR programmes.
- To manage our operations using principles of sustainable development to minimize resource footprint and protect health and safety of all the stakeholders.

The Company believes in responsible growth and thus undertakes CSR initiatives that will be effective to the communities and the environment in which we operate.

b. Activities

Areas around which the Company focuses its CSR initiatives and channelizes the resources on a sustained basis is as follows:

- Health and Hygiene: Primary health care support through infrastructure support, building awareness about hygiene, sanitation, clean habits etc.
- Disaster Management: Relief, rehabilitation and reconstruction activities, mitigating the effects of crisis created by natural disasters, pandemic or likewise and partnering with government authorities and local partners to support the communities.
- Enhancing Vocational Skills: Specialized vocational training and skill-based training to women enabling them to secure better employment opportunities.

- Education: Enabling initiatives that support in providing education to the children in the communities that we operate in. The interventions include infrastructure building, support with tutoring for children etc.

The CSR areas are monitored and reviewed by the Management, CSR committee and the Board of Directors, from time to time. All CSR initiatives/ projects/ programs/ activities fall under the purview of Schedule VII of the Companies Act, 2013 and Sustainable Development Goals (SDG).

c. Governance

We have a dynamic structure in place for effective implementation of CSR projects and activities. The implementation of all activities is taken under guidance of the Board of Directors. The Board has empowered the CSR Committee to closely monitor and report its progress. The Company adopts a comprehensive approach while initiating, implementing, monitoring, and utilizing the CSR budgets. The commitment is ensured at the beginning of the year and the budgets are allocated as per the long term and short-term projects of each site, under the supervision of CSR Committee and the Board.

The Company undertakes the CSR either on its own or jointly along with any other companies, and/ or in collaboration with its stakeholder which includes the NGOs, local communities, and district authorities.

2. Composition of CSR Committee

The composition of the CSR Committee is in compliance with the Act and the CSR Rules. The Composition of the Committee and attendance of the Members at meetings held during the year is as below:

Sr. No.	Name of Member	Position held	Number of Meetings of CSR Committee	
			Held	Attended
1.	Mrs. Diana Dhote	Chairperson	1	1
2.	Mr. Bharath Sesha (upto August 31, 2024)	Member	1	1
3.	Mr. Kewal Handa	Member	1	1
4.	Mr. Sambit Roy (with effect from November 25, 2024)	Member	NA	NA

3. Web-links where CSR related information of the Company is available:

- a) Composition of the CSR Committee: <https://www.heubach.com/heubach-india/investor-relations-india-overview/committee-information/>
- b) CSR Policy: <https://admin.heubach.com/wp-content/uploads/2024/04/CSR-Policy.pdf>
- c) CSR projects (approved by the Board of Directors): <https://admin.heubach.com/wp-content/uploads/2025/08/CSR-Annual-action-plan-24-25.pdf>

- 4.** Impact assessment of CSR projects carried out in pursuance of Sub-Rule (3) of Rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014: **Not Applicable**

11. CSR expenditure

(a) CSR amount spent or unspent for the Financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
₹1,02,21,826/-	Nil	NA	NA	NA	NA

- (b) Details of CSR amount spent against **ongoing projects** for the Financial year: Nil

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation (Direct / Indirect)	Mode of implementation Direct - Through implementing agency	
				State	District			Name	CSR registration number
1	Empowering Women 1. Sewing Machines for needy women at Vicinity Gram panchayat 2. Domestic Flour Mills for needy women Kolad. 3. Bicycles for remote area girl students at Dhatav High School 4. Construction of Classroom at M B More Arts Science Commerce Women College	(i)	Yes	Maharashtra	Roha	11,07,628/-	Direct	None	NA
2	Health & Hygiene 1. Gymnasium Equipment for youth at Killa Village 2. Water Purifier System at R Z P School Kolad 3. Washroom for Girls at New English School Kokban 4. Washroom for Girls at R Z P School Aare Khurd 5. Constructing shed at Dhatav Police Station Premises	(ii)	Yes	Maharashtra	Roha	5,84,004/-	Direct	None	NA

- 5.** Details of the amount available for set off in pursuance of Sub-Rule (3) of Rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the Financial year: **Not Applicable**

- 6.** Average Net Profit of the Company as per Section 135(5): **₹51,04,74,000/-**

- 7.** Prescribed CSR Expenditure (2% of the amount as in item 6 above): **₹1,02,09,480/-**

- 8.** Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

- 9.** Amount required to be set off for the Financial Year: **Nil**

- 10.** Total CSR obligation for the Financial Year (7+8-9): **₹1,02,09,480/-**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation (Direct / Indirect)	Mode of implementation Direct - Through implementing agency	
				State	District			Name	CSR registration number
3	Promoting Education - Construction of Washroom for Ladies at New English School Chanera - Construction of Science Lab for students at R M Wagle Medium School- Dhamansai - Construction of Classroomat M B Patil English School- Varse - Education Infrastructure Development at J M Rath English School - Roth	(iii)	Yes	Maharashtra	Roha	20,85,792/-	Direct	None	NA
4	Environment Branding of Waste Collection Vehicle	(i)	Yes	Maharashtra	Roha	1,207/-	Direct	None	NA
5	Empowering Women Tailoring project in Kudikadu location	(i)	Yes	Tamil Nadu	Cuddalore	1,18,016/-	Direct	None	NA
6	Health & Hygiene - Providing medical equipment Cuddalore Govt General Hospital. - Blood Donation and Health promotion camp organized in Cuddalore Govt Hospital. - Provide ECG machine(1no) and inverter (1no)for Thondamanatham Govt primary health centre. - R.O. Plant for Patient and other equipment at Govt. Hospital- Kannarapettai. - Providing medical equipment and RO drinking water to Cuddalore Govt General Hospital. - Arranging for the medical camp(Eye)-Surrounding the villages from Aravind Eye hospital -Pondicherry Sothikuppam Village.	(iii)	Yes	Tamil Nadu	Cuddalore	13,03,134/-	Direct	None	NA
6	Health & Hygiene - Providing medical equipment Cuddalore Govt General Hospital. - Blood Donation and Health promotion camp organized in Cuddalore Govt Hospital. - Provide ECG machine(1no) and inverter (1no)for Thondamanatham Govt primary health centre. - R.O. Plant for Patient and other equipment at Govt. Hospital- Kannarapettai. - Providing medical equipment and RO drinking water to Cuddalore Govt General Hospital. - Arranging for the medical camp(Eye)-Surrounding the villages from Aravind Eye hospital -Pondicherry Sothikuppam Village.	(iii)	Yes	Tamil Nadu	Cuddalore	13,03,134/-	Direct	None	NA

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation (Direct / Indirect)	Mode of implementation Direct - Through implementing agency	
				State	District			Name	CSR registration number
7	Promoting Education - Sothikuppam Evening Learning centre running project and distributing notebooks to students. - Installing CCTV on the playground in Nellikuppam Govt Girls High School. - Painting - to Kudikadu Middle School infrastructure - Provide school bench, computer and Cupboards to Sothikuppam Govt High School. - Govt school Classroom - Infrastructure / Construction of class room - As per advice of CEO (Chief Education Officer) Cuddalore	(IV)	Yes	Tamil nadu	Cuddalore	18,83,050/-	Direct	None	NA
8	Environment 1. Tree plants for tree plantation	(i)	Yes	Madhya Pradesh	Nagda	14,172/-	Direct	None	NA
10	Health & Hygiene 1. Girls & Boys school new toilet Rupeta 2. Girls school damaged flooring work Bhdla 3. Distribution of Cotton sweaters to Uchaheda School	(ii)	Yes	Madhya Pradesh	Nagda	11,06,105/-	Direct	None	NA
11	Promoting Education - Medical books & Project material for CSR - School Bag & Compass box - CCTV Camera work - CSR - Wooden plywood writing table	(iii)	Yes	Madhya Pradesh	Nagda	2,20,492/-	Direct	None	NA
12	Women Empowering - USHA Sewing Machines with Stand. - Sewing Machine Training honorium		Yes	Madhya Pradesh	Nagda	90,270/-	Direct	None	NA
13	Health & Hygiene - Helen Keller institute of deaf and blind (Swimming pool / roof and Open Gym) - TRIUMPH Blood Centre Thane 8 Thalassaemic patients and 100 NAT Test	(i)	Yes	Maharashtra	Jui Nagar Navi Mumbai	15,11,256/-	Direct	None	NA
14	Promoting Education Sponsor for International Conference on Computing STEM and Applied Sciences to be held at Birla College, Kalyan	(ii)	Yes	Maharashtra	Jui Nagar Navi Mumbai	1,00,000/-	Direct	None	NA
15	Environment Sustainability Earthen Routes - Voluntary Participation to plant vegetables, herbs and donated fertilizer.	(iii)	Yes	Maharashtra	Jui Nagar Navi Mumbai	96,700/-	Direct	None	NA
Total						1,02,21,826/-			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not applicable for FY 2024-25 as per the provisions of the Companies Act, 2013 and Rules made thereunder



(f) Total amount spent for the Financial Year: ₹1,02,21,826/-

(g) Excess amount for set off in succeeding financial years, if any: ₹12,346/-

i. Unspent CSR Expenditure

(a) Details of Unspent CSR amount for the preceding three Financial years:

Sr. No.	Financial Year	Amount transferred to Unspent CSR Account under section 135 (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(5), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Nil							

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

ii. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial year: Not applicable

iii. Reason(s) for not spending the amount at 7: Not applicable for FY 2024-25

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

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

For and on behalf of the Board of Directors

Mrs. Diana Dhote

Chairperson
DIN: 10558367
Place: Navi Mumbai
Date: May 29, 2025

Mr. Sambit Roy

Managing Director
DIN:08291664

Annexure C

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. The ratio of remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each director for the financial year 2024-25:

Median Salary for FY 2024-25 is ₹7,25,148/-

Name	Total remuneration (in ₹)	Ratio	% increase in remuneration
Mr. Ravi Kapoor	Nil	NA	NA
Mr. Bharath Sesha	1,63,00,899/-	22:1	Not Comparable
Mr. Sambit Roy	1,13,39,411/-	16:1	Not Comparable
Mr. Jugal Sahu	2,09,29,029/-	29:1	124.0
Mr. Sunirmal Talukdar	5,00,000/-	1:1	(58.3)
Mr. Kewal Handa	5,00,000/-	1:1	(50.0)
Mrs. Diana Dhote	5,00,000/-	1:1	Not Comparable
Ms. Amee Joshi	64,99,761/-	9:1	Not Comparable
Ms. Ashwini Natekar	5,57,695/-	1:1	Not Comparable

Notes:

- Mr. Bharath Sesha resigned effective August 31, 2024.
- Mr. Sambit Roy was appointed effective November 25, 2024.
- Ms. Amee Joshi resigned as a Company Secretary and Compliance Officer effective June 30, 2024.
- Ms. Ashwini Natekar was appointed as an Interim Company Secretary and Compliance Officer effective September 20, 2024 and resigned effective July 16, 2025..
- Remuneration paid to Mr. Bharath Sesha, Mr. Sambit Roy and Mr. Jugal Sahu includes PLVA, special incentive, as the case may be and does not contain Commission as it is not paid to the Executive Directors.
- Remuneration paid to Ms. Amee Joshi and Ms. Ashwini Natekar includes PLVA, special incentive, as the case may be.
- Remuneration relating to Non-Executive and Independent Directors includes commission which is proposed to be paid for FY 2024-25.

ii. The percentage increase in the median remuneration of employees in the financial year: 8.7%

iii. The number of permanent employees on the rolls of Company as on March 31, 2025: 485

iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average Percentile Increase for other than managerial personnel: 9.24%

Average Percentile Increase for managerial personnel: 21.62%

v. It is affirmed that the remuneration paid during the year under review is as per the remuneration policy of the Company.

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

Sr. No.	Name and Age (in years)	Designation	Nature of Employment	Total Remuneration (in ₹)	Qualification and Experience (in years)	Date of Commencement of Service	Last employment held before joining the Company
1.	Mr. Bharath Sesha	Managing Director (upto August 31, 2024)	Permanent Employee	1,63,00,899/-	Engineering with Management Degree - Institute for Technology and Management, Chennai. Master's in International Management - Thunderbird School of Global Management, USA. (over 20 years)	April 23, 2022	Diverse experience across multiple sectors, including life sciences, industrial, and material sciences.
2.	Mr. Sambit Roy	Managing Director (effective November 25, 2024)	Permanent Employee	1,13,39,411/-	B.E. Chemical (29 years)	January 02, 2002	Kesoram Rayon (BK Birla)
3.	Mr. Jugal Sahu	Executive Director and Chief Financial Officer	Permanent Employee	2,09,29,029/-	FCA, ACS, CMA and CIMA (UK) (29 years)	June 01, 2022	JSW Steel Limited

- The gross remuneration includes Salary, PLVA, Company's contribution to Provident Fund and Superannuation Scheme, Leave Travel Allowance, Medical, House Rent Allowance, Pension and value of perquisites in respect of car facility, which is calculated in accordance with the provisions of the Income Tax Act, 1961, and the Rules made thereunder.
- The conditions of employment are contractual.
- Other terms and conditions are as per the rules of the Company.
- In terms of Rule 5(2)(iii) of the Companies (Appointment and Remuneration) Rules, 2014, it is clarified that during the Financial Year under review, no employee of the Company was in receipt of remuneration in that year, which in the aggregate or as the case may be at a rate which in the aggregate is in excess of that drawn by the Working Directors and holds himself / herself along with their spouse and dependent children not less than 2% of the equity shares of the Company.
- None of the employees / Directors mentioned above are related to any other Director in terms of the provisions of The Companies Act, 2013 and Rules made thereunder and SEBI Listing Regulations, 2015. 1,960 equity shares of the Company are being held in the name of Jugal Sahu HUF of which Mr. Jugal Sahu is the Karta.
- Details of remuneration of top 10 employees other than Directors which form part of the Directors' Report, will be made available to any member on request, in terms of provision of Section 136(1) of the Companies Act, 2013.

Annexure D

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2025

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

To
The Members
Heubach Colorants India Limited
Rupa Renaissance, B Wing, 25th Floor, D-33,
MIDC Road, TTC Industrial Area, Juinagar,
Navi Mumbai 400705 India
CIN: L24110MH1956PLC010806

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Heubach Colorants India Limited, (hereinafter called as the 'Company'). This Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025, 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:

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

- The Companies Act, 2013 (Act) and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- 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 read with Amendments;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (no event to report)
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (no event to report)
 - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 read with Amendments, regarding the Companies Act and dealing with client;
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (no event to report)
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (no event to report)
- The other laws that are applicable specifically to the Company are as follows:
 - Factories Act, 1948;
 - Environment Protection Act, 1986 and other applicable environmental laws;
 - Hazardous Waste (Management and Handling) Rules, 1989 and Amendment Rules, 2003;

- All applicable labour laws including Industrial Disputes Act, 1947, Minimum Wages Act, 1948, Employees' Provident Fund & Miscellaneous Provisions Act, 1952, etc.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through, with no dissenting members for any agenda item at the Board Meetings held during the period under review

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the year under review, M/s Sudarshan Europe BV, which is the wholly owned company of M/s Sudarshan Chemical Industries Limited along with M/s Sudarshan Chemical Industries Limited acquired Global Pigment Business Operations of Heubach Group. Consequently, M/s Sudarshan Chemical Industries Limited became the ultimate holding company of the Company by way of indirect holding of 54.36% shareholding in the Company.

There was a delay in submission of audited financial results for the quarter and year ended on March 31, 2025 as the finalization of accounts and audit was under process and dais results were considered and approved by the Audit Committee and Board of Directors at its meeting held on July 16, 2025 and necessary formalities and submissions were completed as per the statutory requirements. BSE and NSE had imposed fine on the Company attributable to the said delay and the Company has paid the said fine within the timeline as specified by the Stock Exchanges.

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.

For **J.R. Ahuja & Co.**
Company Secretary

Jagdish Ahuja
Proprietor

FCS No. 9079; C.P. No. 10563
Peer Review Certificate

Date: August 11, 2025
Place: Mumbai

No. 1877/2022
UDIN: F009079G000973251

To
The Members
Heubach Colorants India Limited
Rupa Renaissance, B Wing, 25th Floor, D-33,
MIDC Road, TTC Industrial Area, Juinagar,
Navi Mumbai 400705 India
CIN: L24110MH1956PLC010806

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

1. Maintenance of secretarial record is responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about correctness of the contents of the secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of account of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
4. Wherever required, I obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of the corporate and other laws, rules, regulations, norms and standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither as assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **J.R. Ahuja & Co.**
Company Secretary

Jagdish Ahuja
Proprietor

Date: August 11, 2025
Place: Mumbai

FCS No. 9079; C.P. No. 10563
Peer Review Certificate No. 1877/2022



Annexure E

FORM 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

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

1. Details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2025:

(₹ in Lakhs)						
Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions	Date(s) of approval by the Board, if any:	Amount paid as advances, if any	Value
Sudarshan Singapore SLO Pte. Ltd. (formerly known as Heubach Colorants Singapore Pte. Ltd.)	Sale of finished goods as per the purchase order raised from time to time.	Ongoing	Ordinary course of business and at arm's length price	-	-	13,063

For and on behalf of the Board of Directors

Rajesh Rathi
Chairman
DIN (00018628)
Place: Navi Mumbai
Date: August 11, 2025

Sambit Roy
Managing Director
DIN (08291664)

Business Responsibility and Sustainability Reporting

INDEX

Section A	General Disclosures
Section B	Management and Process Disclosures
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
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect and make efforts to protect and restore the environment
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Principle 8	Businesses should promote inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner

Section A: General Disclosures



I. Details of Heubach Colorants India Limited

Heubach Colorants India Limited (HCIL), formerly known as Clariant Chemicals (India) Limited, was established in 1956 and has since evolved into a global leader in color chemistry and material science. With a strong legacy and deep expertise in pigment manufacturing, HCIL is committed to driving innovation and sustainability across the industry.

Sustainability is embedded in HCIL's core values and strategic vision. In response to global challenges such as resource scarcity, demographic shifts, and climate change, the Company takes proactive responsibility for people, the environment, and the communities it serves. Through collaborative efforts with customers, partners, and suppliers, HCIL aims to transform the pigment industry toward a greener future ensuring that "All colors are green."

Q. No. Details Required		
1.	Corporate Identity Number (CIN) of the Listed Entity	L24110MH1956PLC010806
2.	Name of the Listed Entity	Heubach Colorants India Limited, formerly known as Clariant Chemicals (India) Limited
3.	Year of Incorporation	1956
4.	Registered office address	Rupa Renaissance, B Wing, 25 th Floor D-33, MIDC Road, TTC Industrial Area Juinagar, Navi Mumbai 400705 India
5.	Corporate office address	Rupa Renaissance, B Wing, 25 th Floor D-33, MIDC Road, TTC Industrial Area Juinagar, Navi Mumbai 400705 India
6.	E-mail	investor.relations_india@heubach.com
7.	Telephone	022 20874406
8.	Website	www.heubach.com
9.	Financial year for which reporting is being done	FY 2024-25
10.	Name of the Stock Exchange (s) where shares are listed	BSE Limited & National Stock Exchange of India Limited
11.	Paid-up Capital (₹ in lakhs)	23,08,17,980

Q. No. Details Required		
12.	Name and contact details (telephone, email address) of the person for BRSR Reporting	Mr. Jugal Sahu Executive Director & Chief Financial Officer jugal.sahu@heubach.com 022 – 2087 4406
13.	Reporting boundary	As the Company does not have any subsidiaries, the Business Responsibility & Sustainability Report has been prepared on a standalone basis.
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. Products/Services

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

Sr. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1	Manufacturing and sale of synthetic organic coloring matter	Manufacture of organic, pigment preparations, dyes and specialty materials for various applications	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's turnover)

Sr. No.	Product/Services	NIC Code	% of total turnover contributed
1	Manufacture of organic, pigment preparations, dyes and specialty materials for various applications	20114	89%

III. Operations

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

Sr. No.	Location	Number of plants	Number of offices	Total
1.	National	3	2	5
2.	International	Nil	Nil	Nil

19. Markets served by the entity

a. Number of locations

Sr. No.	Locations	Number
1.	National (Number of states)	27
2.	International (Number of countries)	4

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

Out of total revenue 81,803.79 Lakhs INR on a standalone basis for the year 2024-25, the percentage of revenue from exports contribute to 32.19% (26,259 Lakhs INR).

c. A brief on types of customers

We serve a broad spectrum of industries for our high-performance organic and inorganic pigments, as well as pigment preparations. Our product portfolio encompasses approximately 500 offerings tailored to cater diverse coating applications. An overview of our key product categories and their applications can be found hereunder:

Sr. No.	Category	Applications
1	Coatings	Automotive coatings, coil coatings, corrosion protection, exterior paints & plasters, floor coatings, industrial coatings, interior decorative paints, point of sale, powder coatings, road marking & traffic paints and wood coatings.
2	Corrosion Protection	Anti-corrosive pigments for steel, protective coating alternatives for chrome based anti-corrosives and zinc free anti-corrosive pigments
3	Plastics	Automotive plastics, construction & electrical, consumer goods, fiber and packaging
4	Printing & digital printing	Ink jet, printing for packaging, publication, specialty printing and toner

Sr. No.	Category	Applications
5	Special applications	Home & fabric care, personal care, seed coloration & crop protection, aluminium anodizing dyes & chemicals, stationery, viscose coloration, latex coloration, leather and paper coloration, concrete & plaster

For more details, please visit the website <https://heubach.com/products-applications/>

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total(A)	Male		Female	
			No. (B)	%(B/A)	No. (C)	%(C/A)
Employees						
1	Permanent (D)	225	198	88%	27	12%
2	Other than Permanent (E)	21	18	86%	3	14%
3	Total employees (D+E)	246	216	88%	30	12%
Workers						
4	Permanent (F)	260	257	99%	3	1%
5.	Other than Permanent (G)	649	616	95%	33	5%
6.	Total workers (F+G)	909	873	96%	36	4%

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total(A)	Male		Female	
			No. (B)	%(B/A)	No. (C)	%(C/A)
Differently Abled Employees						
1	Permanent (D)	1	1	100%	0	NA
2	Other than Permanent (E)	0	0	NA	0	NA
3	Total differently employees (D+E)	1	1	NA	NA	NA
Differently Abled Workers						
4	Permanent (F)	0	0	NA	0	NA
5	Other than Permanent (G)	0	0	NA	0	NA
6	Total differently abled workers (F+G)	0	0	NA	0	NA

21. Participation/Inclusion/Representation of women

	Total		No. and percentage of Females	
	No. (A)		No. (B)	% (B/A)
Board of Directors	6		1	17%
Key Management Personnel	3		1	33%

22. Turnover rate for permanent employees and workers

	FY 2025 (Turnover rate in Current Year)			FY 2024 (Turnover rate in Previous Year)			FY 2023 (Turnover rate in the prior to previous year)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	18.67%	36.07%	20.94%	18.78%	28.57%	20.00%	17.66%	19.05%	17.80%
Workers	3.87%	28.57%	4.20%	6.27%	0.00%	6.20%	5.64%	0.00%	5.59%



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

23. Names of holding / subsidiary / associate companies / joint ventures

Sr. 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.	Heubach Holding Switzerland AG (formerly Colorants International AG)	Holding	36.56%	No
2.	Heubach EBITO Chemieeteiligungen AG (formerly EBITO Chemieeteiligungen AG)	Holding	17.80%	No

VI. CSR details

24. i. Whether CSR is applicable as per section 135 of Companies Act, 2013:

ii. If yes, Turnover – (in ₹) 82,506 Lakhs

iii. Net worth - (in ₹) 52,334 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 (NGBRC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	https://heubach.com/heubach-india/investor-relations-india-overview/	0	0	NA	0	0	NA
Investors		0	0	NA	0	0	NA
Shareholders		7	Nil	Nil	4	Nil	Nil
Employees		0	0	NA	0	0	NA
Workers		3	0	NA	3	0	NA
Customers		241	0	NA	26	2	NA
Value Chain Partners (Suppliers, Vendors, Contractors, Transportators, Indirect Material Suppliers etc)		38	0	NA	36	0	NA
Other (please specify)							

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

Sr. 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)
Environment					
1	Carbon emission	Risk	- Higher carbon footprint of the products has negative impact on sales and revenue generation as customers are preferring lesser carbon footprint products. - Climate change poses significant physical and transition risks to operations and supply chain of the Company. - Global swift towards low carbon economy and sustainable practices leads to change in existing technologies to align with the requirements	- Conduct Life Cycle Assessment (LCA) of products to estimate the carbon footprint. - Deploy eco-friendly technologies and processes to reduce the carbon footprint of the products. - Switch to renewable energy and replace fossil fuels with cleaner fuels. - Conduct energy audit and implement energy conservation measures. - Implement risk mitigation plan for the identified risks of physical and transition risks of climate change.	Negative
2	Circular economy (Waste & Water Management)	Opportunity	Waste Management: - Promoting sustainable waste management practices (Reduce, Reuse & Recycle) reduces the dependency on natural resources and also conserves energy associated with raw material extraction, processing and transportation. - Recycling and reuse of waste reduces waste disposal costs and also mitigates the environmental risks arising due to waste disposal. Water Management: 100% of treatment and reuse of treated wastewater in various industrial applications helps in mitigating water related risks. - Conservation of water helps in reducing the water procurement, treatment & disposal costs of wastewater.	- Enhance the recycling of waste by identifying the end use applications. - Optimize raw material consumption for resource conservation and to reduce waste generation. - Improve the treated wastewater parameters to reuse within the operations and reduce the dependency on freshwater resources. - Implement water conservation measures through deployment of water efficient technologies and processes etc. - Conduct water audits and identify the areas for water conservation. Practice rainwater harvesting.	Positive

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Sustainable Innovation	Opportunity	• Innovation leads to production of greener and sustainable products which has high market potential due to increase in the environmentally conscious customers. • Innovation of new pigment products with improved characteristics such as better color, intensity, durability and resistance to fading shall have high customer acceptance and helps in business growth and expansion. • Conservation of resources can be achieved through use of alternative and recycled materials in the product development.	• Invest in research and development of products with lesser environmental footprint and more sustainable. • Collaborate with research institutes to leverage their expertise, resources and knowledge to develop breakthrough innovations.	Positive
Social					
4	Occupational Health & Safety	Risk	• Operations at manufacturing facilities involve working with heavy machinery & equipment and exposure to higher temperatures, chemical & physical hazards which may pose health & safety risks to employees and workers. • Health & safety related incidents may hamper the operations of the company leading to lesser productivity. • Non-compliance to health & safety standards may lead to legal actions by the regulatory agencies as per the local laws.	• Identify and mitigate the health & safety related risks through Risk Assessment and Hazard Identification process. • Conduct safety audits to identify & mitigate health & safety related risks. • Conduct regular training programs to employees and workers on health & safety practices. • Provide necessary treatment to employees and workers by diagnosis of occupational and non-occupational health diseases. • Improvement in ergonomics and implement 5S at workplace to mitigate the health & safety related risks. • Ensure Personal Protective Equipment (PPE) is mandatory to all employees and workers prior to entry into plant premises.	Negative

Section B: Management and Process Disclosures



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

Policy and Management processes

Points	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. (a) Whetheryourentity'spolicy/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) WebLinkofthePolicies,ifavailable	The link (https://heubach.com/heubach-india/investor-relations-india-overview/policies/) contains the following 15 policies:								
	• Heubach Code of Conduct • Detail of Training Imparted to Independent Directors • HCIL Vigil Mechanism Policy • HCIL Policy on Preservation of Documents • HCIL Related Party Transaction Policy • HCIL Draft Letter of Appointment of Independent Director • HCIL Prohibition of Insider Trading Policy • HCIL Familiarization Programme • HCIL Code of Conduct for Board of Directors and Senior Management • HCIL Code for Independent Directors • HCIL Corporate Social Responsibility (CSR) Policy • HCIL Policy on Materiality of Events • HCIL Risk Management Policy • HCIL Dividend Distribution Policy • HCIL Nomination & Remuneration Policy								
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, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Principle 2: • ISO 9001:2015 (Quality Management Systems) • ISO 14001:2015 (Environmental Management Systems) • ISO 50001:2018 (Energy Management Systems) • UN Global Compact • The Chemical Industry Responsible Care Initiative • Global labelling Mgt GLM Tool Principle 3: • ISO 45001:2018 (Occupational Health & Safety Management System) Principle 4: • Membership of Bombay Chambers of Commerce • Indian Chemical Council								

Sr. 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	Operations & Supply Chain	Opportunity	• Improves operational efficiency by promoting circular economy, energy conservation and conservation of resources. • Responsible and ethical sourcing of raw materials mitigates environmental risks arising from the extraction of raw materials. • Implementation of sustainable supply chain management practices mitigates the business disruption related risks in the value chain of the Company.	• Implement sustainable supply chain management practices to mitigate supply chain related business disruptions and associated risks. • Diversify the suppliers and modes of transportation to mitigate the supply chain risks during adverse conditions. • Assess the suppliers on environmental, social and governance parameters. • Ensure HCIL responsible sourcing policy is adopted by all value chain partners of the Company.	Positive
6	Talent management	Opportunity	• Enhancing the skills of the employees and workers fosters innovation, improve productivity and operational performance of the company. • Retention of talented employees and workers with required skill set, experience and expertise improves the overall performance of the Company and ensures sustainable growth.	• Identify skill gaps and enhance the skills by conducting necessary technical and leadership training programs. • Implement robust hiring system to hire talented people. • Provide necessary support to employees and workers to motivate, empower and achieve their career aspirations.	Positive
Governance					
7	Business Ethics	Opportunity	• Implementation of robust governance practices and ensuring utmost integrity, accountability and transparency helps in achieving long-term growth and success of the Company. • Operating the business in an ethical and transparent manner in compliance with the local regulatory requirements mitigates business risks and enhance the reputation & brand value for the Company.	• Conduct due diligence on ethics and compliance-related matters. • Ensure adherence to all applicable laws and regulations. • Maintain strict compliance with the Company's Code of Conduct. • Implement an enterprise-level risk management framework to address ESG-related risks. • Establish robust systems and practices to prevent non-compliances.	Positive
8	Succession Plan	Opportunity	• Implementation of succession planning helps in smooth transition of leadership roles avoiding disruption of business operations. • Upcoming future leaders are aligned with the Company's strategic goals, targets & commitments facilitating long term execution of business strategies.	• Implement a robust leadership succession plan by identifying critical roles across the organization. • Develop a detailed succession roadmap outlining role transitions, timelines, and procedures. • Establish mitigation measures to manage business continuity risks during leadership transitions.	Positive

Points	P1	P2	P3	P4	P5	P6	P7	P8	P9
5	Principle 6: • OEKO-TEX • Eco Passport Certification • SDG Initiative								
	Principle 8: • As per CSR rules defined under the Companies Act, 2013								
	Principle 9: • ISO 18001 (Occupational Health & Safety) • ISO 172025:2017 (Testing and Calibration Laboratories Standard)								
	The Company has identified its key ESG priorities through a structured materiality assessment and integrated them into its overall business strategy. Progress on ESG-related commitments, goals, and targets is reviewed by the CSR and Risk Management Committee and reported to the Board on a periodic basis. The Company has set the following targets to be achieved by 2030, with FY2019 as the baseline year:								
	• 3% reduction in total water intake • 10% reduction in wastewater generation • 10% reduction in specific hazardous waste generation • 10% reduction in specific energy consumption • 10% reduction in specific direct CO₂ emissions • 10% reduction in specific water discharge • Implement sustainable water management practices at its manufacturing sites located in Roha, Cuddalore, and Nagda.								
6	Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.								
	Yes, the performance on ESG goals and other relevant details are disclosed in this Annual Report FY 2024-25.								

Governance, leadership, and oversight

7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	Sustainability remains integral to Heubach Colorants India Limited’s (HCIL) corporate strategy driving innovation, product life-cycle stewardship, and circular economy solutions that collectively reduce our environmental footprint and enhance long-term value creation. In FY25, we continued to advance our environmental agenda by improving energy-use efficiency and accelerating the transition to cleaner fuels. Our water stewardship programs at Roha, Cuddalore, and Nagda sites made measurable progress in optimizing water intake, discharge, and reuse. These efforts are aligned with our 2030 sustainability commitments (baseline: 2019), which include targeted reductions in specific energy consumption, direct CO₂ emissions, freshwater usage, wastewater generation, and hazardous waste volumes. These goals guide site-level action plans and performance reviews, ensuring accountability and continuous improvement. We remain committed to delivering high-quality, resource-efficient products that support our customers in achieving their own sustainability objectives. Over 90% of our production sites continue to be certified under ISO 9001, ISO 14001, and ISO 45001, reflecting our disciplined approach to quality, environmental management, and occupational health and safety. As a signatory to the UN Global Compact and an active participant in Responsible Care, we uphold global principles of human and labor rights, anti-corruption, and responsible environmental practices across our value chain. These affiliations reinforce our commitment to ethical governance and sustainable operations. Our people agenda is centered on health and safety, inclusion, and capability development. We invest in leadership and skill-building programs to empower our workforce and foster a culture of innovation and collaboration. Through our Corporate Social Responsibility (CSR) initiatives, we continue to deliver meaningful outcomes for marginalized and vulnerable communities, contributing to inclusive and equitable societal progress.
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8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Oversight of our sustainability strategy rests with the Managing Director and Board-level committees responsible for CSR and Risk Management. This governance structure ensures transparent decision-making, regulatory compliance, and ongoing stakeholder engagement.
		As we look ahead, we remain focused on deepening our ESG impact, scaling clean technologies, and strengthening our partnerships for a more resilient and sustainable future.
		Mr. Sambit Roy DIN: 08291664 Designation: 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. The Corporate Social Responsibility (CSR) and Risk Management Committee of the Company is responsible for decision-making on sustainability-related commitments, goals, and targets. The Committee periodically updates the Board of Directors on the status of implementation. In addition, the Company has internal frameworks and cross-functional committees in place to monitor the effective implementation of sustainability-related policies and initiatives.

10 Details of Review of NGRBCs by the Company

a Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee										
Subject for Review		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b Frequency (Annually (A) / Half yearly/ Quarterly/ Any other – please specify)										
Subject for Review		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Performance against above policies and follow up action	The business responsibility policies are periodically reviewed by the department heads, plant heads and Board of Directors on an annual basis. During these assessments, the adequacy of the policies is reviewed and adequate changes to policies, procedures and internal controls are implemented accordingly.								
2	Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	The Company is compliant will all statutory requirements and applicable laws. There were no instances of non-compliance in the reporting period.								
11 Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.		The evaluation and assessment of policies are carried out periodically by an internal audit committee and group company auditors, risk management committee, CSR committee and the respective department heads to identify the improvement areas and updated to the board of directors for necessary amendments. Independent assessment is carried out by an external agency on need basis.								
12 If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:		P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)										
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)										
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)		Not Applicable								
It is planned to be done in the next financial year (Yes/No)										
Any other reason (please specify)										

Section C: Principle-wise performance disclosure

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



Heubach Colorants India Limited (HCIL) is committed to the highest standards of integrity, transparency, and accountability across its operations. The Company’s corporate governance framework is built on well-established systems, robust internal controls, and adherence to applicable legal and regulatory requirements. These elements collectively support informed and ethical decision-making across all levels of the organisation.

HCIL’s Code of Conduct is anchored in three core values of Safety, Sustainability (People, Planet, Profit), and Compliance which guide employee behavior and business practices. These values are reinforced through regular communication, training, and monitoring mechanisms. Compliance is embedded into daily operations via periodic internal reviews, quality assurance protocols, and risk management systems. With sustainability deeply integrated into its strategy, HCIL proactively identifies and mitigates ESG risks to ensure long-term value creation for all stakeholders.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the FY 2025

Segment	Total number of training & awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	As part of our familiarisation programme and meetings, we arrange special sessions for Board Members with the Executive Management Team and Key Managers. These sessions give detailed insights covering important areas such as business ethics, regulatory compliance, corporate governance, ESG, CSR, insider trading regulations, code of conduct, and anti-harassment policies. These initiatives help foster a culture of integrity, awareness, and responsible decision-making across the organisation.	100%
Key Managerial Personnel	4		100%
Employees other than BoD and KMPs	12	Health & Safety, E-Procurement, operations management, statutory requirements, reporting mechanism, resource optimization, skill development, human rights, Prevention of Sexual Harassment (PoSH) of men and women, Code of Conduct, Corporate Social Responsibility (CSR) and Emergency preparedness.	100%
Workers	12	Health & Safety, E-Procurement, operations management, statutory requirements, reporting mechanism, resource optimization, skill development, human rights, Prevention of Sexual Harassment (PoSH), Code of Conduct, Corporate Social Responsibility (CSR) and Emergency preparedness.	100%



2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by its directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions in FY 2025

Monetary				
NGRBC Principle	Name of the regulatory/ enforcement agencies/ Judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Penalty/Fine				
Settlement		Nil		
Compounding fee				
Non – Monetary				
NGRBC Principle	Name of the regulatory/ enforcement agencies/ Judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Imprisonment				
Punishment		Nil		

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or nonmonetary action has been appealed

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	NA

4. Does the entity have an anti-corruption policy or antibribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. The Company has adopted an Anti-Bribery and Anti-Corruption (ABC) Policy that applies to all employees and third parties engaged in business activities with the Company. The policy is aligned with global best practices and relevant legal frameworks, including the OECD Convention on Combating Bribery of Foreign Public Officials, the UK Bribery Act, the US Foreign Corrupt Practices Act (FCPA), the Prevention of Corruption Act, 1988 (India), and other applicable local laws.

The ABAC Policy outlines the Company’s commitment to zero tolerance for bribery and corruption and provides guidance on ethical conduct, reporting mechanisms, and compliance responsibilities. The policy is accessible to employees via the Company’s intranet.

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

Segment	FY 2024-25	FY 2023-24
1 Directors	Nil	Nil
2 Key Managerial Personnel	Nil	Nil
3 Employees	Nil	Nil
4 Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest

Segment	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
1 Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
2 Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

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

	FY 2024-25	FY 2023-24
Number of days of accounts payables	122	132

9. **Open-ness of business:**

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

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	12.14	9.15%
	b. Number of trading houses where purchases are made from	73	76
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	49	51
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
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.11	22.39%
	b. Sales (Sales to related parties / Total Sales)	28.47%	30.40%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties / Total Investments made)	Nil	Nil

LEADERSHIP INDICATORS

1. **Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
2	Human rights, Child and forced labors, Working conditions, responsible sourcing, Environment & Health Protection, Safety, Occupational Health & Safety, Compliance- Business ethics, fair competition	100%

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

Yes. The Company has appropriate systems and practices in place to avoid and manage conflicts of interest at the Board level. A separate Code of Conduct for the Board of Directors and Senior Management outlines the expectation that they shall not engage in any business, relationship, or activity that may conflict with the interests of the Company.

In the event of a potential conflict, the concerned Director is required to make full disclosure of all relevant facts and circumstances. Such disclosures are placed before the Board, which is collectively responsible for evaluating the matter and taking decisions in the best interest of the Company.



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



The Company is a pioneer in developing sustainable color technologies that prioritize environmental safety and regulatory compliance. The Company integrates bio-based materials and eliminates substances of concern to enhance the sustainability profile of its products.

Guided by the principles of Green Chemistry, HCIL designs products and processes that minimize hazardous substances, improve energy efficiency, and promote circularity ensuring that innovation is both responsible and future-ready.

Product safety and quality remain central to HCIL's value proposition, enabling customers to make informed and environmentally responsible choices. The Company's Responsible Sourcing Policy sets clear expectations for ethical and compliant practices across its value chain, particularly in areas such as mineral sourcing and chemical safety. Through these measures, HCIL ensures that its goods and services are not only high-performing but also aligned with global standards for sustainability and safety.

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.**

Segment	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	Nil	Nil	Disclosed in HCIL's Annual Report for the FY 2024-25
Capex	36%	₹2,018.65 Lakhs	

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

Yes. HCIL has established comprehensive procedures to promote sustainable sourcing across its value chain. All suppliers- including those providing goods, services, distribution, and sales support- are required to comply with our Responsible Sourcing Policy, which aims to ensure legal compliance, mitigate supply chain risks, enhance sustainability performance, and uphold our reputation for responsible business conduct.

Procurement decisions are guided by the highest ethical and professional standards, as outlined in Heubach's Code of Conduct, and are based on key criteria such as quality, service, price, and sustainability performance.

All suppliers are expected to adhere to the following sustainability and ethical principles:

- Health and Safety:** Compliance with all applicable occupational health and safety laws and regulations is mandatory.
- Human Rights:** Suppliers must uphold human rights, including prohibiting child labour, forced labour, and modern slavery; preventing workplace harassment and discrimination; and respecting freedom of association and collective bargaining rights.
- Resource Efficiency & Environmental Protection:** Suppliers are encouraged to reduce emissions, waste, and consumption of energy, water, raw materials, and soil. All waste must be handled and disposed of in accordance with environmental laws.
- Conflict Minerals – Mica & Cobalt:** Suppliers must not source minerals from conflict-affected or high-risk areas. Heubach conducts supplier audits in line with the Responsible Minerals Assurance Process (RMAP) for cobalt. The use of mica as a raw material is strictly controlled and requires prior approval.

- v. Land and Property Rights:** Suppliers must respect the lawful ownership and use rights of individuals and communities and avoid any unlawful acquisition.
- vi. Environmental & Health Protection:** Continuous efforts must be made to reduce environmental impact and improve product and process safety through robust Health, Safety and Environment (HSE) and quality management systems.
- vii. Occupational Health & Safety:** All applicable occupational health and safety regulations must be followed diligently.
- viii. Emergency Preparedness:** Suppliers are expected to identify potential emergency scenarios and implement adequate preparedness and response mechanisms.
- ix. Business Ethics:** Offering or accepting any form of undue advantage, including gifts or entertainment, to influence business decisions is strictly prohibited.
- x. Fair Competition:** Suppliers must comply with all relevant anti-trust and competition laws.
- xi. Accurate Business Records:** All transactions must be recorded truthfully, and financial records should be maintained in accordance with applicable laws and accounting standards.
- xii. Trade Controls & Embargoes:** Suppliers must comply with all relevant trade regulations, embargoes, and restrictions.
- xiii. Anti-Money Laundering:** Suppliers must implement measures to prevent and detect money laundering activities.
- xiv. Conflict of Interest:** Any actual or potential conflict of interest involving a Heubach employee or representative must be disclosed to the company.
- xv. Data Protection:** All personal data must be processed and protected in accordance with applicable data protection laws.
- xvi. Confidentiality & Intellectual Property:** Suppliers are required to safeguard confidential information and respect Heubach's and third parties' intellectual property rights.
- To uphold transparency and accountability, any violations of the Supplier Code of Conduct can be reported— anonymously if needed—via Heubach's Digital Whistleblower System, accessible at: www.heubach.com/about/compliance/ or by email: group.compliance@heubach.com. Heubach maintains a strict non-retaliation policy—no adverse action will be taken against individuals who report concerns in good faith.

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

100% of the input materials were sourced sustainably by adopting Heubach's responsible sourcing policy.

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

The Company is implementing sustainable waste management practices in all facilities through prioritizing reduce, reuse and recycle of waste wherever possible and dispose the residual waste fractions in safe manner. Plastic waste, other hazardous waste and other non-hazardous waste is being generated from the plant operations. Plastic waste is either recycled or co- processed, non-hazardous waste is composted, and hazardous waste is either incinerated or landfilled based on the type and composition of the waste.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, Extended Producer Responsibility (EPR) is applicable as per the Plastic Waste Management Rules, 2016 and subsequent amendments. The Company has already obtained Plastic Waste EPR Authorization from the Central Pollution Control Board (CPCB) and the waste collection plan is in line with the EPR targets given by the CPCB.



LEADERSHIP INDICATORS

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

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
201114	13 Azo Pigments	Refer the weblink for details	https://heubach.com/sustainability/sustainable-solutions/		

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25	FY 2023-24
Packaging Material (Paper box, HDPE)	2.3	0.3

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

	FY 2024-25			FY 2023-24		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	214.23	24.92	Nil	29	97.35
E-waste	Nil	Nil	Nil	Nil	Nil	Nil
Hazardous waste	Nil	109.32	2405.92	Nil	Nil	4181.09
Other Waste	Nil	367.58	1032.55	Nil	Nil	1971.40

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Plastic waste	More than 90%

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



At HCIL, we believe that our people are the foundation of our success. We foster a collaborative and inclusive work environment that promotes employee engagement, recognizes individual contributions, and supports professional growth. Our culture of high performance is built on mutual respect, trust, and equal opportunity irrespective of gender, ethnicity, age, or background. Through targeted training programs in technical skills and leadership development, we empower employees to unlock their potential and enhance both personal well-being and career advancement.

Employee health and safety are paramount at HCIL. We uphold a 'Safety First' culture across all operations, supported by rigorous standards and continuous improvement in workplace safety practices. Our commitment to employee well-being extends beyond compliance, aiming to boost morale, productivity, and overall satisfaction. By prioritizing inclusion, capability development, and a safe working environment, HCIL ensures that all employees and those across its value chain are respected, supported, and enabled to thrive.

ESSENTIAL INDICATORS

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	198	198	100%	198	100%	NA	NA	198	100%	NA	NA
Female	27	27	100%	27	100%	27	100%	NA	NA	NA	NA
Total	225	225	100%	225	100%	27	12%	198	88%	NA	NA
Other than Permanent Employees											
Male	18	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	3	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	21	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	257	257	100%	257	100%	NA	NA	257	100%	NA	NA
Female	3	3	100%	3	100%	3	100%	NA	NA	NA	NA
Total	260	260	100%	260	100%	3	1.1%	257	98.9%	NA	NA
Other than Permanent Employees											
Male	616	For contract (other than permanent WORKERS), the service provider is responsible for insurance									
Female	33										
Total	649										

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

	FY 2024-25	FY 2023-24
Cost incurred on wellbeing measures as a % of total revenue of the company	0.81%	0.13%

2. Details of retirement benefits for Current and Previous Financial Years

Sr. No.	Benefits	FY 2024-25			FY 2023-24		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100%	100%	Yes	100%	100%	Yes
2	Gratuity	100%	100%	Yes	100%	100%	Yes
3	ESI	Nil	4.61%	Yes	NA	4.09%	Yes
4	Superannuation	27.23%	Nil	Yes	37.87%	Nil	Yes
5	NPS	9.75%	Nil	Yes	Nil	Nil	NA



3. Accessibility of workplaces - Are the premises / offices of the entity accessible to differently abled employees, 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, all offices and plants of the Company are accessible to differently abled employees.

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, our Code of Conduct addresses equal opportunity in alignment with the Rights of Persons with Disabilities Act, 2016. It explicitly prohibits discrimination based on gender, race or ethnicity, religion or belief, disability, age, sexual identity, or any other characteristic that contributes to individual uniqueness. We ensure equal opportunities throughout all stages of employment including recruitment, promotion, and professional development- and actively cultivate an inclusive culture where diversity is valued and leveraged. The Code of Conduct can be accessed through the weblink <https://admin.heubach.com/wp-content/uploads/2023/05/New-Heubach-Code-of-Conduct.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%	100%	NA	NA
Female	NA	NA	NA	NA

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

Yes, HCIL has a structured grievance redressal mechanism applicable to all categories of employees and workers. The Company's Whistle Blower Policy (Vigil Mechanism) enables permanent and non-permanent employees and workers to confidentially report concerns or misconduct, including violations of the Code of Conduct.

Yes/No (If yes, then give details of the mechanism in brief)

1	Permanent workers	The Company's Vigil Mechanism & Whistle-Blower Policy provides a secure and confidential platform to report concerns related to unethical conduct, legal violations, or breaches of the Code of Conduct. The mechanism is overseen by the Chairperson of the Audit Committee.
2	Other than Permanent Workers	
3	Permanent Employees	Sealed written complaint addressed to the Chairperson of the Audit Committee at the Company's registered office. The policy ensures strict confidentiality and protection against retaliation for anyone raising concerns in good faith. While anonymous reports are permitted, disclosure of identity is encouraged to aid investigation. All complaints are investigated promptly, and outcomes are reported quarterly to the Audit Committee. The Company's Whistle Blower policy is available at https://admin.heubach.com/wp-content/uploads/2023/05/HCIL_Vigil-Mechanism-Policy.pdf
4	Other than Permanent Employees	

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

Category	FY 2024-25			FY 2023-24		
	Total employees / Workers in respective category (A)	No. of employees / Workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total Employees / Workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	225	Nil	Nil	235	Nil	Nil
Male	198	Nil	Nil	201	Nil	Nil
Female	27	Nil	Nil	34	Nil	Nil
Total Permanent Workers	260	200	77%	269	192	71%
Male	257	198	77%	266	192	72%
Female	3	2	67%	3	Nil	Nil

8. Details of training given to employees and workers

	FY 2024-25					FY 2023-24				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Male	198	198	100%	198	100%	201	201	100%	21	100%
Female	27	27	100%	27	100%	34	34	100%	34	100%
Total	225	225	100%	225	100%	235	235	100%	235	100%
Workers										
Male	257	257	100%	Nil	Nil	266	266	100%	Nil	Nil
Female	3	3	100%	Nil	Nil	3	3	100%	Nil	Nil
Total	260	260	100%	Nil	Nil	269	269	100%	Nil	Nil

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

Category	FY 2024-25			FY 2023-24		
	Total (A)	No (B)	% (B/A)	Total (C)	No (D)	% (D/C)
Employees						
Male	198	198	100%	201	201	100%
Female	27	27	100%	34	34	100%
Total	225	225	100%	235	235	100%
Workers						
Male	257	NA	NA	266	NA	NA
Female	3	NA	NA	3	NA	NA
Total	260	NA	NA	269	NA	NA

10. Health and Safety Management System

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes / No). If yes, the coverage such system?

Yes. The Company has implemented a comprehensive Occupational Health and Safety Management System that covers 100% of its sites, including all employees and contract workers. At HCIL, safety is not just a priority- it is a core value and a non-negotiable commitment. We believe that our success stems from ensuring every individual returns home from work as healthy and safe as they arrived. This commitment extends to employees, contractors, guests, and visitors. Our facilities are certified under ISO 45001, and regular audits are conducted to ensure continual improvement and compliance with OHS standards.

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

HCIL follows a structured and detailed approach to identifying work-related hazards and assessing risks, as outlined in our Environmental, Health & Safety (EHS) Guidelines. This includes mechanisms for routine and non-routine activities across all operational areas. We regularly evaluate and enhance systems, processes, and controls based on the risk assessments conducted.

As part of our proactive safety culture, we have introduced the initiative "Tag the Unsafe @ 48 hr" across all manufacturing units, commercial offices, warehouses, and laboratories. This involves red-tagging unsafe conditions, actions, situations, and behaviors, serving as a visual alert system to foster awareness and preventive action, contributing to our vision of "Together We Make Heubach Injury-Free."

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes. The Company has established robust procedures for reporting unsafe conditions, hazards, and near-miss incidents. Employees and workers are empowered and encouraged to take immediate action, including withdrawing from unsafe work environments, to ensure personal and collective safety.

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

Yes. HCIL operates a fully equipped Occupational Health Centre staffed with a qualified medical officer and support personnel. The Centre addresses both the physical and mental well-being of employees and contract workers, providing access to comprehensive medical and healthcare services beyond occupational requirements.

11. Details of Safety related incidents Data

Sr. No.	Safety Incident/Number	Category	FY 2024-25	FY 2023-24
1	Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
		Workers	Nil	Nil
2	Total recordable work-related injuries	Employees	Nil	Nil
		Workers	Nil	Nil
3	No. of fatalities	Employees	Nil	Nil
		Workers	Nil	Nil
4	High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
		Workers	Nil	1

*Including contract workforce

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

HCIL has adopted a comprehensive set of measures to create and maintain a safe, healthy, and efficient workplace. Key initiatives include:

1. Ergonomics and Workplace Organization

- The Company has implemented ergonomic improvements across its facilities to reduce physical strain and enhance employee comfort.
- The **5S methodology** has been introduced across workplaces to foster a culture of safety, efficiency, and continuous improvement. The five pillars of 5S include:
 - Sort:** Eliminate unnecessary items to reduce clutter.
 - Set in Order:** Organize tools and materials to ensure easy accessibility.
 - Shine:** Maintain cleanliness to improve safety and operational quality.
 - Standardize:** Develop standardized procedures to maintain consistency.
 - Sustain:** Embed 5S into daily operations, fostering accountability and continuous improvement.

Implementation of 5S has led to:

- **Waste elimination** and optimization of workflows, resulting in enhanced productivity, reduced lead times, and improved customer satisfaction.
- **Improved safety** by minimizing hazards in clean, organized environments.
- **Enhanced quality** through consistent adherence to defined standards.

2. Safety Management Systems and Risk Mitigation

- **Implementation of mitigation measures** based on identified work-related hazards.
- **Awareness programs** to promote best practices in health and safety across all levels.
- **Regular safety training** for employees, workers, and contractors to build a culture of safety consciousness.

3. Risk Assessment and Control Mechanisms

- **Job Safety Analysis (JSA):** Conducted prior to any job modification to ensure all necessary precautions are in place.
- **HAZOP Study:** Hazard and Operability analysis is undertaken to proactively identify and mitigate operational risks.
- **Management of Change (MOC):** Ensures all changes in operations or systems go through a structured safety evaluation process.
- **Site ESHA Clearance:** All new products are assessed and approved by the ESHA team before initiation to ensure safety compliance.
- **Pre-Start Safety Review (PSSR):** All new processes and installations undergo safety review prior to commissioning.

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

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	NA	NA	Nil	NA	NA
Health & Safety	Nil	NA	NA	Nil	NA	NA

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not applicable

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

Yes. All employees and workers are covered under health and accident insurance policies. In addition, permanent employees are also covered under a term life insurance plan. In the unfortunate event of death, the insurance amount—based on the employee or worker’s coverage—is paid to the designated nominee.

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

The Company ensures that statutory dues are duly deducted and deposited by value chain partners in compliance with applicable laws and regulations. This is monitored through contractual obligations and is also subject to periodic verification during internal and statutory audits. The Company expects all partners in its value chain to maintain compliance with statutory requirements as a fundamental part of responsible business conduct.



3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	Nil	Nil	NA	NA
Workers	Nil	Nil	NA	NA

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

In certain cases, there can be an extension of employment for retired employees. No other transition assistance programs are available.

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	100%
Working Conditions	100%

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.

Not applicable

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



We are committed to sustainable and inclusive growth by aligning our business practices with the expectations and interests of all stakeholders. Our structured stakeholder engagement framework is supported by multiple communication channels that facilitate open dialogue, gather feedback, and address concerns in a timely and transparent manner. This approach enables us to build trust, foster collaboration, and drive shared value across our ecosystem.

We uphold ethical business conduct through transparent interactions and responsible decision-making. A dedicated team with clearly defined roles manages stakeholder relationships, supported by regular reviews and tracking mechanisms to ensure effective implementation of our engagement plans. Our Corporate Social Responsibility (CSR) initiatives are focused on uplifting marginalized and vulnerable communities in the regions where we operate, reinforcing our commitment to inclusive development and long-term societal impact.

ESSENTIAL INDICATORS

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

Stakeholders play a critical role in supporting Heubach’s ESG objectives, business continuity, and overall value creation. The Company has established a structured stakeholder identification and engagement process, designed in alignment with the nature of its operations and associated activities. Stakeholders—both internal and external—are identified based on their level of influence, interest, impact, and criticality to the Company’s performance and services. A prioritization matrix is used to determine the most relevant stakeholder groups.

The process is supported by the following elements:

- **Stakeholder Identification:** Key factors considered during stakeholder identification include impact, interest, legitimacy, influence, and criticality. This ensures that the Company engages with stakeholders who are most relevant to its business and sustainability priorities.

- b. Review Process:** The stakeholder identification framework is periodically reviewed and updated to reflect changes in business strategy, operational dynamics, and applicable laws and regulations. Stakeholder feedback is collected on a regular basis to address emerging concerns and ensure responsiveness.
- c. Channels of Communication:** Stakeholders are engaged through a variety of channels including in-person and virtual meetings, site visits, surveys, focus group discussions, and email communications. The choice of communication channel is based on accessibility and relevance to the stakeholder group.
- d. Frequency of Engagement:** Engagement frequency varies by stakeholder group, depending on materiality, relevance, and priority. Interactions may be conducted on a daily, weekly, quarterly, half-yearly, or annual basis, as deemed appropriate.

To enable effective stakeholder engagement, the Company has defined clear roles and responsibilities and established tailored engagement approaches suited to each stakeholder group’s needs. Regular awareness programs are also conducted for employees to build internal capacity and ensure that stakeholder concerns are appropriately understood and addressed.

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

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	All important information relating to the Company, its performance, shareholding pattern, quarterly results, press releases and other information as per the SEBI Regulations are regularly posted on Company’s website and also forwarded to the Stock Exchanges. The quarterly, half-yearly and annual Financial results of the Company are published in newspapers. Annual Report is circulated to the shareholders. Annual General Meeting is conducted once a year.	Periodic & annually	Provide them the updates about the Company
Suppliers & Vendors	No	Emails, meetings	Yearly	Company’s policies, achievements, targets, sustainability improvements, business status & progress.
Employees	No	Emails, meetings, notice board, website etc.	Monthly townhall meetings by MD, monthly cascade meetings by department leads	Purpose – Establish connect and sense of engagement within the employees. Key topics – Business performance, Key business updates, Challenges and achievements. Initiatives like – Employee engagement groups, HR Open House, Sales meets etc are also undertaken.
Communities	Yes	Email, meetings, focused group discussions	Monthly	Implementation of CSR initiatives and projects
Regulatory and statutory bodies	No	Emails, meetings	As per the requirement	Statutory Compliances
Certifying and testing agencies	No	Emails, meetings	Yearly	Statutory Compliances

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.**
- Consultations with identified stakeholders on economic, environmental, and social topics are facilitated through periodic interactions led by the CSR and Risk Management Committees. These committees serve as key channels for stakeholder engagement. The Board is updated on a quarterly basis through formal reporting mechanisms, wherein inputs received from stakeholders are consolidated and presented to support strategic decision-making.
- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**
- Yes. Stakeholder consultations are integral to the identification and management of material environmental and social topics. Feedback is obtained through surveys and engagement forums and has informed the formulation of the Company’s sustainability strategy across four key pillars:
- i. Economic Performance:** Innovation, product quality, and product safety
 - ii. Environment:** CO₂ emissions, waste management, and sustainable product development
 - iii. Social:** Occupational health and safety, HR policies, and human rights
 - iv. Corporate Governance:** Code of Conduct, compliance mechanisms, and stakeholder collaboration

The feedback from both internal and external stakeholders has directly contributed to revising company policies and aligning operational priorities with stakeholder expectations and sustainability goals.

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**
- The Company’s CSR Committee is specifically mandated to engage with vulnerable and marginalized stakeholder groups. Through structured needs assessments and community engagement, the Committee identifies priority areas for intervention. CSR initiatives and projects are then designed and implemented in alignment with the CSR Policy to address the specific concerns raised by these groups. These initiatives aim to create measurable positive impact and support inclusive development.

Principle 5: Businesses should respect and promote human rights



The Company is firmly committed to respecting and promoting human rights across its operations and value chain. The Company maintains a zero-tolerance policy towards discrimination, child labor, and forced labor, and expects all value chain partners to adhere to its Responsible Sourcing Policy, which mandates compliance with human rights standards. HCIL fosters an inclusive workplace that upholds dignity, equality, and fairness for all individuals, regardless of identity or background.

To reinforce this commitment, HCIL conducts regular employee training on human rights principles, best practices, and the grievance redressal mechanism. The Company aligns its practices with globally recognized frameworks, including the Universal Declaration of Human Rights, ILO Conventions, and the UN Guiding Principles on Business and Human Rights. Any reported violations related to health and safety, fair compensation, labor rights, or privacy are addressed promptly and transparently, ensuring a respectful and rights-based approach to business conduct.

ESSENTIAL INDICATORS

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

Category	FY 2025 (Current Financial Year)			FY 2024 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	225	225	100%	235	235	100%
Other than permanent	21	21	100%	28	28	100%
Total Employees	246	246	100%	263	263	100%
Workers						
Permanent	260	260	100%	269	269	100%
Other than permanent	649	649	100%	700	700	100%
Total Workers	909	909	100%	969	969	100%

2. Details of minimum wages paid to employees and workers

Category	FY 2025 (Current Financial Year)					FY 2024 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	No. (F)
Employees										
Permanent	225	0	0	225	100	235	0	0	235	100
Male	198	0	0	198	100	201	0	0	201	100
Female	27	0	0	27	100	34	0	0	34	100
Other than Permanent	21	0	0	21	100	28	0	0	28	100
Male	18	0	0	18	100	21	0	0	21	100
Female	3	0	0	3	100	7	0	0	7	100
Workers										
Permanent	260	0	0	260	100	269	0	0	269	100
Male	257	0	0	257	100	266	0	0	266	100
Female	3	0	0	3	100	3	0	0	3	100
Other than Permanent	649	0	0	649	100	700	0	0	700	100
Male	616	0	0	616	100	666	0	0	666	100
Female	33	0	0	33	100	34	0	0	34	100

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (in Lakhs)	Number	Median remuneration/ salary/ wages of respective category (in Lakhs)
Board of Directors (BoD)	6	59.20	1	29.50
Key Managerial Personnel	3	163.01	2	35.38
Employees other than BoD and KMP	195	13.15	25	14.06
Workers	257	6.02	3	3.62

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

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	7.2%	6.7%



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

Yes

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

Yes, the Company has a Whistle Blower Policy applicable to all directors, employees, officers, and third parties to report human rights violations through a secure vigil mechanism, overseen by the Chairman of the Audit Committee. Grievances related to human rights are addressed by the Internal Compliance Committee, ensuring prompt and fair resolution. The mechanism aligns with international standards, including the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work.

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

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	Nil	3	Nil	NA
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	NA
Child Labour	Nil	Nil	Nil	Nil	Nil	NA
Forced Labour/ Involuntary Labour	Nil	Nil	Nil	Nil	Nil	NA
Wages	Nil	Nil	Nil	Nil	Nil	NA
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	NA

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

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	3
Complaints on POSH as a % of female employees / workers	0	3.85
Complaints on POSH upheld	0	3

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

The Company ensures strict confidentiality in all discrimination and harassment cases and follows a zero-retaliation policy. Access to complainant-related data is restricted to the investigation team and individuals responsible for implementing corrective actions.

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

Yes. Human rights clauses are included in all business agreements and contracts. Suppliers and service providers are required to accept the human rights provisions outlined in HCIL's Responsible Sourcing Policy before entering into any agreement.

10. Assessments for the year

Section	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced Labour/ Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	NA

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

Not applicable

LEADERSHIP INDICATORS

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

Not Applicable. The existing policies, processes and mechanisms addresses all kinds of human rights related risks and there is no such requirement for business process modification.

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

None

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%
Others – please specify	NA

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

Not applicable

Principle 6: Businesses should respect and make efforts to protect and restore the environment



At HCIL, environmental stewardship is a core pillar of our sustainability strategy. We are committed to minimizing our ecological footprint by integrating environmentally responsible practices across our operations, product development, and value chain. Our approach is guided by the principles of resource efficiency, pollution prevention, and circular economy, with a strong focus on reducing emissions, conserving water, managing waste responsibly, and transitioning to cleaner energy sources.

We continuously invest in green technologies and process innovations that support long-term environmental protection and restoration. Our environmental management systems are aligned with global standards and regularly reviewed to ensure compliance with applicable regulations and evolving stakeholder expectations. Through proactive risk assessments, site-level action plans, and transparent reporting, HCIL remains dedicated to protecting natural ecosystems while contributing to a more sustainable and resilient future.



ESSENTIAL INDICATORS

1. Details of total energy consumption (in GJ) and energy intensity

Parameter	FY 2024-25	FY 2023-24
From renewable sources		
Total electricity consumption (A) (GJ)	50,521	40,446
Total fuel consumption (B) (GJ)	4,22,289	4,65,075
Energy consumption through other sources (C) (GJ)	58,020	58,020
Total energy consumed from renewable sources (A+B+C) (GJ)	5,30,830	5,63,541
From non-renewable sources		
Total electricity consumption (D)	37,977	51,391
Total fuel consumption (E)	55,496	53,485
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	93,473	1,04,876
Total energy consumed (A+B+C+D+E+F)	6,24,303	6,68,417
Energy intensity per crore of turnover (Total energy consumed/ Revenue from operations in crores)	763.17	845.35
Energy intensity per crore of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations in crores adjusted for PPP)	16,901	15,972
Energy intensity in terms of physical output **	NA	NA
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable

3. Provide details of the following disclosures related to water

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kiloliters)		
(i) Surface water	Nil	Nil
(ii) Groundwater	3,06,981	2,85,149
(iii) Third party water	7,27,616	9,32,910
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	10,34,597	12,18,059
Total volume of water consumption (in kiloliters)	10,34,597	12,18,059
Water intensity per crore of turnover (Total water consumption / Revenue from operations in crores)	1,356	1,441
Water intensity per crore of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations in crores adjusted for PPP)	28,008	29,106
Water intensity in terms of physical output **	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

No

4. Provide the following details related to water discharged

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) To Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	2,68,600	2,29,475
(iv) Sent to third-parties		
- No treatment	NA	NA
- With treatment – please specify level of treatment	6,31,708	5,70,568
(v) Others		
- No treatment	NA	NA
- With treatment – please specify level of treatment	3,601	3,099
Total water discharged (in kiloliters)	9,03,909	8,03,142

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Company is having 3 facilities in Roha, Nagda and Cuddalore. Among these 3 facilities, Nagda facility has implemented Zero Liquid Discharge Mechanism and in the remaining plants more than 80% of the water is being recycled.

6. Provide details of air emissions (other than GHG emissions) by the entity

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	Tonnes	37.64	5.49
SOx	Tonnes	6.46	5.42
Particulate matter (PM)	Tonnes	2.36	1.45
Persistent organic pollutants (POP)	-	NA	NA
Volatile organic compounds (VOC)	-	NA	NA
Hazardous air pollutants (HAP)	-	NA	NA
Others – please specify	-	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity

Parameter	Unit	FY 2024-25	FY 2023-24
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)	Tonnes CO ₂ equivalent (tCO ₂ e)	1,868	1,476
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)	Tonnes CO ₂ equivalent (tCO ₂ e)	10,612	10,428
Total Scope 1 and Scope 2 emission intensity per crore of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations in crores)		16.35	14.08

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 and Scope 2 emission intensity per crore of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations in crores adjusted for PPP)		337.85	284.45
Total Scope 1 and Scope 2 emission intensity in terms of physical output **		NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency

No

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes. The Company has implemented several initiatives to reduce GHG emissions across its operations through renewable energy adoption, energy efficiency, operational optimization, and fuel transition. Key initiatives include:

1. Renewable Energy Adoption

- **Roha Site:** Commissioned a solar power project; currently, **57%** of total electricity consumption is sourced from renewable energy.
- **Cuddalore Site:** Implemented a hybrid model using wind and solar; **40%** of total electricity is sourced from renewable energy.

2. Energy Conservation through Steam Optimization

- Weekly monitoring of the steam network; defective steam traps replaced using a leak tag system.
- Reuse of steam condensate to conserve energy.
- Rationalized targets for steam consumption per ton of production.
- Conducted regular Steam/Air Audits to identify conservation opportunities.
- Installed additional spin flash dryers and membrane filter presses at Roha, reducing dependence on steam and compressed air.

3. Energy Optimization through System Improvements

- Installed valve bag auto packing machine at Roha to optimize container loading and minimize transport-related energy use.
- Reduced frequency of VFDs for high HP motors without affecting output.
- Replaced conventional lighting with LED lights across all facilities.
- Upgraded to energy-efficient air conditioners with automated temperature control.
- Conducted weekly compressed air audits and replaced old motors with energy-efficient models.
- Used transparent roofing sheets to enhance natural lighting and reduce dependency on electric lights.
- Implemented timer logic for non-critical stirrer operations and installed VFD-based air compressors to manage load fluctuations.
- Replaced pumping with **gravity** flow for effluent handling to reduce energy use.
- Switched to **localized lighting** controls to avoid unnecessary energy consumption.

4. Operational Efficiency Measures

- Increased batch sizes where feasible to conserve energy and raw materials.
- Optimized drying temperature to reduce drying time in tray dryers and RVDs.

5. Transition to Cleaner Fuels and Alternate Energy Sources

- Replaced biodiesel with **high calorific value LPG** for hot air generators to lower emissions.
- Installed **solar water heaters** at restroom facilities to reduce electricity usage.
- Switched from furnace oil to **LSHS oil**, and from diesel to **LPG** (Cuddalore) for spin flash dryers to reduce GHG emissions.

9. Provide details related to waste management by the entity

Parameter	FY 2024-25	FY 2023-24
	Total Waste generated (in MT)	
Plastic waste (A)	214	126
E-waste (B)	Nil	Nil
Bio-medical waste (C)	Nil	Nil
Construction and demolition waste (D)	Nil	6.82
Battery waste (E)	Nil	Nil
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	3,540	4,181
Other Non-hazardous waste generated (H). Please specify, if any.	1,770	1,971
Total (A+B + C + D + E + F + G + H)	5,524	6,286
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations in crores)	6.96	7.44
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations in crores adjusted for PPP)	143.74	150.20
Waste intensity in terms of physical output **	NA	NA
Waste intensity (optional) – the relevant metric may be selected by the entity	NA	NA

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2024-25	FY 2023-24
	Total Waste generated (in MT)	
(i) Recycled	112.13	102.35
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	112.13	102.35

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY 2024-25	FY 2023-24
	Total Waste generated (in MT)	
(i) Incineration	71.76	48.18
(ii) Landfilling	2436.24	2179.17
(iii) Other disposal operations	2030.72	4058.31
Total	4538.71	6285.65

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

- At Nagda, chemical sludge from wastewater treatment plant- Generation, Collection, storage and disposal M/s TSDF, Pithampur waste management.
- Empty barrels/ containers/ liners/ contaminated with hazardous chemicals/ wastes- Generation, Collection, storage and send to Authorized Recyclers (Recyclable)/Generation, Collection, storage and disposal authorized recycler.
- We are having the facility of collection, segregation, separation, decontamination and storage in well-defined and scientifically established of all kinds of waste with fire protection facility.
- We have the standard operating procedure for each type of waste generated (in metric tonnes) available on site. We are keeping the record of generation and disposal. Also, we are sending all these records to authority MPPCB in time.

- Reduce and reuse the waste pattern is applied in each area of operation at Roha through waste minimization program. Various process waste is reduced by process improvements and modifications.
- Used or spent oil: Generation, collection, storage and send to Authorized Recyclers (Recyclable)
- Chemical sludge form wastewater treatment plant: Generation, Collection, storage and disposal M/s TSDF, Gummidipoondi/ Generation, Collection, storage and send to cement industries for Coprocessing
- Empty barrels/ containers/ liners/ contaminated with hazardous chemicals/ wastes: Generation, Collection, storage and send to Authorized Recyclers (Recyclable)/ Generation, Collection, storage and disposal M/s TSDF, Gummidipoondi

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

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	Plot No. 113/114 MIDC Dhatav Industrial Estate, Dhatav village, Roha Taluka, Raigad	Production	Yes

12. Details environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
1 (d) schedule B-2 SEIAAEC-0000000510 Category project (New Cogeneration Plant in the existing unit of the company in MIDC Dhatav		November 6, 2018	Yes	Yes	SEIAA Meeting No: 143 Meeting Date: October 19, 2018 (SEIAASTATEMENT-0000000763) SEIAA-MINUTES-0000000722 SEIAA-EC-0000000510

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:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	Yes, the Company is compliant with all applicable laws, regulations and guidelines and there are no non-compliances in the reported period.			

LEADERSHIP INDICATORS

1. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

(i) **Name of the area:** Cuddalore & Nagda

(ii) **Nature of operations:** Pigments and Intermediates

(iii) **Water withdrawal, consumption, and discharge:**

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kiloliters)		
(i) To Surface water	NA	NA
(ii) Groundwater	3,06,981	2,85,149
(iii) Third party water	56,111	39,409

Parameter	FY 2024-25	FY 2023-24
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kiloliters)	3,63,092	3,24,558
Total volume of water consumption (in kiloliters)	3,63,092	3,24,558
Water intensity per rupee of turnover (Water consumed / turnover)	565.02	410.47
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) Into Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) Into Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	2,68,600	2,29,475
(iv) Sent to third parties		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others		
- No treatment	NA	NA
- With treatment – please specify level of treatment	3,601	NA
Total water discharged (in kiloliters)	2,72,201	2,29,475

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?
(Y/N) If yes, name of the external agency

No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
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		
Total Scope 3 emissions per rupee of turnover		Not Monitored	
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency

No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	LPG Usage started in place of diesel for Spin flash dryer Burners	LPG introduced as a cleaner alternative to diesel fue	Cost Reduction and 25% less sulphur and co2 emission compare with diesel.
2	Wind and solar power Usage started in place of EB Power	Integration of renewable energy sources	Cost savings achieved; renewable energy transition has reduced CO ₂ emissions
3	Solar power Usage started in place of EB Power	Solar power now contributes 54% of total energy requirement	Significant cost reduction; 100% reduction in CO ₂ emissions from the replaced electricity consumption
4	Sustainable pigment development	Sustainable PCF and bio-based selected Azo & HPP product development for coating and plastic application	Resource conservation and reduces the environmental footprint of the products.
5	Implementation of circularity in preparation of pigments used in plastics industry	Circular economy colour solution for pigments used in plastics industry. a. Detectable black b. PCR shade matching c. Re-cycle range d. Ok for compostable	Promotes recycling of materials
6	Preparation of biodegradable pigment products	Biodegradable colour solution to H&PC	Reduces environmental footprint of pigment products
7	Resource conservation in the production process of pigment	Mass coloration of Lyocell fibre for reducing water consumption	Water conserved through deployment of mass coloration for Lyocell fibres
8	Utilization of renewable fuels	- Non-renewable fuels and high carbon emitting fuels are replaced with Biomass briquettes at Roha and Cuddalore facilities. 85% of the fuel for production of steam comprises of biomass briquettes.	Reduces greenhouse gas emissions from the operations of the Company.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes. We are having a well-defined disaster management plan and is linked with our raw material requirements and supporting utility services. We are a member of district disaster management and industrial association group. By undertaking the various drill competition planned we are ensuring the preparedness and crisis management plan effectiveness. This will help for any disaster activities and required mitigation help, which will reduce the adverse impact on environment.

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?

Not Applicable

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts

None

8. How many Green Credits have been generated or procured:

By the organization

By the top ten value chain partners

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent



We actively engage with industry associations, regulatory bodies, and relevant stakeholders to support the sustainable growth of the pigment manufacturing sector. The Company actively contributes to policy discussions that address sector-specific risks and advocates for long-term sustainability, innovation, and responsible business practices. These engagements are aligned with HCIL's strategic priorities and aim to foster a balanced regulatory environment that benefits both industry and society.

All public policy interactions are conducted in a responsible, ethical, and transparent manner, in accordance with HCIL's internal governance framework, applicable laws, and business conduct policies. A structured approach ensures that advocacy efforts are carried out with integrity and accountability. HCIL also collaborates with non-governmental organizations and institutions involved in shaping regulatory decisions, reinforcing its commitment to responsible influence and transparent stakeholder dialogue.

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers / associations:

2

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

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
	The Bombay Chamber of Commerce	State
	Indian Chemical Council	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of Authority	Brief of the case	Corrective action taken
		Not Applicable

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
					Nil



Principle 8: Businesses should promote inclusive growth and equitable development



We deeply committed to promoting inclusive growth and equitable development, particularly in communities surrounding our operational areas. Through targeted Corporate Social Responsibility (CSR) initiatives, the Company focuses on uplifting marginalized and vulnerable groups by addressing critical needs in education, healthcare, infrastructure, livelihood generation, and environmental restoration. These efforts are designed to create long-term socio-economic value and foster community resilience.

HCIL's CSR strategy is anchored on the pillars of goodwill, compliance, and impact, ensuring that all initiatives are thoughtfully designed, responsibly executed, and aligned with the Sustainable Development Goals (SDGs). A dedicated CSR Policy and Committee oversee project implementation and grievance redressal, enabling transparent governance and effective community engagement. By integrating social responsibility into our core business philosophy, HCIL continues to contribute meaningfully to inclusive and sustainable development.

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in FY 25

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Whether conducted by independent external agency (Yes / No)	Relevant Web link
					Not Applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity

Sr. No.	Name of project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY 24 (in ₹)
						Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community

The CSR committee periodically interacts with the communities to receive and redress grievances. The communities can also communicate their grievances to site level CSR team or to the corporate office via email. The site level team also regularly communicates with key stakeholders from the surroundings communities. The CSR team also implement necessary initiatives and projects through its CSR policy redressing the grievances of the communities.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	14%	5%
Directly from within India	90.50%	78.38%

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 following locations, as % of total wage cost

Location	FY 2024-25	FY 2023-24
Rural	Nil	Nil
Semi-urban	48%	36%
Urban	39%	10%
Metropolitan	13%	54%

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount Spent (in ₹)
Nil			

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No

- b. From which marginalized /vulnerable groups do you procure?

Not applicable

- c. What percentage of total procurement (by value) does it constitute?

Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

Sr. No.	State	District	Amount Spent (in ₹)
1	Tamil Nadu	Cuddalore	31,52,820
2	Madhya Pradesh	Ujjain	14,31,039
3	Maharashtra	Juinagar, Navi Mumbai	17,07,956

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Cuddlore			
1	Tailoring Classes organized in Kudikadu location	17	4%
2	Providing medical equipment Cuddalore Govt General Hospital as per the request letter was received from GH, Cuddalore on 20.01.2025	1500	16%
3	Blood Donation and Health promotion camp organized in Cuddalore Govt Hospital	76	2%
4	Provide ECG machine (1no) and inverter (1no) for Thondamanatham Govt primary health centre	500	3%
5	Providing medical equipment and RO drinking water to Cuddalore Govt General Hospital	1500	8%
6	R.O. Plant for Patient and other equipment at Govt. Hospital- Kannarapettai, battery provide	750	8%
7	Sothikuppam Evening Learning centre running project and distributing notebooks to students	60	5%

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
8	Installing CCTV on the playground in Nellikuppam Govt Girls High School	475	5%
9	Painting - to Kudikadu Middle School infrastructure	90	5%
10	Provide school bench, computer and Cupboards to Sothikuppam Govt High School	200	10%
11	Govt school Classroom - Infrastructure / Construction of class room - As per advice of CEO (Chief Education Officer) Cuddalore	200	33%
Nagda			
1	Girls & Boys school new toilet at Rupeta school	145	14%
2	Girls school damaged flooring work Bhadla	70	7%
3	Distribution of Cotton swetors to needy studentsat Uchaheda School	108	11%
4	Medical books & Project material for needy poor girl	1	1%
5	Distribution of School Bag & Compass box	40	4%
6	CCTV Camera installation work, Durgapura village	500	47%
7	Wooden plywood writing table doneted to Gov school	51	5%
8	Sewing Machines classes in Durgapura village	15	2%
9	Tree plantation at Banbani village school	94	9%
Juinagar			
1	Earthern Routes - Voluntary Participation completed to plant vegetables	40	100%
2	Birla School Kalyan "Sponsor for International Conference on Computing STEM and Applied Sciences"	300	7%
3	Thalassemic - TRIUMPH Blood Centre Dialysis and NAT Kit	108	9%
4	Helen Keller Institute for Deaf & Deafblind - Swimming Pool / Open Gym	85	43%
Roha			
1	Gymnasium Equipment for youth at Killa Village	85	34%
2	Construction of Washroom for Ladies at New English School Chanera	300	65%
3	Sewing Machines for needy women at Vicinity Gram panchayat	6	100%
4	Domestic Flour Mills for needy women Kolad.	6	100%
5	Water Purifier System at R Z P School Kolad	224	80%
6	Bicycles for remote area girl students at Dhatav High School	20	100%
7	Washroom for Girls at New English School Kokban	90	70%
8	Washroom for Girls at R Z P School Aare Khurd	26	54%
9	Construction of Classroom at M B More Arts Science Commerce Women College	1000	67%
10	Construction of Science Lab for students at R M Wagle Medium School- Dhamansai	108	61%
11	Construction of Classroomat M B Patil English School- Varse	550	84%
12	Education Infrastructure at J M Rathi English School - Roth	1600	32%
13	Provision of Shed at premises of Dhatav Police station for daily visiting villagers	200	24%

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner



HCIL is committed to delivering high-quality, sustainable products that meet evolving customer expectations and enable environmentally responsible choices. The Company continuously invests in product innovation and enhancement to create long-term value for its consumers, ensuring that its offerings align with global sustainability standards and performance benchmarks.

A robust Quality Management System (QMS) underpins HCIL's commitment to excellence, ensuring adherence to stringent quality protocols across its product portfolio. The Company prioritizes exceptional customer service through timely, personalized support

and maintains effective mechanisms to address consumer concerns. By fostering trust, transparency, and responsiveness, HCIL ensures that its engagement with consumers is ethical, responsible, and value driven.

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback

The customer complaints are handled through QNS system in SAP Database. The Company is having online customer complaints register and evaluation system is connected in System Application and Product Database. All registered complaints are shared with applicable area owner & quality managers who would analyze it and share the solutions with concerns. All these complaints are in reference with the quality safety, transportation issue, packing issue, environment issue, dispatch issues.

2. Turnover of products and / services as a percentage of turnover from all products/ service that carry information about

State	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2024-25			FY 2023-24		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	No Incident Reported	N/A	None	No Incident Reported	N/A	None
Advertising						
Cyber-security	No Incident Reported	N/A	None	No Incident Reported	N/A	None
Delivery of essential services	18	0	None	26	2	None
Restrictive trade practices	No Incident Reported	N/A	None	No Incident Reported	N/A	None
Unfair trade practices	No Incident Reported	N/A	None	No Incident Reported	N/A	None
Others	No Incident Reported	N/A	None	No Incident Reported	N/A	None

4. Details of instances of product recalls on accounts of safety issues

	Number	Reasons for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	Not Applicable

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Currently, the Company has a framework information security. But there is no company-wide data protection policy. Our policies are not publicly available.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

Not applicable as no Incident Reported.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

Not applicable as no Incident Reported

b. Percentage of data breaches involving personally identifiable information of customers

Not applicable as no Incident Reported

c. Impact, if any, of the data breaches

Not applicable as no Incident Reported

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information on all products of Company is available on the website of the Company. Information can be accessed through the weblink <https://www.heubach.com/products/>.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Every consignment is provided with necessary product details, Material Safety Data sheets (MSDS) which elaborates details on safe usage of various products manufactured by the Company.

3. Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.

Any disruptions in supply of products will be informed to customers on priority basis through sales team located across India.

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)

No data breaches

Report on Corporate Governance

Principles of Corporate Governance

Corporate Governance is a set of principles, processes and systems which governs a Company. The elements of Corporate Governance are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. Corporate Governance enables an organisation to perform efficiently and ethically generate long-term wealth and create value for all its stakeholders.

The Corporate Governance policy in the Company encompasses the simple tenets of integrity, transparency, accountability and fairness in whatever the Company does. Heubach is ordained to set the highest standards of corporate governance right from its inception, benchmarked with the best-in-class practices across the globe. The corporate governance principles, that the Company adheres to, aims to provide shareholder value and transparency to ensure sustainable and long-term growth. The entire governance system is supported by well-structured systems and procedures that ensure well-informed decision making across different levels of management.

1. Group Structure

Heubach Colorants India Limited was a part of the Heubach group. With a tradition of delivering excellence that stretches back over 200 years, the Company name is synonymous with innovation, attention to customer needs and reliability in creating colors.

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

Consequent to the aforesaid acquisition, Sudarshan Europe B.V., Wholly Owned Subsidiary of Sudarshan Chemical Industries Limited has acquired entire shareholding of Sudarshan Switzerland HLD1 AG (formerly known as Heubach Holding Switzerland AG and Colorants International AG) and Sudarshan Switzerland HLD2 AG (formerly known as Heubach Ebito Chemiebeteteiligungen AG and Ebito Chemiebeteteiligungen AG), promoters of the Company, resulting in indirectly acquiring 36.56% and 17.80% shareholding, respectively, in the Company. As per the provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended, Sudarshan Europe B.V., being an Acquirer, along with Persons Acting in Concert ("PACs") is in a process of acquiring upto 6,001,268 Equity Shares of

Face Value ₹10/- each, representing 26% of the voting share capital of the Company through Open Offer process. Accordingly, the Company now forms part of Sudarshan Chemical Group.

2. Board of Directors

2.1 Composition and Changes:

The Board has an optimum combination of Executive and Non-Executive Directors, which is in conformity with the requirement of Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Company has 6 Directors out of which 3 are Independent Directors, 1 is a Non-Executive and Non-Independent Director and 2 are in whole time employment of the Company, one being the Managing Director and another being the Executive Director as on March 31, 2025. The Company has an active and independent Board of Directors that provide supervisory and strategic advice and direction.

Subsequent to closure of the Financial Year 2024-25, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors approved:

- Appointment of Mr. Rajesh Rathi (DIN: 00018628) as an Additional Non- Executive Director of the Company, effective April 14, 2025, subject to approval of Shareholders;
- Appointment of Mr. Amitabha Mukhopadhyay (DIN: 01806781) as an Additional Independent Director of the Company, for the term of 5 years, effective April 14, 2025, to April 13, 2030, subject to approval of Shareholders;
- Appointment of Mr. Naresh Raisinghani (DIN: 00568298) as an Additional Independent Director of the Company, for the term of 5 years effective April 14, 2025, to April 13, 2030, subject to approval of Shareholders;
- Appointment of Mrs. Anu Wakhlu (DIN: 00122052) as an Additional Independent Director of the Company, for the term of 5 years effective April 14, 2025, to April 13, 2030, subject to approval of Shareholders.
- Appointment of Mr. Mandar Velankar (DIN: 11069055) as an Additional Non-Executive Director of the Company, effective May 2, 2025 by way of circular resolution dated May 2, 2025, subject to approval of Shareholders.

Approval of Shareholders was accorded for appointment of Mr. Rajesh Rathi as a Non-Executive Director and Non-Independent Director, Mr. Amitabha Mukhopadhyay as a Non-Executive and Independent Director, Mr. Naresh Raisinghani as a Non-Executive and Independent Director, Mrs. Anu Wakhlu as a Non-Executive and Independent Director and Mr. Mandar Velankar as a Non-Executive and Non-Independent Director through Postal Ballot on July 6, 2025.

Mr. Ravi Kapoor (DIN: 01761752), Chairman and Non-Executive Director of the Company, submitted his resignation vide letter dated July 16, 2025, due to his preoccupation with effect from close of Business hours on July 16, 2025. The Board of Directors and Management placed on record their deep appreciation for the contributions made by Mr. Ravi Kapoor during his association with the Company.

The Board of Directors at its meeting held on July 16, 2025, Mr. Ravi Kapoor was succeeded by Mr. Rajesh Rathi (DIN: 00018628) who was appointed as a Chairman of the Board of the Company with effect from July 16, 2025, in addition to his current role as a Non-Executive Director.

Mr. Amitabha Mukhopadhyay (DIN: 01806781), Independent Director tendered his resignation with effect from close of business hours on August 11, 2025 due to possibility of Mr. Mukhopadhyay getting into increased level of engagement with one of the group Companies of Sudarshan Chemical Group, which might potentially affect his independence to continue as an Independent Director of the company. This was not envisaged earlier

The composition and category of the Board of Directors, as on March 31, 2025, the number of other Directorships/ Committee memberships held by them and also their attendance at the Board meetings of the Company is as under:

Name of the Director	Category	Particulars of Attendance		No. of other Directorships* and Committee Memberships / Chairmanships* in Indian Public Companies**			
		Number of Board Meetings held during the year wherein Director was entitled for attendance	Last AGM held on September 25, 2024	Other Directorships	Committee Memberships	Committee Chairmanships	
		Held	Attended				
Mr. Ravi Kapoor DIN 01761752 Chairman	Non-Executive (Non-Promoter)	15	14	Attended	3	2	1
Mr. Bharath R. Sessa DIN 01983066 Managing Director (upto August 31,2024) [§]	Executive (Non-Promoter)	8	7	NA	1	2	-
Mr. Sambit Roy DIN 08291664 Managing Director (with effect from November 25,2024) ^{§§}	Executive (Non-Promoter)	4	4	NA	1	1	-
Mr. Kewal Handa DIN 00056826	Non-Executive Independent (Non-Promoter)	15	15	Attended	8	9	5

when Mr. Mukhopadhyay joined the Board of the Company. Mr. Mukhopadhyay confirmed that there were no other reasons, material or otherwise, for his resignation other than those mentioned above.

Mr. Jugal Sahu (DIN: 02629782), tendered his resignation from the position of Executive Director of the Company with effect from close of business hours on August 11, 2025. However, Mr. Sahu shall continue to serve as Chief Financial Officer, Key Managerial Personnel and Senior Management Personnel of the Company.

The Directors on the Board are eminent professionals in business, finance, academic and corporate management and have vast experience in their respective fields which enable them to contribute effectively to the Company in their capacity as members of the Board.

The necessary disclosures regarding committee positions have been made by all the Directors. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees across all Companies in which they are Directors.

None of the Independent Directors has any material pecuniary relationships or transactions with the Company, its Promoters, Directors, Associates which, in their judgment, would affect their independence. There is no relationship between the Directors inter-se.

The Board does not have any Nominee Director representing any institution.

Name of the Director	Category	Particulars of Attendance		No. of other Directorships* and Committee Memberships / Chairmanships# in Indian Public Companies**			
		Number of Board Meetings held during the year wherein Director was entitled for attendance		Last AGM held on September 25, 2024	Other Directorships	Committee Memberships	Committee Chairmanships
		Held	Attended				
Mr. Sunirmal Talukdar DIN 00920608	Non-Executive Independent (Non-Promoter)	15	15	Attended	8	8	4
Mrs. Diana Dhote DIN 10558367	Non-Executive Independent (Non-Promoter)	15	15	Attended	1	2	1
Mr. Jugal Sahu DIN: 02629782 Executive Director & Chief Financial Officer ^{\$\$\$}	Executive (Non-Promoter)	15	15	Attended	1	1	-

* Directorship held in Heubach Colorants India Limited is included and Directorships of Private Limited Companies, Foreign Companies and Section 8 Companies of the Companies Act, 2013 are not included.

It excludes committees other than Audit Committee & Stakeholders' Relationship Committee, Companies other than Public Limited Company and includes Committee membership/chairmanship held in Heubach Colorants India Limited.

** the particulars of Directorship of Companies, Membership and / or Chairmanship in the Committees, as the case maybe, are as on March 31, 2025.

§ Mr. Bharath Sesha (DIN 01983066) ceased to be a Managing Director effective close of business hours on August 31, 2024.

§§ Mr. Sambit Roy (DIN 08291664) was appointed as a Managing Director effective November 25, 2024.

\$\$\$ Mr. Jugal Sahu (DIN 02629782) ceased to be an Executive Director effective close of business hours on August 11, 2025. Mr. Sahu continues to be Chief Financial Officer of the Company..

2.2 Names of the listed entities where the Director holds Directorship as on March 31, 2025:

Sr. No.	Name of the Director	Name of other listed entity(s)	Category of Directorship
1.	Mr. Ravi Kapoor (Chairman & Non- Executive Director)	Hikal Limited Alkyl Amines Chemicals Limited	Independent Director Independent Director
2.	Mr. Kewal Handa (Independent Director)	Borosil Limited Borosil Scientific Limited Akums Drugs and Pharmaceuticals Limited Poonawala Fincorp Limited	Independent Director Independent Director Independent Director Independent Director
3.	Mr. Bharath Sesha (Managing Director) (upto August 31,2024)	None	NA
4.	Mr. Sunirmal Talukdar (Independent Director)	Assam Carbon Products Limited Sasken Technologies Limited Aditya Birla Fashion and Retail Limited Aditya Birla Real Estate Limited Aditya Birla Lifestyle Brands Limited Vodafone Idea Limited	Independent Director Independent Director Independent Director Independent Director Independent Director Independent Director
5.	Mr. Jugal Sahu (Executive Director and Chief Financial Officer)	None	NA
6.	Mrs. Diana Dhote	None	NA
7.	Mr. Sambit Roy (Managing Director) (with effect from November 25, 2024)	None	NA

2.3 Matrix setting out the skills / expertise / competence of Board:

The Board of Company comprises of qualified individuals who bring the required skills, competencies, expertise and diversity to the Board that allows them to contribute efficiently. The Board and Committees thereof, are committed to ensure that Company is compliant with the highest standard of Corporate Governance. The Board has identified and briefly summarized following key qualifications, skills and competence which are currently available with the Board:

Sr. No.	Skill / Qualification / Expertise
1.	Strategic thinking & Vision
2.	Leadership
3.	Drive for Innovation & Improvement
4.	Driving a culture of Safety
5.	Stakeholders' Relationship
6.	Global Business
7.	Commercial Management
8.	Social Responsibility
9.	Risk Management
10.	Corporate Governance, Finance & Taxation

The Independent Directors of the Company fulfill the conditions specified in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended and are independent from the Management of the Company.

2.4 Profile of the Directors proposed to be appointed/ re-appointed:

The brief profile and information pertaining to directorship held in other Companies, Shareholding, etc. of the Director proposed to be re-appointed at the ensuing Annual General Meeting of the Company forms part of the Notice of Annual General Meeting. Further, there was no resignation of any Independent Director before the expiry of his/her tenure, during the year under review.

2.5 Board Meetings and Agenda:

The Board provides strategic directions to the Company and evaluates management policies and their effectiveness to ensure that the long-term interests of the shareholders are being served.

In accordance with the law and the Articles of Association of the Company, the Board of Directors is the ultimate decision-making authority for the Company in all matters except those decisions reserved by law or the Articles of Association for shareholders. The Board has complete and unrestricted access to any information required by them to perform its supervisory duties and make decisions on the matters reserved for the Board of Directors. The Board generally meets once in a quarter to

review, among other things, quarterly performance of the Company and Financial results. The Company provides video/teleconferencing facilities to facilitate Directors travelling or present at other locations, to participate in meetings. During the year under review, the Board of Directors held 15 meetings on April 3, 2024, April 23,2024, May 1, 2024, May 8, 2024, May 29, 2024, June 28, 2024, July 24, 2024, August 31, 2024, September 20, 2024, October 16, 2024, November 14, 2024, November 29, 2024, January 3, 2025, January 29, 2025, March 29, 2025.

Only in case of urgent business, if the need arises, the Board's/ Committee's approval is taken by passing resolutions through circulation or by calling Board/ Committee meetings at shorter notice, as permitted under the Act and Secretarial Standard ('SS') issued by the Institute of Company Secretaries of India.

The compliance reports in respect of applicable laws are placed before the Board periodically. Agenda papers containing the necessary information/documents are made available to the Board in advance to enable the Board to discharge its responsibilities effectively and take informed decisions. Where it is not practicable to attach or send the relevant information as a part of agenda papers, the same are tabled at the meeting and/or the presentations are made in respect thereof. The information as specified in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is made available to the Board, whenever applicable, for discussion and consideration. Considerable time is spent by the Directors on discussions and deliberations at the Board Meetings.

2.6 Familiarization Programme:

The Company has put in place a well-structured induction and familiarization programme for its Independent Directors. The details of familiarization programme are available on Company's website (www.heubach.com) at below path: <https://heubach.com/heubach-india/investor-relations-india-overview/policies/>

2.7 Independent Directors' Meeting:

In accordance with the provisions of Schedule IV of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, meetings of Independent Directors were held on May 01, 2024 and January 29, 2025 and attended by all the Independent Directors of the Company. The Independent Directors, inter alia, reviewed the following; the performance of the Chairman; the performance of Non-Independent Directors and the Board as a whole; the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties; appointment of Legal Counsel for Independent Directors.

2.8 Performance evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015, the Board has carried out the annual evaluation of its own performance and Board Committees by seeking the inputs of Directors on various aspects of the Board/Committee Governance. The Board has reviewed the performance of the individual Directors and the Chairperson.

The performance evaluation of the Directors was done based on criteria which included leadership qualities, contribution in strategic planning, balanced decision making, safeguard of confidential information, adherence to code of conduct, transparency, attendance, etc. In a separate meeting of Independent Directors, performance evaluation of Non-Independent Directors and the Board was evaluated.

3.1 Audit Committee

3.1.1 Composition and Meetings:

The composition of the Audit Committee is in conformity with Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. During the year under review, 11 meetings were held on May 1, 2024, May 8, 2024, May 29, 2024, July 24, 2024, August 31, 2024, October 16, 2024, November 14, 2024, November 29, 2024, January 3, 2025, January 29, 2025, March 29, 2025. The details of composition and the number of meetings attended by the members is given below:

Name	Position held	No. of Meetings held during the tenure of member	
		Held	Attended
Mr. Sunirmal Talukdar	Chairman	11	11
Mr. Kewal Handa	Member	11	11
Mrs. Diana Dhote	Member	11	11
Mr. Bharath Sessa (upto August 31, 2024)	Member	5	4
Mr. Sambit Roy (with effect from November 25, 2024)	Member	4	4

All the members of the Audit Committee are financially literate and considering their professional background and experience, have acquired respective management, financial, accounting and legal expertise. The Chairman of the Audit Committee is a Non-Executive Independent Director. Mr. Sunirmal Talukdar, Chairman of the Committee was present at the Annual General Meeting held on September 25, 2024.

The Chief Financial Officer and Auditors are invitees to the meetings of the Audit Committee. The Company Secretary acts as Secretary to the Committee.

3.1.2 Terms of reference:

The Terms of reference for the Audit Committee are in line with the requirements of Section 177 of the Companies Act, 2013 and the rules framed thereunder and Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015. The terms of reference are briefly described as below:

3. Board Committees

The Board of Directors has constituted/reconstituted five committees viz., Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. The roles and responsibilities assigned to these Committees are covered under the terms of reference approved by the Board and are subject to review by the Board from time to time. The minutes of the meetings of these Committees are reviewed and taken note by the Board. The details as to the composition, terms of reference, number of meetings and related attendance etc. of these committees are provided below:

- Overseeing the Company's financial reporting process to ensure disclosure of financial information as per the requirements of Stock Exchange and the Company Law and to ensure that the financial statements are correct, sufficient and credible;
- Review and examination of quarterly, half yearly and annual financial statements and the auditors' report thereon before submission to the Board for approval;
- Review of Management Discussion and Analysis of financial condition and results of operations, statement of significant related party transactions;
- Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the Statutory Auditors, Internal Auditors and Cost Auditor and the fixation of audit fees and terms of appointment;

- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Approval and subsequent modification of transactions of the Company with related parties;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Review the appointment, removal and terms of remuneration of Internal Auditors;
- Review with the management, performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Review of reports of Statutory and Internal Auditors and replies of the management thereon;
- Review of the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer documents / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
- Discussion with Internal Auditors of any significant findings and follow up there on;
- Review, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Directors' Responsibility Statement, forming part of the Board's report in terms of Clause (c) of Sub-Section (3) of Section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on exercise of judgment of management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosures of any related party transactions;
- Qualifications in the draft audit report;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern and review of management representation letters to be issued to the Statutory Auditors;
- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Reviewing compliances as regards the Company's Whistle Blower Policy;
- Approval of the appointment of the Chief Financial Officer (CFO) of the Company after assessing the qualifications, experience & background, etc. of the Candidate;
- Carrying out any other function as may be referred by the Board, from time to time;
- reviewing the utilization of loans and/ or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.

3.2 Nomination and Remuneration Committee

3.2.1 Composition and Meetings:

The composition of the Nomination and Remuneration Committee is in conformity Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

During the year under review, 8 meetings were held on May 8, 2024, May 29, 2024, June 28, 2024, July 24, 2024, September 20, 2024, October 16, 2024, November 14, 2024, November 29, 2024. The details of composition and the number of meetings attended by the members is given below:

Name	Position held	No. of Meetings held during the tenure of member	
		Held	Attended
Mr. Sunirmal Talukdar	Chairperson	8	8
Mr. Kewal Handa	Member	8	8
Mrs. Diana Dhote	Member	8	8

3.2.2 Terms of reference:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a Policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of performance of Independent Directors, other Directors and Key Managerial Personnel;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become Directors in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
- Identifying persons who are qualified to become Key Managerial Personnel (KMP) in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;

- Identifying persons who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- To recommend to the Board on Remuneration payable to the Whole Time Directors, Key Managerial Personnel and Senior Executives.

3.2.3 Remuneration Policy:

The Nomination & Remuneration policy of the Company is performance driven and is structured to motivate employees, recognize their merits & achievements and promote excellence in their performance.

The Nomination & Remuneration Policy is available on the website of the Company at www.heubach.com

3.2.4 Remuneration paid to the Directors:

The Independent Directors are remunerated by way of sitting fees for attending each meeting of the Board and Committee thereof. They are also paid commission on an annual basis, as and when declared, in accordance with the provisions of the Companies Act, 2013, read with Rules framed thereunder.

The details of remuneration paid/payable to the Directors for the year ended March 31, 2025 is given as under:

(₹ in Lakhs)					
Name of Director	Sitting fees	Salary, benefits & perquisites, performance bonus, Pension & Other Funds etc.	Commission	Total	No. of shares held as on March 31, 2025
Mr. Ravi Kapoor	-	-	-	-	Nil
Mr. Kewal Handa	27.10	-	5.0	32.10	Nil
Mr. Sunirmal Talukdar	30.10	-	5.0	35.10	Nil
Mrs. Diana Dhote	29.50	-	5.0	34.50	Nil
Mr. Sambit Roy (effective November 25, 2024)	-	113.39	-	-	Nil
Mr. Jugal Sahu	-	209.29	-	-	1,960*

* 1,960 Equity Shares of the Company are being held in the name of Jugal Kishore Sahu HUF of which Mr. Jugal Sahu is the Karta.

Other than this, none of the Directors, on the Board as on March 31, 2025, have any other pecuniary interest in the Company.

The Company has not framed any scheme/plan to grant stock option to its employees.

3.2.5 Service Contracts, Notice Period and Severance Fees:

The appointment and remuneration of the Managing Director and Executive Directors are subject to the provisions of the Act and the resolutions passed by the Board of Directors and Members of the Company which cover the terms and conditions of such appointment. There is no separate provision for payment of severance fee under the resolutions governing the appointment of Managing Director and other Executive Directors.

3.3. Stakeholders' Relationship Committee

3.3.1 Composition and Meetings:

During the year under review, four meetings were held on May 29, 2024, July 24, 2024, November 14, 2024 and January 29, 2025. The composition and details of the meetings attended by the members are given below:

Name	Position held	No. of Meetings held during the tenure of member	
		Held	Attended
Mrs. Diana Dhote	Chairperson	4	4
Mr. Sunirmal Talukdar	Member	4	4
Mr. Bharath Sesha (upto August 31, 2024)	Member	2	2
Mr. Jugal Sahu*	Member	2	2

*Mr. Jugal Sahu ceased to be an Executive Director of the Company with effect from close of business hours on August 11, 2025 and consequent to his resignation, he ceased to be a members of the committee.

3.3.2 Terms of reference:

The brief terms of reference of Stakeholders Relationship Committee of the Board of Directors includes the following:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Details of Investors' Complaints

The Company and MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited), the Share Transfer Agent attend to all grievances of the investors received directly or through SEBI, Stock

Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc.

The Company has retained the services of a Practising Company Secretary to perform audit of reconciliation of share capital and provide the report on quarterly basis. No non-compliance from established procedures is reported.

Mr. Adwait Joshi, Company Secretary, is the compliance officer pursuant to the requirement of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 13 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, investors' grievance redressal status and the number of pending complaints are reported every quarter to the stock exchanges. There were no investor complaint pending as on March 31, 2025.

During the year under review, the Company had received seven complaints from Investors and all seven complaints were resoled during the year.

3.4 Corporate Social Responsibility (CSR) Committee

3.4.1 Composition & Meetings:

The composition of the Corporate Social Responsibility Committee is in conformity with the provisions of Section 135 of the Companies Act, 2013.

During the year under review, 1 meeting was held on May 29, 2024. The composition and details of the meeting attended by the members are given below:

Name	Position held	No. of Meetings held during the tenure of member	
		Held	Attended
Mrs. Diana Dhote	Chairperson	1	1
Mr. Kewal Handa	Member	1	1
Mr. Bharath Sesha (upto August 31,2024)	Member	1	1
Mr. Sambit Roy (with effect from November 25, 2024)	Member	NA	NA

3.4.2 Terms of reference:

The brief terms of reference of the CSR Committee are as under:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

3.5. Risk Management Committee

3.5.1 Composition and Meetings:

Pursuant to the provisions of SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015, the Board of Directors of the Company have constituted the Risk Management Committee on. During the year under review, the Risk Management Committee met 2 times on April 24, 2024 and October 16, 2024. The composition and details of the meeting attended by the members are given below:

Name	Position held	No. of Meetings held during the tenure of member	
		Held	Attended
Mr. Sunirmal Talukdar	Chairperson	2	2
Mr. Bharath Sesha (upto August 31,2024)	Member	1	1
Mr. Sambit Roy (with effect from November 25, 2024)	Member	-	-
Mr. Jugal Sahu	Member	2	2
Mr. Abhijit Doshi (upto September 6, 2024)	Member	2	1
Mr. Abhijit Naik	Member	2	1

3.5.2 Terms of reference:

The brief terms of reference of Risk Management Committee of the Board of Directors includes the following:

- To formulate a detailed Risk Management Policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of Risk Management Systems;
- To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;



- To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- The Risk Management Committee shall coordinate its activities with other Committees, in instances where there is any overlap with activities of such Committees, as per the framework laid down by the Board of Directors.

4. Senior Management

Below is the list of Senior Management Personnel:

Name of Senior Management Personnel	Designation
Mr. Sambit Roy*	Managing Director
Mr. Jugal Sahu**	Executive Director and Chief Financial Officer
Ms. Ashwini Natekar***	Interim Company Secretary and Compliance Officer
Mr. Abhijit Naik#	Head of Operations
Mr. Jim Easow	Vice President, Legal & Compliance
Mr. Adwait Joshi##	Company Secretary and Compliance Officer

*Mr. Sambit Roy was appointed as an Additional and Managing Director, based on the recommendation of the Nomination and Remuneration Committee effective November 25, 2024. Subsequently, the shareholders approved the appointment of Mr. Sambit Roy as the Managing Director of the Company through Postal Ballot on January 22, 2025.

**Mr. Jugal Sahu has submitted his resignation from the position of Executive Director of the Company with effective from close of business hours on August 11, 2025. However, Mr. Sahu continues to serve as Chief Financial Officer of the Company.

***Ms. Ashwini Natekar ceased to be an Interim Company Secretary, Compliance Officer and Nodal Officer of the Company effective close of business hours July 16, 2025.

#Mr. Abhijit Naik ceased to be Head of Operations effective August 11, 2025.

##Mr. Adwait Joshi is appointed as a Company Secretary, Compliance Officer and Nodal Officer of the Company with effect from August 01, 2025.

5. Subsidiary Company.

The Company did not have any Subsidiary Company during the year under review.

6. General Body Meetings

The details of Annual General Meetings of the Company held during preceding 3 years are as follows:

AGM	Date and Time	Venue	Special Resolutions Passed
65 th	August 25, 2022 at 04.00 P.M.	Through Video Conferencing (‘VC’)/ Other Audio Visual Means (OAVM)	None
66 th	September 26, 2023 at 04.00 P.M.	Through Video Conferencing (‘VC’)/Other Audio-Visual Means (‘OAVM’)	None
67 th	September 25, 2024 at 04.00 P.M.	Through Video Conferencing (‘VC’)/Other Audio-Visual Means (‘OAVM’)	None

During the year under review, the members have passed two resolutions through Postal Ballot in accordance with Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, details of which are as below:

Particulars of resolution passed	Type of resolution passed	Votes (no. of shares and percentage)		Date of passing resolution*
		In Favour	Against	
Appointment of Mrs. Diana Dhote (DIN: 10558367) as an Independent Director of the Company	Special Resolution	1,30,33,963 (99.93%)	9,362 (0.07%)	June 14, 2024
Appointment of Mr. Sambit Roy (DIN: 08291664) as the Managing Director of the Company	Special Resolution	1,26,26,790 (99.98%)	2,506 (0.02%)	January 22, 2025

*Resolutions were deemed to have been passed on the last date specified for remote e-voting.

The Board of Directors had appointed Mr. Bhadresh Shah, Proprietor of Bhadresh Shah & Associates, Company Secretaries (COP 15957, ACS 23847), as a Scrutinizer to scrutinize the process of Postal Ballot / e-voting in a fair and transparent manner.

Whether any Special Resolution is proposed to be passed through Postal Ballot this year:

There is no immediate proposal for passing any Resolution through Postal Ballot.

Subsequent to closure of Financial Year 2024-25, the following resolutions were passed through Postal Ballot:

Particulars of resolution passed	Type of resolution passed	Votes (no. of shares and percentage)		Date of passing resolution*
		In Favour	Against	
Appointment of Mr. Rajesh Rathi (DIN: 00018628) as Non- Executive Director of the Company	Ordinary Resolution	1,36,22,791 (99.53%)	64,514 (0.47%)	July 06, 2025
Appointment of Mr. Amitabha Mukhopadhyay (DIN: 01806781) as Independent Director of the Company	Special Resolution	1,36,86,190 (99.99%)	1,115 (0.01%)	July 06, 2025
Appointment of Mr. Naresh Raisinghani (DIN: 00568298) as Independent Director of the Company	Special Resolution	1,31,11,697 (95.79%)	5,75,608 (4.21%)	July 06, 2025
Appointment of Mrs. Anu Wakhlu (DIN: 00122052) as Independent Director of the Company	Special Resolution	1,36,85,780 (99.99%)	1,525 (0.01%)	July 06, 2025
Appointment of Mr. Mandar Velankar (DIN: 11069055) as Non-Executive Director of the Company	Ordinary Resolution	1,36,22,781 (99.53%)	64,524 (0.47%)	July 06, 2025

Procedure for postal ballot:

In compliance with Regulation 44 of the Listing Regulations, Sections 108, 110 of the Act, Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, and other applicable provisions of the Act read with the Rules issued thereunder and General Circulars issued by Ministry of Corporate Affairs, the Company provided remote e-voting facility to all its Members. The Company engaged the services of MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) the Registrar and Share Transfer Agent of the Company for the purpose of providing e-voting facility to all its Members for above postal ballot activities.

The postal ballot notice was sent to the members in electronic form at their email addresses registered with the depositories/RTA.

The Company also published notice in the newspapers declaring the details of completion of dispatch, e-voting details and other requirements in terms of the Act, read with the Rules issued thereunder and the Secretarial Standards issued by the Institute of Company Secretaries of India.

Pursuant to the provisions of the Act, the Company had appointed a scrutiniser for conducting the postal ballot process in a fair and transparent manner. The scrutiniser submitted his consolidated report to the Chairman and the voting results were announced by the Chairman by placing the same along with the scrutiniser's report on

the Company's website, besides being communicated to the stock exchanges.

The results were displayed on the website of the Company at www.heubach.com and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents. The resolutions passed by the postal ballot were deemed to have been passed on the last date of e-voting period.

7. Disclosures

7.1 Related party transactions:

Related party transactions have been disclosed under Note 40 of Significant accounting policies & notes forming part of the financial statements of Audited Accounts in accordance with 'Indian Accounting Standard 24' and pursuant to Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. A statement in summary form of transactions with related parties in the ordinary course of business is periodically placed before the Audit Committee for review and recommendation to the Board for their approval.

The Company has formulated a policy on dealing with Material Related Party Transactions. The Policy is available on the website of the Company i.e. <https://www.heubach.com/heubach-india/investor-relations-india-overview/policies/>

None of the transactions with related parties were in conflict with the interest of the Company. Company's major related party transactions, during the year under

review, are with the affiliates of group company operating worldwide. All these transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis.

The Company has not entered into any materially significant related party transaction that may have potential conflict with the interest of the Company at large.

Policy on Material Subsidiary:

The Company does not have any material subsidiary.

The Company has disclosed the Material Subsidiary Policy on its website and is accessible at www.heubach.com.

Loans and advances in the nature of loans to firms/companies in which directors are interested:

The Company has not given any loans or advances to any firm/company in which its Directors are interested in accordance with the provisions of the Companies Act, 2013.

7.2 Code of Conduct:

The Board of Directors has adopted the Code of Conduct for Directors and Senior Management Personnel and the compliance of the same is affirmed by them annually. In addition, code of business conduct formulated by Heubach group is applicable to all employees of the Company. The Code of Conduct is available on Company's website <https://www.heubach.com/heubach-india/investor-relations-india-overview/policies/>

The Managing Director has confirmed the compliance of code of conduct as required under Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, and provided a declaration as under:

I, Mr. Sambit Roy, Managing Director of the Company, do hereby give this declaration pursuant to Regulation 17(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;

The Board has laid down code of conduct for all Board Members and Senior Management of the Company and the same is posted on the website of the Company i.e., www.heubach.com. All the Board Members and Senior Management personnel have affirmed compliances with the code for the year ended March 31, 2025.

7.3 Prohibition of Insider Trading:

The Company has framed a Code of Conduct for Prohibition of Insider Trading as per the amended SEBI (Prohibition of Insider Trading) Regulations, 2015. The code is applicable to all Directors and such employees of the Company who

have access to unpublished price sensitive information relating to the Company. Transaction for dealing or trading in the prescribed volume of the security of the Company during the prescribed time requires prior approval from the Company.

The Company Directors, Key Managerial Personnel and Designated Employees and other Insiders are informed about closure of the Trading Window prior to dissemination of price sensitive information. The said code of conduct is available on the Company's website at www.heubach.com.

7.4 Disclosure of Accounting Treatment:

The Financial statements of the Company for the year ended March 31, 2025 are prepared in conformity with the Indian Accounting Standards (Ind AS).

7.5 Proceeds from public issues, rights issues, preferential issues, etc.:

During the year under review, the Company has not raised any proceeds through public issues, rights issues, preferential issues, etc.

7.6 Management:

Management Discussion and Analysis report forms part of this Annual Report.

There were no material financial and commercial transactions by Senior Management, where they have personal interest that may have a potential conflict with the interests of the Company at large.

7.7 Compliance:

The Company has complied with all regulatory requirements. No penalties/strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital market during last three years.

The audited financial results for the quarter and year ended March 31, 2025 of the Company were submitted to the stock exchanges after the due date prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company had intimated in advance to the BSE and NSE regarding the delay in submission of the said results in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As disclosed in said intimations, the delay in filing of financial results of the Company was attributable to reasons including the pending statutory audit. The Company has made payment of regulatory penalties imposed by BSE and NSE under applicable laws. Further, the Company has submitted the audited financial results for the quarter and year ended March 31, 2025 on July 16, 2025.

7.8 Whistle Blower Policy:

The Company has adopted to Whistle Blower Policy for employees to report to the management about the unethical behavior, fraud or violation of Company’s code of conduct. The mechanism provides for adequate safeguard to the victimized employees and spreads the way to curb those practices being followed in the office premises. None of the personnel of the Company has been denied access to the Audit Committee.

7.9 Commodity Risk and Hedging Activities:

Specialty Chemical industry is exposed to high risk of volatile prices, stringent government regulations and availability of raw materials/traded goods. Company mitigates / hedges the said risks by its sustainable strategy consisting of structured approach to reduce cost and controls price fluctuation by quarterly price contracts, volume bundling and deployment of new vendors.

7.10 Agreements binding under clause 5A of para A of part A of schedule III

None of the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of the Company or of its holding and associate company, have entered into agreements as specified in clause 5A of para A of part A of schedule III to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

8. Means of Communication

All important information relating to the Company, its performance, shareholding pattern, quarterly results, press releases and other information as per the SEBI Regulations are regularly posted on Company’s website and also forwarded to the Stock Exchanges. The quarterly, half-yearly and annual Financial results of the Company are published in newspapers like Business Standard and Mumbai Lakshadeep, circulating in the local area. These results are also available on the websites of the Company, BSE Limited and National Stock Exchange of India Limited.

9. General Shareholder Information

9.1 Annual General Meeting:

Day, Date and Time:

Mode: The 68th Annual General Meeting (AGM) of the Company will be held through Video Conference (VC)/ Other Audio-Visual Means (OAVM) on Monday, September 29, 2025 at 2:00 p.m. IST.

As per the applicable circulars issued by the Securities and Exchange Board of India ("SEBI") and The Ministry of Corporate Affairs ("MCA"), the companies are allowed to conduct the AGM through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") on or before

30th September, 2025, and also copies of the financial statements (including Report of Board of Directors, Auditor’s Report and / or other documents required to be attached therewith), and such statements including the Notice of AGM are being sent only in electronic mode to Shareholders whose e-mail address is registered with the Company / Registrar and Transfer Agent ("RTA") or Depository Participant(s) ("DP"). As per the applicable circulars issued by SEBI and MCA, 67th AGM of the Company was conducted through VC / OAVM on September 25, 2024.

9.2 Financial Calendar:

- Financial Year April 1 to March 31.

Proposed Calendar for FY 2025-2026

1 st Quarter Results	August, 11,2025
2 nd Quarter Results	Within 45 days of the quarter and half year ended September 30, 2025
3 rd Quarter Results	Within 45 days of the quarter and nine months ended December 31, 2025
Annual Results	Within 60 days of the quarter and year ended March 31, 2025
Annual General Meeting	September 29, 2025

9.3 Listing of Shares:

Shares of the Company are listed on BSE Ltd. (BSE) under Stock ID ‘506390’ and National Stock Exchange of India Limited (NSE) under the code ‘HEUBACHIND. The Company has paid the listing fees up to March 31, 2026, to both the Stock Exchanges.

9.4 Corporate Identification Number (CIN) of the Company: L24110MH1956PLC010806

9.5 Address for correspondence:

A) Share Transfer Agents:

MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)
C 101, 247 Park, L B S Marg, Vikhroli (West),
Mumbai - 400 083, Maharashtra
Tel: 022 - 49186000
E-mail id.: rnt.helpdesk@linkintime.co.in
Contact Person: Mr. Devang Mehta
E-mail ID for Investor Services:
investor.relations_india@heubach.com

B) Company’s Registered Office:

Heubach Colorants India Limited
Rupa Renaissance, B Wing, 25th Floor
D-33, MIDC Road, TTC Industrial Area
Juinagar, Navi Mumbai 400705 India
Tel: 022 20874405

The shareholders having physical shares are requested to ensure that any correspondence for change of address, change of bank mandates etc. should be signed by the first named shareholder and supported by the documents such as Aadhar Card, Telephone or Electricity Bill in the name of shareholder or a family member along with a copy of PAN card.

In case shares of the Company are held in electronic form (i.e., in dematerialized form), all communications concerning rematerialization of shares, transfer and transmission, dividends, change of address, furnishing of alterations in bank account details, nominations, ECS

credit of dividend amount to shareholders’ bank account or other inquiries should be addressed only to the Depository Participant (DP) with whom demat account is maintained, quoting client ID number and not to the Company or the R&T Agent. This is because once the shares are dematerialized the data is maintained by the DPs and the Company cannot alter the details and has to act on the basis of the details downloaded from NSDL or CDSL as the case may be.

For any assistance from the Company, members may contact Mr. Adwait Joshi, Company Secretary, at the registered office of the Company.

9.6 Shareholding pattern as on March 31, 2025:

Sr. No.	Category	No. of Shares held	% of holding
A	Promoters’ Holding		
	Foreign Promoters (names as appearing in Shareholding Pattern)		
	(a) Colorants International AG	84,39,385	36.56
	(b) EBITO Chemieeteiligungen AG	41,09,426	17.80
	Sub-Total (A)	1,25,48,811	54.36
B	Institutional Investors		
	(a) Mutual Funds	10,53,356	4.56
	(b) Alternate Investment Funds	5,122	0.02
	(c) Financial Institutions / Banks	10,877	0.05
	(d) Insurance Companies	96,551	0.42
	(e) Foreign Portfolio Investors	264852	1.15
	(g) Foreign Institutional Investors	0	0
	(h) Foreign bank	878	0.00
	Sub-Total (B)	14,31,636	6.20
C	Others		
	Bodies Corporate	5,78,250	2.51
	Non-Resident Indians / Trusts	2,33,894	0.97
	Indian Public	64,11,643	27.79
	Foreign Nationals	450	0
	Government Companies	0	0
	Investor Education and Protection Fund	1,94,900	0.84
	NBFCs Registered with RBI	12,85,357	5.57
	Key Managerial Personnel	1,960	0.00
	Other	3,94,897	1.76
	Sub-Total (C)	91,01,351	39.44
D	Total Public Shareholding (B+C)	1,05,32,987	45.64
Total (A+D)		2,30,81,798	100

2,28,47,628 equity shares of the Company are held in dematerialized form constituting **98.98%** of the paid up capital as on March 31, 2025. The total number of shareholders as on March 31, 2025 is **41,594**.

9.7 Details of Members holding > 1 % of the paid up capital of the Company:

Sr No	Name of the Shareholder	As at 31-March-2024		As at 31-March-2025	
		No. of shares	%	No. of shares	%
1	Colorants International AG	84,39,385	36.56	84,39,385	36.56
2	Ebito Chemieeteiligungen AG	41,09,426	17.80	41,09,426	17.80
3	Rajasthan Global Securities Private Limited	Nil	Nil	11,80,340	5.11
4	Quant Mutual Fund - Quant Manufacturing Fund	3,35,241	1.45	10,53,176	4.56

9.8 Distribution of shareholdings as of March 31, 2025

No. of equity shares held	Shareholders		Equity Shares held	
	No. of Shareholders	%	No. of shares	%
1 - 3000	41,325	99.36	55,85,103	24.18
3001 - 5000	135	0.31	5,38,775	2.32
5001 and above	134	0.30	1,69,57,920	73.46
Total	41,594	100.00	2,30,81,798	100.00

9.9 Names of Depositories for dematerialization of equity shares:

Name of the Depository	ISIN No.
National Securities Depositories Limited (NSDL)	INE492A01029
Central Depository Services (India) Limited (CDSL)	INE492A01029

Trading in equity shares of the Company is permitted only in dematerialized form.

9.10 ADRs/GDRs/Warrants:

The Company has not issued any GDRs / ADRs / Warrants or any other convertible instruments.

9.11 Plant Locations:

The Company's current manufacturing facilities are located at:

113/114, M.I.D.C. Industrial Area, A.V.P.O. Dhatav, Taluka Roha, District Raigad - 402 116 Maharashtra

Plot/Phase No. 378/2/2, Durgapura Colony Road, Birlagram, Nagda - 456 331 Madhya Pradesh

Kudikadu, SIPCOT Post, Cuddalore - 607 005 Tamil Nadu

9.12 Credit Ratings:

During the year under review the Company had not subjected itself for any Credit Rating.

9.13 Certificate from Company Secretary:

A Certificate from M/s. J R Ahuja & Co., Practicing Company Secretaries, 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 SEBI and/or Ministry of Corporate Affairs, or any such statutory authorities, is annexed at the end of this report.

9.14 Fees paid to Statutory Auditors:

The Company had paid the Statutory Auditors, in connection of the work related to Audit carried out by them and other activities as approved by the Audit Committee, for the Financial year 2024-25, as below:

Nature of Engagement	FY 2024-25 (in Lakhs)
As auditors	23.60
For other services	4.32
For reimbursement of expenses	1.41
Total	29.33

9.15 Recommendation of Committee:

There were no recommendations of any Committee of the Board which is not accepted by the Board during the Financial year 2024-25. All the Committee recommendations have been duly accepted by the Board after deliberations.

9.16 Instances of Sexual Harassment of Women:

The particulars of instances of sexual harassment of women at workplace of Heubach is as follows:

Number of complaints filed during the Financial year	Nil
Number of complaints disposed of during the Financial year	Nil
Number of complaints pending as on end of the financial year	Nil

9.17 Utilization of funds raised through Preferential allotment or Qualified Institutions Placement:

The Company has not allotted any specified security to anyone on Preferential basis or to Qualified Institutional Buyers in terms of Regulation 32 (7A) of SEBI (Listing Obligations & Disclosure requirements) Regulations, 2015.

10. Additional Information

10.1 Unpaid/Unclaimed Dividend Shares:

In terms of the provisions of Section 124 & 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), the Company is obliged to transfer dividends which remain Unpaid or Unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account to the credit of the Investor Education and Protection Fund ('IEPF') established by the Central Government.

Further, in addition to the Unpaid or Unclaimed Dividend required to be transferred by the Company to IEPF, equity shares relating to such Unclaimed/Unpaid Dividend and lying unpaid / unclaimed for seven consecutive years, or more are also required to be transferred to the Investor Education and Protection Fund Suspense Account ('IEPF Suspense Account').

In accordance with the requirements as set out in the IEPF Rules, the Company has transferred 23,676 shares to IEPF Suspense Account during the year ended March 31, 2025.

Members hereby informed that the 7 years period pertaining to Dividends for the various financial years will expire as below; and thereafter the amount standing to the credit in the said account and the shares in respect of such unclaimed dividend will be transferred to the 'Investor Education and Protection Fund' of the Central Government. Members are therefore requested to encash the dividend at the earliest.

Financial Year / period	Date of Declaration	Date of completion of seven years
2017-18 (Final)	09.08.2018	14.09.2025
2018-19 (Interim)	01.11.2018	07.12.2025
2018-19 (Final)	08.08.2019	13.09.2026
2020-21 (First Interim)	11.07.2020	17.08.2027
2019-20 (Final)	20.08.2020	26.09.2027
2020-21 (Second Interim)	12.02.2021	20.03.2028
2020-21 (Final)	12.08.2021	17.09.2028

Please note that no claim shall lie against the Company in respect of the unclaimed dividend amount and equity shares transferred to IEPF, pursuant to IEPF Rules. Shareholders can however claim both the unclaimed dividend amount and the equity shares transferred to IEPF Suspense Account from IEPF Authority by making an Application in Form IEPF-5 online and sending the physical copy of the same duly signed (as per registered signature) along with requisite documents enumerated in the said Form IEPF-5 to the Company at its registered office or to Link Intime for verification of the claim.

10.2 Detail of Unclaimed Shares:

The detail of unclaimed shares is given below:

Aggregate number of shareholders and the outstanding unclaimed shares as at end of the year	248 Shareholders 33,819 Shares
Number of shareholders who approached the issuer for transfer of unclaimed shares during the year	4 Shareholders
Number of unclaimed shares were transferred during the year	377
Number of shareholders involved in IEPF 4	118
Number of shares involved in IEPF 4	23,676
Aggregate number of shareholders and the outstanding unclaimed shares as at end of the year	126 Shareholders 9,766 Shares

The voting rights on the outstanding unclaimed shares shall remain frozen till the rightful owner of such shares claims the shares.

10.3 Bank Mandate:

Electronic Clearing Services (ECS) is a method of payment of dividend whereby the amount due to investors can directly be credited into their bank accounts, without having to issue paper instruments. It is fast and there is no scope for loss of dividend warrants in transit and possible fraudulent encashment.

In case of shares held in physical form the bank details may be sent to the Registrar & Share Transfer Agents. In case of shares held in demat form, the bank details provided by the Depository Participant (DP) with whom the demat account is maintained will be applicable. All previous instructions given by you to the Company in respect of ECS and bank details will stand superseded by the ECS details recorded with your DP.

10.4 Nomination Facility:

A member can nominate a person who shall have rights to shares and/or amount payable in respect of shares registered in his name in the event of his death. The nomination form can be obtained from the Company's Share Transfer Agent or downloaded from the website of the Company at www.heubach.com.

10.5 Consolidation of folios and avoidance of multiple folios:

Members having multiple folios are requested to consolidate their folios into single folio and for this purpose send request along with the original certificates to the Share Transfer Agent specifying the folio number under which they desire to hold the shares.

10.6 Communication:

In order to save the environment and in order to initiate e-communication, the Company requests all shareholders to register their email address with the depository, in case of shares held in demat form or with the Share Transfer Agents for shares held in physical form. This will facilitate the Company and Share Transfer Agents to send the communication through electronic mail which is faster and cost effective.

10.7 Non-Mandatory requirements:

The status of compliance with non-mandatory recommendations under Part E, Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is provided below:

10.7.1 The Board: The listed entity may appoint separate persons to the post of the Chairperson and the Managing Director or the Chief Executive Officer, such that the Chairperson shall -

- (a) be a non-executive director; and
- (b) not be related to the Managing Director or the Chief Executive Officer as per the definition of the term “relative” defined under the Companies Act, 2013.

As on March 31, 2025, the Company had a Non-Executive Chairperson.

10.7.2 Shareholders’ Rights: As the quarterly and half yearly, financial performances are published in the newspapers and are also posted on the Company’s website, the same are not being sent to the shareholders.

10.7.3 Modified Opinion(s) in the Audit Report and Audit Qualifications: There is a modified opinion in the Audit Report and the Company’s financial statement for the year ended March 31, 2025.

The Auditor’s Report contains the following Qualification for the period under review:

We draw your attention to the following paragraph included in the audit report of the Company dated July 16, 2025, and reproduced as under:

“We draw attention to Note 16 which describes that the Board of Directors is assessing the effect on the financial results with respect to transfer of certain items of property, plant and equipment without due approval from the Board of Directors. Pending Management review and reconciliation, and in absence of an appropriate valuation of the aforesaid items, we are unable to comment on the consequential effects, if any, on the financial results.

Management Reply to the Statutory Auditors’ Qualifications –

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

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

11. MD/CFO Certification

The Managing Director have provided annual certificate on financial reporting and internal controls to the Board pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said certificate was placed and taken on record at the Board Meeting held on July 16, 2025. They have also provided quarterly certificates on Financial results while placing the Financial results before the Board.

For and on behalf of the Board of Directors

Rajesh Rathi
Chairman
DIN (00018628)

Navi Mumbai,
August 11, 2025

Sambit Roy
Managing Director
DIN (08291664)



Certificate of Practicing Company Secretary on Corporate Governance

CORPORATE GOVERNANCE CERTIFICATE

[Pursuant to Regulation 34(3) and Schedule V Para E of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To:

The Members of

Heubach Colorants India Limited

Rupa Renaissance, B Wing, 25th Floor, D-33 MIDC Road, TTC Industrial Area,
Juinagar, Navi Mumbai 400705, India

I have examined the compliance of conditions of corporate governance by Heubach Colorants India Limited ("the Company"), for the year ended on 31st March,2025, as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (hereinafter collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to the review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to us, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in SEBI Listing Regulations, 2015, as applicable.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

RAJESH KARUNAKARAN

COMPANY SECRETARY

FCS No. 7441/CP No. 6581

UDIN- F007441G000976838

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

Pune, 11th August, 2025

Certificate from Practicing Company Secretary

To
The Members,
Heubach Colorants India Limited
Rupa Renaissance, B Wing, 25th Floor, D-33,
MIDC Road, TTC Industrial Area, Juinagar,
Navi Mumbai 400705 India

Sub: Certificate from a Company Secretary in Practice pursuant to Regulation 34(3) and Clause 10(i) of Part C of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to certify, on the basis of records maintained by Heubach Colorants India Limited (the Company) and the data available at the Ministry of Corporate Affairs (MCA) website and also declarations received from the following Directors of the Company, that none of the directors on the Board of the Company, for the Financial Year ended on March 31, 2025, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/MCA or any such statutory authority:

Sr. No	DIN	Name of the Director	Appointed on
1	00056826	Mr. Kewal Kundanlal Handa	05-11-2015
2	00920608	Mr. Sunirmal Talukdar	05-11-2015
3	01983066	Mr. Bharath Ramraman Sesha*	23-04-2022
4	01761752	Mr. Ravi Brijmohan Kapoor***	29-11-2023
5	02629782	Mr. Jugal Kishore Sahu****	03-02-2023
6	08291664	Mr. Sambit Roy**	25-11-2024
7	10558367	Mrs. Diana Milind Dhote	01-04-2024

*Mr. Bharath Ramraman Sesha resigned as Managing Director effective close of business hours on August 31, 2024

**Mr. Sambit Roy was appointed as a Managing Director effective November 25, 2024.

***Mr. Ravi Kapoor resigned as a Chairman and Non-Executive Director effective close of business hours on July 16, 2025.

****Mr. Jugal Kishor Sahu resigned as an Executive Director effective close of business hours on August 11, 2025.

Ensuring the eligibility of for the appointment and 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 **J.R. Ahuja & Co.**

Jagdish Ahuja,

Proprietor

UDIN: F009079G000973504

Peer Review No: 1877/2022

Date: August 11, 2025

Place: Mumbai



Independent Auditor's Report

To the Members of **Heubach Colorants India Limited**

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Heubach Colorants India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified opinion section of our report, the aforesaid 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 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, 2025, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to Note 50 which describes that the Board of Directors is assessing the effect on the financial statements with respect to transfer of certain items of property, plant and

equipment without due approval from the Board of Directors. Pending Management review and reconciliation, and in absence of an appropriate valuation of the aforesaid items, we are unable to comment on the consequential effects, if any, on the financial statements.

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 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 qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended March 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
1	Assessment of contingencies and provision relating to ongoing litigations for Direct Tax, Indirect tax and other matters (Refer notes 8, 22 and 35 to the financial statements) The Company has various ongoing Direct tax, Indirect tax and other matters under litigation. The assessment of the likely outcome of the tax and other matters and related outflow of resources that are probable, involve significant management judgment and uncertainty of assumptions, since they are based on the application and interpretation of law. We have considered this to be a key audit matter because of the significant impact on the financial statements and uncertainty of the possible outcomes.	Our audit procedures in respect of this area included but are not limited to following: 1. Obtained a detailed understanding of the management's process for determining provisions and contingent liabilities pertaining to tax claims and other litigation disputes. 2. Verified the design, implementation and operating effectiveness of controls in respect of assessment of direct tax, indirect tax, other matters and provisions related thereon, if any. 3. Obtained the details and understood the nature of tax positions and litigations pending against the Company by reading the minutes of various meetings and discussing the developments during the year for litigations with the Management, the Audit Committee and management expert for the future course of action by the Company. 4. Read the orders received by the Company from the tax authorities and opinions sought from the management's experts.

Independent Auditor’s Report (Contd.)

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
		5. Involved auditor's tax experts to assist us in the assessment of the possible outcome of certain cases, evaluation of underlying assumptions in estimating the tax provisions and related expenses thereon. 6. Evaluated the evidence supporting the management’s judgment about possible outcomes and the reasonableness of the estimates made by them. 7. Assessed and validated the appropriateness and adequacy of disclosures in the financial statements in compliance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and Ind AS 12 Income Tax.

Information Other than the Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the annual report but does not include the financial statements and our auditor’s report thereon. The Annual Report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 ‘The Auditor’s responsibilities Relating to Other Information’. As described in the Basis for Qualified Opinion section above, the Board of Directors is assessing the effect on the financial statements with respect to transfer of certain items of property, plant and equipment without due approval from the Board of Directors. Pending Management review and reconciliation, and in absence of an appropriate valuation of the aforesaid items, we are unable to comment on the consequential effects, if any, on the financial statements. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibilities of Management and Those Charge with Governance for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 are also responsible for overseeing the Company’s financial reporting process.



Independent Auditor’s Report (Contd.)

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We give in “Annexure A” a detailed description of Auditor’s responsibilities for Audit of the Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in “Annexure B” 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, including daily back-ups of books of accounts and other books and papers maintained in electronic mode, except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g). Further, the servers for the back-ups of books of account and other books and papers of the Company maintained in electronic mode are physically located outside India explained in Note 52 to the financial statements.

(c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the

Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

- (d) Except, for the matter described in the Basis of Qualified Opinion section above, in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure C”.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35 to the 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Independent Auditor’s Report (Contd.)

- iv. 1 The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 2 The Management has represented, that, to the best of its knowledge and belief, 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, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 3 Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
- v. The Company has neither declared nor paid any dividend during the year.

- vi. Based on examination which included test checks, the Company has used an accounting software for maintaining its books of account (managed and maintained by a third-party software service provider) which has a feature of recording audit trail (edit log) facility except that no audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes.
- Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year, has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the previous year as explained in Note 51 to the financial statements.
3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.105047W

Udit Brijesh Parikh
Partner
Place: Mumbai
Date: July 16, 2025
Membership No.: 151016
UDIN: 25151016BMLNMT2394



ANNEXURE A

To the Independent Auditor’s Report on even date on the Financial Statements of Heubach Colorants India Limited

Auditor’s Responsibilities for the Audit of the 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Director’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements for the year ended March 31, 2025 and therefore, the key audit matters. We described 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.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.105047W

Udit Brijesh Parikh
Partner
Place: Mumbai
Date: July 16, 2025
Membership No.: 151016
UDIN: 25151016BMLNMT2394

ANNEXURE B

To Independent Auditors' Report of even date on the Financial Statements of Heubach Colorants India Limited for the year ended March 31, 2025

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) A Except that, as explained in "Basis for Qualified Opinion" paragraph of the main audit report in relation to transfer of certain items of property, plant and equipment without due approval from the board of directors, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
- (a) B The Company has maintained proper records showing full particulars of intangible assets.
- (b) All the Property, Plant and Equipment and right of use assets have not been physically verified by the management during the year but there is a regular programme of verification, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements, are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.
- ii. (a) The inventory (excluding stocks with third parties and stocks-in-transit) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them and in respect of goods in transit, the goods have been received subsequent to the year end. No discrepancies were noticed in respect of such confirmations. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) The Company has not been sanctioned any working capital limits during the year on the basis of security of current assets. Accordingly, the provisions stated under clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. (a) According to the information explanation provided to us, the Company has not provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions stated under clause 3(iii)(a), (c), (d), (e) and (f) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made and terms and conditions in relation to investments made are not prejudicial to the interest of the Company.
- iv. According to the information and explanations given to us, there are no loans, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act, are applicable and accordingly, the requirement to report under clause 3(iv) of the Order is not applicable to the Company. In respect of the investments made by the Company, in our opinion the provisions of Section 185 and 186 of the Act have been complied with.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Act and the rules framed there under. Accordingly, the requirement to report under clause 3(iv) of the Order is not applicable to the Company.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products/ services. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed



ANNEXURE B To Independent Auditors' Report of even date on the Financial Statements of Heubach Colorants India Limited for the year ended March 31, 2025 (Contd.)

accounts and records have been made and maintained. We have not, however, made a detailed examination of the 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 examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year.

No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and the records examined by us, dues relating to goods and services tax, sales tax, value added tax, excise duty and service tax which have not been deposited as on March 31, 2025, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded ₹ in Lakhs	Amount Paid ₹ in Lakhs	Period to which the amount relates	Forum where dispute is pending
Goods & Services Tax, Central Sales Tax, Local Sales Tax & Value Added Tax Liability	Goods & Services Tax Act, Sales Tax and Value added tax liability including interest and penalty, as applicable	9.93	Nil	From F.Y. 1996-97 to F.Y. 1998-99, F.Y. 2019-20 F.Y. 2020-21	State Tax Officer
		121.67	53.31	F.Y.2004-05	Sales Tax Appellate Tribunal
		402.09	73.66	F.Y.2001-02, F.Y.2008-09, F.Y. 2015-16, F.Y. 2016-17, F.Y. 2017-18 and F.Y. 2020-21	Appellate Authority - up to Commissioner's level
		50.56	20.29	F.Y. 2014-15 and F.Y. 2018-19	Assistant Commissioner
		47.67	2.45	F.Y. 2019-20	Deputy Commissioner of State Tax
The Central Excise Act, 1944	Excise duty including interest and penalty, as applicable	511.49	25.64	F.Y. 2018-19	Assistant Commissioner
		564.77	6.05	From F.Y. 2000-01, F.Y. 2006-07, F.Y.1994-97 and F.Y. 2016-17	CESTAT
		17.96	Nil	FY 2017-18	Appellate Authority - up to Commissioner's level
Service Tax under Finance Act, 1994	Service Tax including interest and penalty, as applicable	4.56	Nil	F.Y.1995-96 and F.Y. 2001-03	Authority - up to Commissioner's level
		1.88	Nil	F.Y.1996-97 and from F.Y. 2006-07 to F.Y. 2009-10	Authority - up to Commissioner's level
		555.28	12.10	F.Y. 2016-17	Appellate Authority - up to Commissioner's level
		0.52	Nil	F.Y. 2002-03 and F.Y. 2003-04	CESTAT
		2,548.78	Nil	F.Y. 2016-17	Service Tax - High Court, Mumbai

There are no dues relating to employees' state insurance, income-tax, duty of customs, cess, and other statutory dues which have not been deposited on account of any dispute.

ANNEXURE B To Independent Auditors' Report of even date on the Financial Statements of Heubach Colorants India Limited for the year ended March 31, 2025 (Contd.)

- viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) The Company does not have any loans or borrowings or interest thereon due to any lenders during the year. Accordingly, the requirement to report under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the requirement to report under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanation provided to us, there are no funds raised during the year. Accordingly, the requirement to report under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiary, associate, or joint venture. Accordingly, requirement to report under clause 3(ix)(e) of the order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate, or joint venture. Accordingly, the requirement to report under clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit, except that, for transfer of certain items of property, plant and equipment without due approval from the Board of Directors as explained in "Basis for Qualified Opinion" paragraph of the main audit report, we are unable to comment on the reporting requirements prescribed under this clause.
- (b) During the year no report under Section 143(12) of the Act, has been filed by cost auditor or secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing, and extent of audit procedures.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

ANNEXURE B To Independent Auditors' Report of even date on the Financial Statements of Heubach Colorants India Limited for the year ended March 31, 2025 (Contd.)

- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.
- xv. According to the information and explanations given to us, and based on our examination of the records of the Company, 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 accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.
- (d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one Core Investment Company as a part of its group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in Note 47 to the financial statements), 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 Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund as specified in Schedule VII of the Act as disclosed in Note 38 to the financial statements.
- (b) There are no ongoing projects and accordingly reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For **MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No.105047W

Udit Brijesh Parikh

Partner

Place: Mumbai

Date: July 16, 2025

Membership No.: 151016

UDIN: 25151016BMLNMT2394

ANNEXURE C

To the Independent Auditor's Report of even date on the Financial Statements of Heubach Colorants India Limited

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Heubach Colorants India Limited on the Financial Statements for the year ended March 31, 2025]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Heubach Colorants India Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company, including has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

Management's and Board of Director's 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 financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by 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 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 financial statements based on our audit. We conducted our audit in accordance with

the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls With reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or

that the degree of compliance with the policies or procedures may deteriorate.

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No.105047W

Udit Brijesh Parikh

Partner

Membership No.: 151016

UDIN: 25151016BMLNMT2394

Place: Mumbai

Date: July 16, 2025

Balance Sheet

As at March 31, 2025

(₹ in Lakhs)			
Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3A	12,844.07	13,704.74
(b) Capital work-in-progress	3B	475.38	386.85
(c) Right of use asset	4A	2,296.38	2,611.26
(d) Goodwill	3C	894.11	894.11
(e) Financial assets			
(i) Investments	5	423.16	423.16
(ii) Loans	6	2.33	4.99
(iii) Other financial assets	7	1,082.03	1,056.45
(f) Other non-current assets	8	400.51	1,947.45
(g) Non-current tax assets (net)		2,335.51	3,622.00
Total Non-Current Assets		20,753.48	24,651.01
Current assets			
(a) Inventories	9	13,140.88	12,400.90
(b) Financial assets			
(i) Trade receivables	10	15,366.60	19,492.45
(ii) Cash and cash equivalents	11	17,708.31	10,773.44
(iii) Bank balances other than (ii) above	11	1,353.14	555.32
(iv) Loans	12	27.54	6.92
(v) Other financial assets	13	3,192.95	387.78
(c) Other current assets	14	4,268.12	4,282.50
Total Current Assets		55,057.54	47,899.31
TOTAL ASSETS		75,811.02	72,550.32
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	2,308.18	2,308.18
(b) Other equity	16	50,025.97	44,935.95
TOTAL EQUITY		52,334.15	47,244.13
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	4B	2,280.76	2,490.49
(b) Provisions	17	1,384.51	1,060.45
(c) Deferred tax liabilities (net)	18	149.48	266.96
Total Non-Current Liabilities		3,814.75	3,817.90
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	4C	228.43	211.88
(ii) Trade payables	19		
(a) Total outstanding dues of micro and small enterprises		181.60	98.46
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		15,721.16	17,419.61
(iii) Other financial liabilities	20	2,037.75	1,286.69
(b) Other current liabilities	21	237.10	273.39
(c) Provisions	22	959.13	1,074.61
(d) Current tax liabilities (net)		296.95	1,123.65
Total Current Liabilities		19,662.12	21,488.29
TOTAL EQUITY AND LIABILITIES		75,811.02	72,550.32
Material accounting policies	1		
Critical estimates and judgements	2		

The accompanying notes are an integral part of these financial statements
In terms of our report attached
For **M S K A & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Udit Brijesh Parikh
Partner
Membership No.: 151016

Mumbai
July 16, 2025

For and on behalf of the Board of Directors
Heubach Colorants India Limited

Sambit Roy
Managing Director
DIN: 08291664

Sunirmal Talukdar
Director
DIN: 00920608

Ashwini Natekar
Company Secretary
Membership No: A65477

Jugal Sahu
Director & CFO
DIN: 02629782

Kewal Handa
Director
DIN: 00056826



Statement of Profit and Loss

For the year ended March 31, 2025

(₹ in Lakhs)			
Particulars	Notes	Year Ended March 31, 2025	Year Ended March 31, 2024
REVENUE			
Revenue from operations	23	82,505.75	79,070.15
Other income	24	1,876.79	872.42
Total revenue		84,382.54	79,942.57
EXPENSES			
Cost of materials consumed	25	37,604.64	39,365.58
Purchase of stock-in-trade		10,430.69	9,170.09
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	(311.07)	8.26
Employee benefits expense	27	8,478.41	7,487.01
Finance costs	28	261.61	219.18
Depreciation and amortisation expense	29	2,102.32	2,261.01
Other expenses	30	18,123.13	15,831.45
Total Expenses		76,689.73	74,342.58
Profit before tax and exceptional item		7,692.81	5,599.99
Exceptional items	49	(881.74)	-
Profit before tax		6,811.07	5,599.99
Income Tax Expense			
Current tax		1,851.65	1,743.24
Deferred tax		(99.01)	(266.19)
Tax expense / (reversal) of prior years	32	(86.51)	9.09
Total Tax Expenses		1,666.13	1,486.14
Profit for the year		5,144.94	4,113.85
Other Comprehensive Income / (Loss) (net of tax)			
(Items that will not be reclassified to profit or loss)			
(a) Remeasurement of the defined benefit plans		(73.39)	(149.59)
(b) Income tax relating to items that will not be reclassified to profit or loss		18.47	37.65
Total Other Comprehensive Income / (Loss) for the year		(54.92)	(111.94)
Total Comprehensive income for the year		5,090.02	4,001.91
Earnings per share (of ₹10 each)	36	22.29	17.82
Basic and diluted (₹)		22.29	17.82

The accompanying notes are an integral part of these financial statements

In terms of our report attached

For **M S K A & Associates**

Chartered Accountants

Firm Registration Number: 105047W

Udit Brijesh Parikh

Partner

Membership No.: 151016

Mumbai

July 16, 2025

For and on behalf of the Board of Directors

Heubach Colorants India Limited

Sambit Roy

Managing Director

DIN: 08291664

Sunirmal Talukdar

Director

DIN: 00920608

Ashwini Natekar

Company Secretary

Membership No: A65477

Jugal Sahu

Director & CFO

DIN: 02629782

Kewal Handa

Director

DIN: 00056826

Statement of Changes in Equity

For the year ended March 31, 2025

Equity share capital and other equity

For the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Equity Share Capital	Reserves and Surplus				Total Other Equity
		Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	
Balance as at 01-04-2024	2,308.18	730.11	495.39	10,492.29	33,218.16	44,935.95
Profit for the year	-	-	-	-	5,144.94	5,144.94
Other comprehensive income for the year	-	-	-	-	(54.92)	(54.92)
Total comprehensive income for the year	-	-	-	-	5,090.02	5,090.02
Balance as at 31-03-2025	2,308.18	730.11	495.39	10,492.29	38,308.18	50,025.97

For the year ended March 31, 2024

(₹ in Lakhs)

Particulars	Equity Share Capital	Reserves and Surplus				Total Other Equity
		Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	
Balance as at 01-04-2023	2,308.18	730.11	495.39	10,492.29	29,216.29	40,934.08
Profit for the year	-	-	-	-	4,113.85	4,113.85
Other comprehensive income for the year	-	-	-	-	(111.94)	(111.94)
Total comprehensive income for the year	-	-	-	-	4,001.91	4,001.91
Balance as at 31-03-2024	2,308.18	730.11	495.39	10,492.29	33,218.16	44,935.95

Nature and purpose of items in other equity

- (a) **Capital Reserve:** During amalgamation, the excess of share capital of transferor companies over the cost of consideration paid is treated as capital reserve.
- (b) **Capital Redemption Reserve:** The Company has recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back.
- (c) **General Reserve:** The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.
- (d) **Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

The accompanying notes are an integral part of these financial statements

In terms of our report attached

For **M S K A & Associates**

Chartered Accountants

Firm Registration Number: 105047W

For and on behalf of the Board of Directors

Heubach Colorants India Limited

Sambit Roy

Managing Director

DIN: 08291664

Jugal Sahu

Director & CFO

DIN: 02629782

Udit Brijesh Parikh

Partner

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Sunirmal Talukdar

Director

DIN: 00920608

Kewal Handa

Director

DIN: 00056826

Ashwini Natekar

Company Secretary

Membership No: A65477

Mumbai

July 16, 2025

Statement of Cash Flows

For the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	6,811.07	5,599.99
Adjustments for:		
Depreciation and amortisation expense	2,102.32	2,261.01
Unrealised foreign exchange loss/(gain) (net)	39.91	(101.14)
Interest income	(971.32)	(535.68)
Gain on sale of property, plant and equipment	(3.75)	(4.06)
(Reversal of) / Provision for allowances for credit losses - net	(174.24)	400.63
Finance costs	261.61	219.18
Insurance Claim	(30.33)	-
Exceptional Item	881.74	-
Operating profit before working capital changes	8,917.01	7,839.93
Adjustments for,		
Adjustments for (Increase)/Decrease in working capital:		
(Increase)/Decrease in Trade receivables	4,246.59	2,341.91
(Increase)/Decrease in Other current assets	44.71	1,464.32
(Increase)/Decrease in Other non-current assets	1,546.94	(777.94)
(Increase)/Decrease in Other financial assets	46.39	(37.15)
(Increase)/Decrease in Inventories	(1,684.98)	529.06
Increase/(Decrease) in Trade payables	(1,601.92)	(209.28)
Increase/(Decrease) in Non-current provisions	250.67	179.48
Increase/(Decrease) in Current provisions	(115.48)	7.30
Increase/(Decrease) in Other current liabilities	(36.29)	(14.24)
Increase/(Decrease) in Other financial liabilities	751.86	(266.19)
Cash generated from operations	12,365.50	11,057.20
Taxes paid (net of refunds)	(1,305.71)	(1,605.96)
Net cash generated from operating activities	11,059.79	9,451.24
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment (Including Capital work-in-progress)	(1,189.16)	(1,652.46)
Sale proceeds of property, plant and equipment	91.29	7.33
Investment in fixed deposits	(3,396.31)	-
Proceeds from Insurance Claim	150.00	-
Investment in equity shares	-	(123.16)
Interest received	674.71	44.27
Net cash used in investing activities	(3,669.47)	(1,724.02)

Statement of Cash Flows
For the year ended March 31, 2025 (Contd.)

(₹ in Lakhs)		
Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Finance costs paid	(30.08)	(38.17)
Principal payment of lease liabilities	(193.19)	(130.10)
Interest payment of lease liabilities	(232.18)	(179.64)
Net cash used in financing activities	(455.45)	(347.91)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	6,934.87	7,379.31
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR	10,773.44	3,394.13
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	17,708.31	10,773.44

The above Statement of Cash Flows is prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes are an integral part of these financial statements

In terms of our report attached

For **M S KA & Associates**

Chartered Accountants

Firm Registration Number: 105047W

For and on behalf of the Board of Directors

Heubach Colorants India Limited

Sambit Roy

Managing Director

DIN: 08291664

Jugal Sahu

Director & CFO

DIN: 02629782

Udit Brijesh Parikh

Partner

Membership No.: 151016

Sunirmal Talukdar

Director

DIN: 00920608

Kewal Handa

Director

DIN: 00056826

Ashwini Natekar

Company Secretary

Membership No: A65477

Mumbai

July 16, 2025



Notes to the Financial Statements

for the year ended March 31, 2025

Company Information:

Heubach Colorants India Limited (formerly Clariant Chemicals (India) Limited) (the 'Company') is a public limited Company domiciled in India and is listed on the BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE'). Its registered office is situated at Rupa Renaissance, B Wing, 25th Floor, D-33, MIDC Road, TTC Industrial Area, Juinagar, Navi Mumbai - 400705, Maharashtra, India. The Company is engaged interalia, in manufacturing and selling Specialty Chemicals. The Company has its own manufacturing sites in the State of Maharashtra, Tamil Nadu and Madhya Pradesh.

These financial statements were approved for issue in accordance with a resolution of the directors on July 16, 2025.

Note 1: Summary of material accounting policies

This note provides a list of material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation of financial statements:

Compliance with Ind AS

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the 'Act'.

Bais of measurement

These financial statements have been prepared on historical cost basis, except for the following:

- certain financial assets and liabilities that are measured at fair value;
- defined benefit plans – plan assets measured at fair value.

Presentation currency and rounding off

The financial statements are presented in Indian Rupee (INR) and all values are rounded to nearest lakhs (₹00,000), except when otherwise indicated.

Going Concern The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

A) Changes in accounting policies and disclosures

a) Ind AS 117, Insurance Contracts

Ministry of corporate Affairs ("MCA") notified the Ind AS 117, Insurance Contracts, under the Companies (Indian Accounting Standards)

Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply.

b) Ind AS 116, Leases

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amended Ind AS 116, Leases, with respect to lease liability in a sale and leaseback transaction.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

c) New standards and amendments issued but not effective

There are no such standards which are notified but not yet effective

(b) Segment reporting

Information reported to the Chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods delivered or provided. Operating segments are reported in a manner consistent with the internal reporting provided to CODM.

The Company's business activity falls within a single primary business reportable segment viz "Colorants" in line with Ind AS 108 "Operating Segments" which includes pigments, pigment preparations, dyestuff, synthetic resins, functional effects and coating, auxiliaries and chemicals.

Notes to the Financial Statements

for the year ended March 31, 2025

The operating segment has been identified on the basis of the nature of products.

(c) Foreign currency translation

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency viz. Indian Rupee, are recognised at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit or loss in the period in which they arise. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses). Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates 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.

(d) Recognition of revenue

Sales of goods and services are recognized in line with the requirements of Ind AS 115, Revenue from contracts with customers.

Revenue is measured based on the consideration the Company expects to receive in exchange for the goods or services. Revenue from sales of goods is recognized in the income statement when control has been transferred to the buyer, which is usually upon delivery, at a fixed or determinable price, and when collectability is reasonably assured. Delivery is defined based on the terms of the sale contract. Revenue from services is recognized when the respective services have been rendered. Revenue is reported net of goods and service tax, returns, discounts and rebates. Rebates to customers are provided for in the same period that the related sales are recorded based on the contract terms.

The Company does not expect to have any contracts where the period between transfer of the promised goods or services to customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money. Receivable is recognised when the goods are delivered as this is the point of time that the consideration is unconditional because only the passage of time is required before the payment is due.

(e) Other Operating Revenue

Export benefits / incentives are accounted on accrual basis when relevant exports are made.

Commission income is recognized only when the relevant service has been rendered or the goods have been delivered.

Income from Scrap sales is recognized when right to receive the income is established as per the terms of the contract.

(f) Other income

Interest income is recognized on a time proportion basis, taking into account the principal outstanding and the effective rate over the period to maturity when it is determined that such income will accrue to the Company.

Dividends are recognized when the right to receive the payment is established.

Rental income arising from operating leases on is accounted for on a straight - line basis over the lease terms.

(g) Income tax

Income tax expense represents the sum of current tax and deferred tax.

The current tax expense or credit for the year is the tax payable on the current period's taxable income based on the applicable enacted income tax rate in accordance with the Income Tax Act, 1961, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, items that are never taxable/ deductible and unused tax losses/ tax credits.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction (other than in a business combination) that affects neither accounting profit nor taxable profit. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled.



Notes to the Financial Statements

for the year ended March 31, 2025

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable profits will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(h) Leases

i. As a Lessee:

Leases are recognised as right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative standalone prices.

Assets and liabilities arising from a lease are initially measured on present value basis. Lease liabilities include the net present value of the following lease payments:

- Lease payments less any lease incentives receivable
- Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable by the Company under residual value guarantees, if any

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using Company's incremental borrowing rate (since the interest rate implicit in the lease cannot be readily determined). Incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment and based on company's standalone credit worthiness.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs for new leases

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Company applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the note 1(i) impairment of assets. Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Other expenses' in profit or loss.

ii. As a lessor:

Lease income from operating leases where the Company is lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. Initial direct costs incurred in obtaining an operating lease are

Notes to the Financial Statements

for the year ended March 31, 2025

added to the carrying amount of the underlying asset and recognized as expense over the lease term on the same basis as lease income. The Company did not need to make any adjustment to the accounting for assets held as lessor as a result of adopting the new leasing standard.

(i) Impairment of assets

Goodwill that have an indefinite useful life is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes are indicative in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment.

(j) Cash and cash equivalents

For the purpose of presentation in the Statement of cash flows, cash and cash equivalents includes cash on hand and balances with banks of current and term deposit account, 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 change in value, and bank overdraft.

(k) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method, less allowances for credit losses.

(l) Inventories

Cost is determined on weighted average basis. Cost of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Raw materials, packing materials, work in progress, finished goods, stock-in-trade and stores and spares are stated at the lower of cost and net realisable value. Cost of raw materials and stock-in-trade include cost of purchases. Cost of work-in-progress and finished goods include direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure (allocated on the basis of normal operating capacity). Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

(m) Investments and other financial assets

Classification

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 statement of profit or loss), and
- 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.

For assets measured at fair value, gains and losses will either be recorded in statement of profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income or through statement of profit or loss account.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. However, trade receivable that do not contain significant financing component are measured at transaction price.

Notes to the Financial Statements

for the year ended March 31, 2025

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- 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 a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship 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.
- Fair value through other comprehensive income (FVOCI):** 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 (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. 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 gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit or loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

There are no debt instruments held by the Company.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other

income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain / (losses) in the statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 33 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

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 or,
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity 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

Notes to the Financial Statements

for the year ended March 31, 2025

asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(n) Financial Liabilities

Classification

The Company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through statement of profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial liabilities and the contractual terms of the cash flows.

Measurement

• Financial Liabilities at amortized cost

Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

• Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

• Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs

(o) Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is adn intention to settle on a net basis or realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

(p) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Freehold land is not depreciated. Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is provided on all other items of property, plant and equipment on a pro-rata basis on the straight-line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013, except in case of certain assets, wherein based on technical evaluation, a different useful life has been considered. The estimated useful lives of assets are as follows:

Asset	Useful Life
Factory building	30 Years
Office building	60 Years
Roads	5 to 10 Years
Plant and equipment	10 Years
Hardware mainframes and Servers	6 Years
Computers	4 Years
Furniture and fixture	10 Years
Office equipment	5 Years
Vehicles	5 to 8 Years
Leasehold improvements	10 Years

All assets are fully depreciated in the last year of its useful life. The assets' useful lives are re-viewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Notes to the Financial Statements

for the year ended March 31, 2025

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

(q) Provisions and Contingent Liabilities

Provisions are recognised when there is a present or constructive obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are not discounted to its present value. These are reviewed at each year end date and adjusted to reflect the best current estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(r) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

These liabilities for earned leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. It is therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The

benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The Company presents provision for Compensated Absense as current and non-current based on actuarial valuation considering estimates of availment of leave, separation of employee, etc. An employee is entitled to be paid the entire accumulated leave balance immediately on separation from the Company, as per the policy of the Company.

Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity, ex-gratia gratuity, provident fund; and
- defined contribution plans such as superannuation fund, employee state insurance and other funds.

Defined Benefit Plans

The company has Defined Benefit Plans for post-employment benefits in the form of Provident Fund (treated as a Defined Benefit Plan on account of guaranteed interest benefit) and Gratuity. Provident Fund and Gratuity fund are recognised by the Income-tax authorities and administered through trustees and/ or Life Insurance Corporation of India Limited. Liability for Defined Benefit Plans is provided on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary.

The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Notes to the Financial Statements

for the year ended March 31, 2025

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company's contribution to superannuation fund, employee state insurance and other funds are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Bonus plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(s) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(t) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to equity holders of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Note 2: Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- Deferred Taxes – Note 35
- Goodwill impairment – Note 1(i) and Note 3C.
- Estimation for the accounting of employee benefits – Note 39
- Allowance for credit losses on trade receivable – Note 1 (k) and Note 10
- Measurement of useful lives for property, plant and equipment and goodwill- Note 1 (i) and (p).
- Estimation of Provision for Inventory – Note 1(l) and Note 9
- Determination of Lease term – Note 1(h) and 4

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



Notes to the Financial Statements

for the year ended March 31, 2025

3 Property, plant and equipment, capital work-in-progress and goodwill

Note 3A: Property, plant and equipment

(₹ in Lakhs)

Description	Cost			Depreciation and Impairment				Net Book Value	
	As at 01-04-2024	Additions	Deductions	As at 31-03-2025	As at 01-04-2024	Deductions	For the year	As at 31-03-2025	As at 31-03-2025
Freehold Land	235.90	-	-	235.90	-	-	-	-	235.90
Buildings	9,680.49	179.73	123.08	9,737.14	2,801.88	36.74	319.23	3,084.37	6,652.77
Plant and equipment	20,506.40	725.21	67.85	21,163.76	14,534.66	67.85	1,272.77	15,739.58	5,424.18
Furniture and fixtures	341.62	18.91	35.87	324.66	203.05	35.87	28.04	195.22	129.44
Office equipment	851.32	12.39	-	863.71	644.81	-	91.97	736.78	126.93
Vehicles	638.79	78.05	18.00	698.84	365.38	16.82	75.43	423.99	274.85
Total	32,254.52	1,014.29	244.80	33,024.01	18,549.78	157.28	1,787.44	20,179.94	12,844.07

Note 3A: Property, plant and equipment

(₹ in Lakhs)

Description	Cost			Depreciation and Impairment				Net Book Value	
	As at 01-04-2023	Additions	Deductions	As at 31-03-2024	As at 01-04-2024	Deductions	For the year	As at 31-03-2024	As at 31-03-2024
Freehold Land	235.90	-	-	235.90	-	-	-	-	235.90
Buildings	9,195.50	484.99	-	9,680.49	2,473.63	-	328.25	2,801.88	6,878.61
Plant and equipment	19,324.64	1,181.76	-	20,506.40	13,022.56	-	1,512.10	14,534.66	5,971.74
Furniture and fixtures	326.45	15.17	-	341.62	170.21	-	32.84	203.05	138.57
Office equipment	748.75	219.72	117.15	851.32	682.12	116.63	79.32	644.81	206.51
Vehicles	560.57	117.01	38.79	638.79	322.28	36.04	79.14	365.38	273.41
Total	30,391.81	2,018.65	155.94	32,254.52	16,670.80	152.67	2,031.65	18,549.78	13,704.74

Notes:

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 3A to the financial statements, are held in the name of the company.

Note 3B: Capital Work-in-Progress

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Balances at the Beginning of the year	386.85	753.04
add: Additions during the year	1,120.81	1,652.46
less: Capitalisation during the year	1,014.29	2,018.65
less: Written-off during the year	17.99	-
Total	475.38	386.85

Note 3C: Goodwill

Impairment testing mechanism to the cash-generating unit is as follows:

(₹ in Lakhs)

Cash generating unit (CGU)	31-03-2025	31-03-2024
Colorants	894.11	894.11
Total	894.11	894.11

Notes to the Financial Statements

for the year ended March 31, 2025

On March 31, 2015, the Company acquired “the Carbon Black Business” from Lanxess India Private Limited as a going concern on a slump sale basis. The acquisition included the Carbon Black Dispersion plant at Nagda, along with the related assets, liabilities, and employees. The excess of the purchase consideration over the fair value of net assets acquired was recognized as goodwill.

The recoverable amount of the CGU is determined based on “Value in Use” calculation which uses cash flow projections covering a five-year period and a discount rate 17.17% per annum (31-03-2024: 12.96% per annum). Cash flow projections during the five year period are based on the historical growth rate and margins. The cash flows beyond that five-year period have been extrapolated using a steady 5% per annum (31-03-2024: 5% per annum) growth rate which is the projected long-term average growth rate.

The Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

4 Leases

4A Right-of-use Assets

(₹ in Lakhs)		
Particulars	As at 31-03-2025	As at 31-03-2024
Building	2,288.55	2,603.27
Land	7.83	7.99
	2,296.38	2,611.26

4B Non - Current Lease liabilities

(₹ in Lakhs)		
Particulars	As at 31-03-2025	As at 31-03-2024
Lease liabilities (Refer note 46)	2,280.76	2,490.49
	2,280.76	2,490.49

4C Current Lease liabilities

(₹ in Lakhs)		
Particulars	As at 31-03-2025	As at 31-03-2024
Lease liabilities (Refer note 46)	228.43	211.88
	228.43	211.88

5 Non-Current Financial Assets - Investments

(₹ in Lakhs)		
Particulars	As at 31-03-2025	As at 31-03-2024
Equity Instrument at fair value through profit or loss (Unquoted)		
Investments in other Entities		
First Energy 2 Private Limited (30,00,000 Equity Shares of ₹10 each, fully paid up)	300.00	300.00
Dalavaipuram Renewables Private Limited (3,07,896 equity shares of ₹10 each, fully paid up and 9,23,662 Non-interest bearing optionally convertible debenture of ₹10 each)	123.16	123.16
	423.16	423.16

Note 33 for information about the Company’s exposure to financial risks and Refer Note 34 for fair value measurements.

Notes to the Financial Statements

for the year ended March 31, 2025

6 Non-current financial assets: Loans

(₹ in Lakhs)		
Particulars	As at 31-03-2025	As at 31-03-2024
Unsecured, considered good		
Loans to employees	2.33	4.99
	2.33	4.99

The Company has not granted any loans or advances in the nature of loans to promoters, directors, Key Managerial Personnel and other related parties, either severally or jointly with any other person.

Note 33 for information about the Company’s exposure to financial risks.

7 Non-current financial assets: Others

(₹ in Lakhs)		
Particulars	As at 31-03-2025	As at 31-03-2024
Security and other deposits	642.82	612.66
Fixed Deposits with Bank (Maturity more than 12 Months)	29.28	33.46
Other receivables	410.33	410.33
	1,082.43	1,056.45

8 Other non-current assets

(₹ in Lakhs)		
Particulars	As at 31-03-2025	As at 31-03-2024
Capital advances	15.63	12.55
Indirect taxes recoverable	264.29	1,778.27
Prepayments	120.59	156.63
	400.51	1,947.45

9 Current assets: Inventories

(Valued at the lower of cost and net realisable value)

(₹ in Lakhs)		
Particulars	As at 31-03-2025	As at 31-03-2024
Raw materials	4,019.67	3,551.60
Packing materials	156.09	167.51
Work-in-progress	2,739.62	2,560.08
Finished goods	4,784.79	4,563.52
Stock-in-trade	798.13	887.87
Stores and spares	642.58	670.32
	13,140.88	12,400.90
Included above, goods in transit		
Raw materials	2.57	177.97
Stock-in-trade	391.57	296.37
	394.14	474.34

Notes to the Financial Statements

for the year ended March 31, 2025

10 Current financial assets: Trade receivables

(₹ in Lakhs)		
Particulars	As at 31-03-2025	As at 31-03-2024
Secured, considered good	803.00	596.19
Unsecured, considered good	14,563.60	18,896.26
Significant increase in Credit Risk	-	-
Credit impaired	296.32	476.61
	15,662.92	19,969.06
Less: Allowances for credit losses	296.32	476.61
	15,366.60	19,492.45

(₹ in Lakhs)		
Particulars	As at 31-03-2025	As at 31-03-2024
Further classified as:		
Receivable from related parties (Refer note 40)	4,530.19	9,162.60
Receivable from others	10,836.41	10,329.85
	15,366.60	19,492.45

No trade receivables are due from directors or other officers of the company either severally or jointly with any other person or firms or private companies in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on credit terms of 60 to 120 days. The Company does not hold any collateral security.

Refer Note 33 for information about the Company's exposure to financial risks, and details of impairment losses for trade receivables and fair values.

Trade Receivables Ageing Schedule

31-Mar-2025		Current						
Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 months	6 months - 1 year	More than 1 years upto 2 years	More than 2 years upto 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	13,622.08	1,717.60	26.92	-	-	-	15,366.60
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	70.73	78.35	3.23	0.40	1.10	142.51	296.32
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
	-	13,692.81	1,795.95	30.15	0.40	1.10	142.51	15,662.92
Less: Allowances for credit losses (Disputed and Undisputed)								296.32
Total								15,366.60



Notes to the Financial Statements

for the year ended March 31, 2025

31-Mar-2024		Current						
Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 months	6 months - 1 year	More than 1 years upto 2 years	More than 2 years upto 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	15,519.87	3,964.88	5.58	0.19	1.93	-	19,492.45
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	407.39	0.57	0.02	0.20	68.43	476.61
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
	-	15,519.87	4,372.27	6.15	0.21	2.13	68.43	19,969.06
Less: Allowances for credit losses (Disputed and Undisputed)								476.61
Total								19,492.45

11 Current financial assets: Cash and bank balances

(₹ in Lakhs)		
Particulars	As at 31-03-2025	As at 31-03-2024
Cash and cash equivalents:		
Balances with Banks:		
- In current accounts	1,550.14	897.28
- In term deposits with original maturity of less than three months	16,157.73	9,875.94
Cash on hand	0.44	0.22
	17,708.31	10,773.44
Bank balances other than cash and cash equivalents:		
Earmarked balances with banks: Unclaimed dividend	347.65	449.32
Deposits with banks with original maturity of more than three months but less than 12 months	1,005.49	106.00
	1,353.14	555.32

Refer Note 33 for information about the Company's exposure to financial risks.

Notes to the Financial Statements

for the year ended March 31, 2025

12 Current financial assets: Loans

Particulars	(₹ in Lakhs)	
	As at 31-03-2025	As at 31-03-2024
Loans to employees	27.54	6.92
	27.54	6.92

The Company has not granted any loans or advances in the nature of loans to promoters, directors, Key Managerial Personnel and other related parties, either severally or jointly with any other person.

Note 33 for information about the Company's exposure to financial risks.

13 Current financial assets: Others

Particulars	(₹ in Lakhs)	
	As at 31-03-2025	As at 31-03-2024
Export incentives receivable	403.97	266.66
Fixed Deposits with Bank (Original Maturity more than 12 Months but remaining Maturity less than 12 Months)	2,501.00	-
Non trade receivables	287.98	121.12
	3,192.95	387.78

14 Other current assets

Particulars	(₹ in Lakhs)	
	As at 31-03-2025	As at 31-03-2024
Advances to suppliers	407.44	708.62
Balance with Government authorities	3,342.58	3,246.44
Prepayments	343.49	200.12
Other current assets	174.61	127.32
	4,268.12	4,282.50

15 Share Capital

Particulars	(₹ in Lakhs)	
	As at 31-03-2025	As at 31-03-2024
Authorised		
3,00,00,000 equity shares of ₹10/- each	3,000.00	3,000.00
Issued, subscribed and paid up		
2,30,81,798 equity shares of ₹10/- each fully paid up (31-03-2025: 2,30,81,798)	2,308.18	2,308.18

15a Reconciliation of the number of equity shares outstanding as at the beginning and at the end of the year

Equity shares	(₹ in Lakhs)			
	As at 31-03-2025		As at 31-03-2024	
	Number	Amount	Number	Amount
Outstanding as at the beginning of the year	2,30,81,798	2,308.18	2,30,81,798	2,308.18
Outstanding as at the end of the year	2,30,81,798	2,308.18	2,30,81,798	2,308.18

Notes to the Financial Statements

for the year ended March 31, 2025

15b Shares held by subsidiaries of the ultimate holding Company “Sudarshan Chemical Industries Limited”

Name of Shareholder / Promoters	(₹ in Lakhs)			
	As at 31-03-2025		As at 31-03-2024	
	Number	%	Number	%
Sudarshan Switzerland HLD2 AG (formerly Heubach EBITO Chemieeteiligungen AG)	41,09,426	17.80	41,09,426	17.80
Sudarshan Switzerland HLD1 AG (formerly Heubach Holding Switzerland AG)	84,39,385	36.56	84,39,385	36.56

There are no shareholders holding more than 5% of the aggregate equity shares of the Company except above. (refer note 48)

There are no change in promoters shareholding (refer note 48)

15 c The Company has not allotted any equity shares for consideration other than cash and bonus shares during the period of five financial years immediately preceding the Balance Sheet date.

15 d No Equity Shares bought back during 5 financial years immediately preceding March 31, 2025.

15e Rights, preferences and restrictions attached to shares

The Company has one class of equity share having a par value of ₹10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining asset of the Company after distribution of all preferential amounts, in proportion to their shareholding.

16 Other equity

Particulars	(₹ in Lakhs)	
	As at 31-03-2025	As at 31-03-2024
Capital reserve	730.11	730.11
Capital redemption reserve	495.39	495.39
General reserve	10,492.29	10,492.29
Retained earnings	38,308.18	33,218.16
	50,025.97	44,935.95

For nature and purpose of items in other equity, refer to the Statement of changes in equity

17 Non - current liabilities: Provisions

Particulars	(₹ in Lakhs)	
	As at 31-03-2025	As at 31-03-2024
Provision for employee benefits		
Compensated absences	621.43	617.44
Gratuity (Refer note no. 39)	763.08	443.01
	1,384.51	1,060.45

Notes to the Financial Statements

for the year ended March 31, 2025

18 Deferred tax liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31-03-2025	As at 31-03-2024
Deferred tax liabilities		
Property, plant and equipment	644.26	723.46
Goodwill	225.05	225.04
A	869.31	948.50
Deferred tax assets		
Allowance credit losses and doubtful receivables	177.86	223.24
Provision for employee benefits	389.84	302.27
Other provisions	151.19	154.77
Others	0.94	1.26
B	719.83	681.54
A-B	149.48	266.96

Movements in deferred tax liabilities (net) for the year ended 31-03-2025

(₹ in Lakhs)

Particulars	Opening Balance	Recognized in P&L	Recognized in OCI	Closing Balance
Property, plant and equipment	723.46	(79.2)	-	644.26
Goodwill	225.05	-	-	225.05
Allowance credit losses and doubtful receivables	(223.24)	45.38	-	(177.86)
Provision for employees benefits	(302.28)	(69.09)	(18.47)	(389.84)
Other Provision	(154.77)	3.58	-	(151.19)
Intangibles	(1.26)	0.31	-	(0.94)
Net Deferred Tax Liabilities / (Assets)	266.96	(99.02)	(18.47)	149.48

Movements in deferred tax liabilities (net) for the year ended 31-03-2024

(₹ in Lakhs)

Particulars	Opening Balance	Recognised in P&L	Recognised in OCI	Closing Balance
Property, plant and equipment	821.33	(97.87)	-	723.46
Goodwill	225.04	-	-	225.04
Allowance credit losses and doubtful receivables	(122.4)	(100.84)	-	(223.24)
Provision for employee benefits	(214.84)	(49.78)	(37.65)	(302.27)
Other provisions	(136.66)	(18.11)	-	(154.77)
Intangible assets	(1.67)	0.41	-	(1.26)
Net Deferred Tax Liabilities / (Assets)	570.8	(266.19)	(37.65)	266.96



Notes to the Financial Statements

for the year ended March 31, 2025

19 Current financial liabilities: Trade payables

(₹ in Lakhs)

Particulars	As at 31-03-2025	As at 31-03-2024
Trade Payables:		
- Total outstanding dues of micro and small enterprises (Refer Note 37)	181.60	98.46
- Total outstanding dues of creditors other than micro enterprises and small enterprises *	15,721.16	17,419.61
	15,902.76	17,518.07

*Refer Note 40 for trade payables to related parties.

Trade payables are non-interest bearing and are normally settled on 45 - 90 days terms.

Refer Note 33 for information about the Company's financial risks management process

Trade Payables ageing schedule

31-Mar-2025	Current						
Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	More than 1 years upto 2 years	More than 2 years upto 3 years	More than 3 years	
(i) MSME	-	181.60	-	-	-	-	181.60
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	2,246.15	13,350.46	34.25	61.72	7.19	21.39	15,721.16
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	2,246.15	13,532.06	34.25	61.72	7.19	21.39	15,902.76

31-Mar-2024	Current						
Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	More than 1 years upto 2 years	More than 2 years upto 3 years	More than 3 years	
(i) MSME	-	98.46	-	-	-	-	98.46
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	3,272.64	13,386.88	729.07	6.49	3.45	21.08	17,419.61
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	3,272.64	13,485.34	729.07	6.49	3.45	21.08	17,518.07

Notes to the Financial Statements

for the year ended March 31, 2025

20 Current financial liabilities: Others

Particulars	(₹ in Lakhs)	
	As at 31-03-2025	As at 31-03-2024
Security and other deposits	62.73	12.73
Employee benefits payable	960.19	493.90
Payables for capital expenditure	228.60	50.45
Accrued liabilities	438.58	280.29
Unclaimed dividend *	347.65	449.32
	2,037.75	1,286.69

*There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

21 Other current liabilities

Particulars	(₹ in Lakhs)	
	As at 31-03-2025	As at 31-03-2024
Advances from customers - Contract liabilities *	65.91	27.47
Statutory dues (including provident fund and withholding taxes)	165.26	243.03
Other liabilities	5.93	2.89
	237.10	273.39

*There has been no significant change in the contract liabilities and major portion has been recognised as a revenue during current year from opening contract liabilities.

22 Current liabilities: Provisions

Particulars	(₹ in Lakhs)	
	As at 31-03-2025	As at 31-03-2024
Provision for employee benefits		
Compensated absences	161.13	140.48
Other Provisions		
Provision for indirect tax and other matters	798.00	934.13
	959.13	1,074.61

22a Movements in provision for indirect tax and other matters

Particulars	(₹ in Lakhs)	
	As at 31-03-2025	As at 31-03-2024
Opening balance	934.13	945.15
Provision made during the year	326.80	-
Amount utilised / (reversed)	(462.93)	(11.02)
Closing balance	798.00	934.13

The above provision is management's best estimate towards various indirect tax & other matters, pending settlement with government authorities.

Notes to the Financial Statements

for the year ended March 31, 2025

23 Revenue from operations (Refer Note 41)

Particulars	(₹ in Lakhs)	
	Year Ended 31-03-2025	Year Ended 31-03-2024
Revenue from contracts with customers		
Sale of products	79,148.41	76,366.54
Sale of services	2,655.38	1,704.04
Other operating revenue		
Export incentives	479.26	417.03
Commission income	92.38	460.79
Scrap sale	130.32	121.75
	82,505.75	79,070.15

24 Other income

Particulars	(₹ in Lakhs)	
	Year Ended 31-03-2025	Year Ended 31-03-2024
Interest income on financial assets at amortised cost		
Fixed deposits	846.56	156.09
Others	124.76	379.59
Rental income		
Lease of land (refer note 46)	64.46	61.39
Other gains and losses		
Net Gain on disposal of property, plant and equipment	3.75	4.06
Foreign exchange gain (net)	406.93	271.29
Reversal of provision for credit losses	400.00	-
Insurance Claims	30.33	-
	1,876.79	872.42

25 Cost of materials consumed*

Particulars	(₹ in Lakhs)	
	Year Ended 31-03-2025	Year Ended 31-03-2024
Raw materials consumed	36,063.04	37,780.96
Packing materials consumed	1,541.60	1,584.62
	37,604.64	39,365.58

* Cost of materials consumed is based on derived values.

Notes to the Financial Statements

for the year ended March 31, 2025

26 Changes in inventories

(₹ in Lakhs)		
Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Opening inventories		
Finished goods	4,563.52	4,816.79
Stock-in-trade	887.87	845.09
Work - in - progress	2,560.08	2,357.85
	8,011.47	8,019.73
Less: Closing inventories		
Finished goods	4,784.79	4,563.52
Stock-in-trade	798.13	887.87
Work - in - progress	2,739.62	2,560.08
	8,322.54	8,011.47
Changes in inventories	(311.07)	8.26

27 Employee benefits expense

(₹ in Lakhs)		
Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Salaries, wages, bonus, etc.	7,116.95	6,175.35
Gratuity (refer to note 39)	246.67	176.85
Contribution to provident fund	356.00	317.53
Contribution to superannuation fund	87.09	82.36
Staff welfare expenses	671.70	734.92
	8,478.41	7,487.01

28 Finance costs

(₹ in Lakhs)		
Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Bank charges and other costs	29.43	39.54
Interest cost on lease liabilities (refer note 46)	232.18	179.64
	261.61	219.18

29 Depreciation and amortisation expenses

(₹ in Lakhs)		
Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Depreciation of property, plant and equipment (refer note 3)	1,787.44	2,031.66
Depreciation on right-of-use assets (refer note 46)	314.88	229.35
	2,102.32	2,261.01

Notes to the Financial Statements

for the year ended March 31, 2025

30 Other expenses

(₹ in Lakhs)		
Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Stores and spare parts etc. consumed	693.97	463.87
Repairs and maintenance:		
Plant and machinery	1,579.11	1,196.07
Buildings	354.50	279.56
Others	165.57	220.87
Power and fuel	4,993.88	4,839.54
Rent (including lease payments)	97.60	179.47
Rates and taxes (including water charges)	631.36	359.57
Insurance	227.59	206.51
Clearing, forwarding and transport	1,938.01	1,496.34
Travelling and conveyance	266.10	337.72
Commission	39.25	77.13
Royalty (refer no 40)	171.26	119.10
Legal and consultancy	574.95	521.90
Information technology services	1,288.99	632.19
Remuneration to Cost Auditors	3.00	3.00
Commission to Directors (refer note 40)	15.00	30.00
Directors' Sitting Fees (refer note 40)	88.20	41.40
Payment to statutory auditors (refer note 30.1)	29.33	29.71
Laboratory Expenses	283.34	197.32
Environmental and treatment cost	862.15	518.75
Jobwork and processing charges	2,549.15	2,187.89
Security Expenses	196.99	178.89
Subscription and membership fees	70.93	64.30
Printing & Stationery	48.38	144.69
Postage & Communication Charges	123.13	33.58
Advertisement and Promotional Expenses	5.18	51.24
Allowances for credit losses	225.76	400.63
Expenditure towards corporate social responsibility (CSR) activities (refer note 38)	102.22	116.15
Service charges	359.81	693.19
Miscellaneous expenses	138.42	210.87
	18,123.13	15,831.45

30.1 Auditor's remuneration

(₹ in Lakhs)		
Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
As auditor:		
Statutory audit (including for quarterly limited reviews)	22.05	19.18
Tax audit	1.55	1.36
Reimbursement of expenses	1.41	0.64
For other services	4.32	8.53
	29.33	29.71

Notes to the Financial Statements

for the year ended March 31, 2025

31 Reconciliation of income tax expenses with accounting profit

(₹ in Lakhs)		
Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Profit before tax	6,811.07	5,599.99
Income tax using the Company's domestic tax rate @ 25.17% (PY 25.17%)	1,714.35	1,409.52
Effect of amounts that are deductible in determining taxable profit	(498.86)	(496.38)
Effect of amounts that are not deductible in determining taxable profit	537.28	563.91
Effect of tax adjustments of prior years (net) (refer note 32)	(86.51)	9.09
	1,666.26	1,486.14
Income tax expense recognised in profit or loss	1,752.64	1,477.05
Effect of tax adjustments of prior years (net) (refer note 32)	(86.51)	9.09
	1,666.13	1,486.14

32 During the year ended March 31, 2025, the Company carried out a detailed review of its income tax positions relating to long-outstanding balances from prior assessment years. This review was conducted based on internal evaluations, available documentation and consultation with an external tax advisor.

Accordingly, a net adjustment of ₹86.51 lakhs has been recorded through the write-off/write-back of the respective tax balances.

33 Financial instruments and risk review

Capital management

The Company's objectives when managing capital are to:

- (i) Safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- (ii) Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The capital structure of the Company consists of equity (comprising issued capital, reserves and retained earnings as detailed in notes 15 and 16). The Company is debt free with no long-term borrowings as at 31-03-2025 and is not subject to any externally imposed capital requirements.

Categories of financial instruments

(₹ in Lakhs)		
Particulars	31-03-2025	31-03-2024
Financial assets		
Measured at amortised cost		
Cash and bank balances	19,061.45	11,328.76
Trade receivables	15,366.60	19,492.45
Loans	29.87	11.91
Other financial assets	4,274.98	1,444.23
Measured at fair value through profit and loss (FVTPL)		
Investment in Equity shares at fair value through profit or loss (Unquoted)	423.16	423.16

Notes to the Financial Statements

for the year ended March 31, 2025

(₹ in Lakhs)		
Particulars	31-03-2025	31-03-2024
Financial liabilities		
Measured at amortised cost		
Lease Liabilities	2,509.19	2,702.37
Trade payables	15,902.76	17,518.07
Other financial liabilities	2,037.75	1,286.69

At the end of the reporting period, there are no significant concentrations of credit risk for financial assets measured at FVTPL. The carrying amount reflected above represents the Company's maximum exposure to credit risk for such financial assets.

Financial risk management framework

The Company is primarily exposed to financial risks, market risk (including foreign exchange risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and addresses the risk associated with the financial assets and liabilities.

Management identifies, evaluates and hedges financial risks under approved policies to manage overall foreign exchange risk, credit risk and investing surplus liquidity (counterparty risk).

Market risks

Foreign exchange risk

The Company has exports to and imports from other countries and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro and the US-dollar. Foreign exchange risk arise from recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee.

The exchange rates have been volatile in the recent years and may continue to be volatile in the future. The Company mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures, etc.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting year are as follows:

(₹ in Lakhs)		
Particulars	31-03-2025	31-03-2024
Amount receivable		
USD (Amount in foreign currency)	53.14	102.81
₹	4,497.81	8,473.86
EURO (Amount in foreign currency)	3.35	4.91
₹	304.67	461.05
Amount payable		
USD (Amount in foreign currency)	18.06	29.01
₹	1,521.27	2,399.44
EURO (Amount in foreign currency)	8.68	3.89
₹	789.25	350.74
CHF (Amount in foreign currency)	0.10	0.10
₹	7.84	7.84

Notes to the Financial Statements

for the year ended March 31, 2025

Following is the analysis of foreign exchange risk sensitivity impacting the profit where the Indian Rupee strengthens and weakens by 1% against the relevant currency. A positive number below indicates an increase in profit and negative number below indicates a decrease in profit.:

(₹ in Lakhs)

Foreign currency	Year ended 31-03-2025		Year ended 31-03-2024	
	1% strengthening	1% weakening	1% strengthening	1% weakening
USD	(29.77)	29.77	(60.74)	60.74
EURO	4.85	(4.85)	(1.10)	1.10
CHF	0.08	(0.08)	0.08	(0.08)

Credit risk

Credit risk arises from deposits with banks and financial institutions, as well as from credit exposures to customers, including outstanding receivables.

Customer credit risk exposure is triggered by customer default risk and country risk. As at balance sheet date, the Company does not have significant concentration of credit risk either due to size of customers or due to country risk.

Company has a credit risk policy in place to ensure that sales are made to customers only after an appropriate credit risk rating and credit line allocation process. Procedures are standardized within credit risk policy and supported by the IT system with respective credit management tools. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining collaterals viz Security Deposit or Bank Guarantee as per Credit Policy, as a means of mitigating the risk of financial loss from defaults. The average credit period on sales of goods is 60 to 120 days.

Credit risk from balances with cash & cash equivalent is managed by the Company's treasury department in accordance with the Company's policy. Also, the credit risk on security deposits for rental premises and loans to employees have low credit risk because of no history of defaults and no concerns for the counterparties to meet their obligations in the future.

Movement in the credit loss allowance

(₹ in Lakhs)

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Balance at the beginning of the year	476.61	75.98
(Reversal of) / Provision for credit losses - net	(180.29)	400.63
Balance at the end of the year	296.32	476.61

Liquidity risk

Liquidity risk management:

The Company is currently debt free having no long term financial liabilities. Management monitors the forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet its operational needs while maintaining sufficient headroom on its undrawn borrowing facilities. Considering the liquidity advantage, funds surplus to the operational needs are invested in the short term bank deposits. The cash & cash equivalents and bank deposits are highly liquid and are readily available for payment of liabilities.

Notes to the Financial Statements

for the year ended March 31, 2025

The following table analysis the maturity profile of the Company's financial liabilities. The amounts disclosed are the contractual undiscounted cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	5 years and above
As at 31-03-2025			
Trade payables	15,902.76	-	-
Lease liabilities	228.43	1,248.59	1,032.17
Other financial liabilities	2,037.75	-	-
As at 31-03-2024			
Trade payables	17,518.07	-	-
Lease liabilities	211.88	1,077.55	1,412.94
Other financial liabilities	1,286.69	-	-

34 Fair value measurement and related disclosures

Fair value of the Company's financial assets that are measured at fair value on a recurring basis:

Some of the Company's financial assets are measured at fair value at the end of each reporting period.

The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

(₹ in Lakhs)

Financial assets	Fair Value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)
	31-03-2025	31-03-2024		
Financial assets at fair value through profit & loss	423.16	423.16	Level 3	Using discounted cash flow method.

Fair value of financial assets that are not measured at fair value (but fair value disclosures are required):

The management considers that the carrying amounts of such financial assets and financial liabilities recognised in the balance sheet approximate their fair values.

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

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
(a) Contingent liabilities:		
(i) in respect of income tax matters	-	-
(ii) in respect of Sales Tax / VAT / GST matters	1,022.00	1,108.19
(iii) in respect of excise / service tax matters	3,463.20	3,666.48
(iv) Other matters in dispute	152.45	152.45
The Company has various ongoing Direct tax, Indirect tax and other matters under litigation. The assessment of likely outcome of tax and other matters and related outflow of resources involves significant judgement on positions undertaken by the Management which are based on the application and interpretation of law.		
(b) Commitments:		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	427.50	204.03

Notes to the Financial Statements

for the year ended March 31, 2025

36 Earnings per share:

(₹ in Lakhs)		
Particulars	31-03-2025	31-03-2024
(a) Basic and diluted earnings per share (Amount in Rupees)	22.29	17.82
(b) Profit attributable to the equity shareholders of the company (in Lakhs)	5144.94	4,113.85
Weighted average number of equity shares (Numbers)	2,30,81,798	2,30,81,798

The Company does not have any dilutive potential ordinary shares and therefore diluted earning per share is the same as basic earning per share.

37 Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). This information has been determined to the extent such parties have been identified on the basis of intimations received from suppliers.

(₹ in Lakhs)		
Particular	31-03-2025	31-03-2024
(a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
(b) Principal amount not yet due to suppliers registered under the MSMED Act and remaining unpaid as at year end	181.60	98.46
(c) Interest thereon due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
(d) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	2,692.85	870.22
(e) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(f) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(g) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	14.28	1.37
(h) Further interest remaining due and payable for earlier years	21.68	91.86

38 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting educations, healthcare supports, women empowerments etc.

A CSR committee has been formed by the company as per the Act. The funds are utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

(₹ in Lakhs)		
Particulars	31 March 2025	31 March 2024
A) Amount required to be spent by the Company during the year	102.09	97.85
B) Amount available for set-off from preceeding financial years	-	-
C) Net CSR obligation (A+B)	102.09	97.85
D) Amount of expenditure incurred during the year:		
i) For construction or acquisition of any assets		
- In cash	-	-
- Yet to be paid in cash	-	-
ii) On purposes other than (i) above		
- In cash	102.22	116.15
- Yet to be paid in cash	-	-

Notes to the Financial Statements

for the year ended March 31, 2025

(₹ in Lakhs)		
Particulars	31 March 2025	31 March 2024
E) Shortfall at the end of the year	-	-
F) Total of previous year's shortfall	-	-
G) Reason for shortfall	Not Applicable	Not Applicable
H) Excess amount spent, available for set-off in succeeding financial years (D-C)	0.13	18.30
I) Excess amount spent, carried forward to be set-off in succeeding financial years	-	-
J) Details of related party transactions	Nil	Nil

The Company does not have any ongoing projects as at 31st March, 2025 and 31st March, 2024.

39 Employee benefits:

(1) Defined benefits plans - As per actuarial valuation

(a) Gratuity

(₹ in Lakhs)		
Particulars	31-03-2025	31-03-2024
	Funded	Funded
(i) Expenses recognised in the statement of profit and loss for the year		
1 Current service cost	223.78	177.48
2 Interest on net defined benefit liability / (asset)	22.89	(0.63)
3 Expense recognised in statement of profit and loss (refer note 27)	246.67	176.85
(ii) Expenses recognised in other comprehensive income		
1 Return on plan assets	(89.46)	35.02
2 Loss / (Gain) from change in financial assumptions	86.87	54.12
3 Loss/(Gain) from change in demographic assumptions	-	-
4 Experience (Gain)/Loss	75.98	60.45
5 (Income) / Expense recognised in Other comprehensive income	73.39	149.59
(iii) Actual return on plan assets for the year		
1 Expected return on plan assets	166.32	189.42
2 Actuarial gain on plan assets	(89.46)	(35.02)
3 Actual return on plan assets	255.78	154.40
(iv) Net asset/(liability) recognised in the balance sheet as at the year end		
1 Present value of the defined benefit obligation	3,237.00	2,959.49
2 Fair value of plan assets	2,473.92	2,516.47
3 Net (liability)/asset recognised in the balance sheet (refer note 17)	(763.08)	(443.02)
(v) Change in defined benefit obligation during the year		
1 Present value of obligation at the beginning of the year	2,959.49	2,800.61
2 Current service cost	223.78	177.48
3 Interest cost	189.21	188.79
4 Benefits paid	(298.33)	(321.96)
5 Actuarial (Gain)/Loss on obligation	162.85	114.57

Notes to the Financial Statements

for the year ended March 31, 2025

(₹ in Lakhs)		
Particulars	31-03-2025	31-03-2024
	Funded	Funded
6 Present value of obligation as at the end of the year	3,237.00	2,959.49
(vi) Changes in fair value of plan asset during the year		
1 Fair value of plan assets as at the beginning of the year	2,516.47	2,684.03
2 Expected return on plan assets	166.32	189.42
3 Contributions made	-	-
4 Benefits paid	(298.33)	(321.96)
5 Actuarial gain on plan assets	89.46	(35.02)
6 Fair value of plan assets as at the end of the year	2,473.92	2,516.47
(vii) Major categories of plan assets as a percentage of total plan assets		
1 Government debt instruments	40%	45%
2 Other debt instruments	44%	38%
3 Insurer managed funds	9%	8%
4 Others	7%	10%
(viii) Actuarial assumptions		
1 Discount rate	6.75%	7.20%
2 Expected rate of return on plan assets	6.75%	7.20%
3 Salary escalation	6.6%-9.0%	6.6%-9.0%
(ix) The company expects to contribute ₹250.00 Lakhs (Previous year: ₹250.00 Lakhs) to the funded gratuity plans in the next year.		

(b) Sensitivity analysis

(₹ in Lakhs)		
Particulars	31-03-2025	31-03-2024
Impact of increase in 25 bps on DBO		
1 Discount Rate Gratuity	(1.51%)	(1.53%)
2 Salary Escalation Gratuity	1.53%	1.56%
Impact of decrease in 25 bps on DBO		
1 Discount Rate Gratuity	1.56%	1.58%
2 Salary Escalation Gratuity	(1.49%)	(1.52%)

(c) The weighted average duration of the defined benefit obligation is 6.22 years for gratuity.

The expected maturity analysis for Gratuity is as follows:

(₹ in Lakhs)		
Particulars	31-03-2025	31-03-2024
Expected benefits for year 1	774.99	620.99
Expected benefits for year 2	364.88	396.53
Expected benefits for year 3	285.11	299.74
Expected benefits for year 4	362.18	247.77
Expected benefits for year 5	243.99	326.99
Expected benefits for year 6	179.13	221.59
Expected benefits for year 7	285.06	160.05
Expected benefits for year 8	298.22	249.30
Expected benefits for year 9	202.09	274.13
Expected benefits for year 10 and above	2,441.33	2,407.28



Notes to the Financial Statements

for the year ended March 31, 2025

(d) Gratuity is administered through duly constituted and approved independent trusts and also through Group gratuity scheme with Life Insurance Corporation of India.

(e) Future salary increases considered in actuarial valuation take in to account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(f) Basis used to determine expected rate of return on plan assets:

The expected rate of return on plan assets is based on market expectation at the beginning of the year for returns over the entire life of the related obligation.

(2) Other long term benefits

(₹ in Lakhs)		
Particulars	31-03-2025	31-03-2024
Compensated absences	785.74	757.92

(3) Provident fund

(₹ in Lakhs)		
Particulars	31-03-2025	31-03-2024
Defined benefit obligation	0.00	0.00
Fund assets	0.00	0.00
Net (asset) / liability	0.00	0.00

*During the year ended March 31, 2024, the Company commenced the process of surrendering the Provident Fund Trust. Consequently, the Regional Provident Fund Commissioner-II, Nariman Point (the "RPFC") has directed that the Company's employees provident fund known as 'Clariant Chemicals India Limited Employees Provident Fund' ("EPF Trust") comply as an un-exempted establishment with effect from March 1, 2024. In this regard, the RPFC has inter alia asked the EPF Trust to comply with the necessary conditions as specified in its cancellation/transfer letter. Accordingly, the EPF Trust has transferred securities to the RPFC, and also has liquidated securities and transferred the proceeds to the Regional Provident Fund Commissioner (RPFC). Further, the RPFC has appointed a third-party auditor to review the EPF Trust accounts, who has also completed a third-party audit of the EPF Trust accounts, with no material observations. The EPF Trust will be formally closed after obtaining final confirmation from the RPFC. As per the Company's assessment, it does not expect any material adjustments to these financial statements as a consequence of above.

40 Related party disclosures as required by Ind AS-24 "Related Party Disclosures" are given below:

Relationship:	Country of Incorporation
(a) Enterprises where control exists:	
(i) Ultimate Holding Company	
- Sudarshan Chemical Industries Limited (wef March 04, 2025)	India
- SK Neptune Husky Holdings S.à.r.l. (upto March 03, 2025)	Luxemborg
(ii) Principal Shareholders (subsidiaries of the Ultimate Holding Company):	
- Sudarshan Switzerland HLD1 AG (formerly Heubach Holding Switzerland AG)	Switzerland
- Sudarshan Switzerland HLD2 AG (formerly Heubach EBITO Chemieeteiligungen AG)	Switzerland

Notes to the Financial Statements

for the year ended March 31, 2025

Relationship:	Country of Incorporation
(b) Other related parties in the Heubach group with whom the Company has transactions:	
Fellow subsidiary companies:	
Heubach Colorants Singapore Pte. Ltd.	Singapore
Heubach Colorants Germany GmbH (upto March 03, 2025)	Germany
Heubach Colour Private Limited	India
Heubach Colorants México, S.A. de C.V.	Mexico
Heubach Colorants Brasil Ltda.	Brazil
Heubach Colorants Japan K.K.	Japan
Heubach Colorants Pigment Preparations (Tianjin) Ltd.	China
Heubach Pigments Private Limited	India
Heubach Colorants USA LLC	USA
Heubach Colorants Southern Africa (Pty) Ltd	South Africa
Heubach GmbH (upto March 03, 2025)	Germany
Heubach LTD A New Jersey Limited Partnership	USA
Heubach Group GmbH (upto March 03, 2025)	Germany
Heubach Colorants (Shanghai) Ltd.	China
Sudarshan Langelsheim PLT GmbH (wef March 04, 2025)	Germany

(c) Key management personnel:

Executive Directors

Sambit Roy (wef November 25, 2024)
Bharath Sesha (upto August 31, 2024)
Jugal Sahu

Non-Executive Directors

Kewal Handa
Sunirmal Talukdar
Indu Shahani (upto March 31, 2024)
Diana Dhote (wef April 01, 2024)
Ravi Kapoor (upto July 16, 2025)
Rajesh Balkrishna Rath (wef April 14, 2025)
Amitabha Mukhopadhyay (wef April 14, 2025)
Naresh T. Raisinghani (wef April 14, 2025)
Anu Arun Wakhlu (wef April 14, 2025)
Mandar Velankar (wef April 14, 2025)

Notes to the Financial Statements

for the year ended March 31, 2025

Transactions entered into with related parties during the year and balances as at the year end:

(i) Principal Shareholders:

Particulars	(₹ in Lakhs)	
	31-03-2025	31-03-2024
Transactions during the year:		
Sudarshan Switzerland HLD1 AG (formerly Heubach Holding Switzerland AG)		
Purchase of goods	4,537.77	6,115.09
Indenting commission received	92.38	460.79
Information technology service charges	-	873.39
Royalty expenses	171.26	119.10

(ii) Fellow subsidiaries:

Particulars	(₹ in Lakhs)	
	31-03-2025	31-03-2024
Transactions during the year:		
Sales of goods		
Heubach Colorants Singapore Pte. Ltd.	13,282.75	22,398.12
Heubach Colorants Pigment Preparations (Tianjin) Ltd.	165.43	-
Heubach Colorants Japan K.K.	215.93	-
Heubach Colorants (Shanghai) Ltd.	1,936.78	-
Heubach Colorants USA LLC	7,742.11	-
Heubach Color Pvt Ltd	148.06	1,335.74
Purchase / (Return) of goods		
Heubach Colorants Singapore Pte. Ltd.	670.41	888.33
Heubach Color Pvt Ltd	2,270.41	4,143.84
Heubach Colorants México, S.A. de C.V.	18.41	16.48
Heubach Colorants Brasil Ltda.	6.92	-
Heubach GmbH (upto March 03, 2025)	507.99	-
Heubach Colorants Germany GmbH (upto March 03, 2025)	9.13	11.52
Heubach Colorants Pigment Preparations (Tianjin) Ltd.	-	67.05
Heubach Colorants USA LLC	3.08	-
Sudarshan Langelsheim PLT GmbH (wef March 04, 2025)	53.64	-
Heubach Colorants Southern Africa (Pty) Ltd	(5.33)	10.66
Services rendered		
Heubach Colorants Pigment Preparations (Tianjin) Ltd.	15.91	6.00
Heubach Colorants Germany GmbH (upto March 03, 2025)	173.13	-
Heubach Colorants México, S.A. de C.V.	47.82	10.26
Heubach Colorants Singapore Pte. Ltd.	11.53	-
Heubach Colorants Japan K.K.	44.65	9.06
Heubach Colorants (Shanghai) Ltd.	62.99	8.13
Heubach GmbH (upto March 03, 2025)	78.42	-
Heubach Colorants USA LLC	56.32	10.26
Heubach Holding Switzerland AG	6.26	9.06
Heubach LTD A New Jersey Limited Partnership	28.28	8.13
Heubach Colorants Brasil Ltda.	90.53	-

Notes to the Financial Statements

for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Interest Income		
Heubach Colorants Singapore Pte. Ltd.	-	367.07
Expenses recovered		
Heubach Pigments Private Limited	-	36.91
Services received		
Heubach Group GmbH (upto March 03, 2025)	611.78	345.10
Heubach Colour Private Limited	23.11	30.77

(iii) Key management personnel:

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Executive Directors		
Short-term employee benefits	461.02	416.05
Post-employment benefits	24.68	21.88
Total Remuneration	485.70	437.93
Non-Executive Directors		
Sitting fees	88.20	41.40
Commission	15.00	30.00
Total Remuneration	103.20	71.40

(iv) Balances outstanding as at the year end:

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Principal Shareholders:		
Trade payables	543.56	1,524.70
Trade receivables	42.93	610.56
Fellow Subsidiaries:		
Trade payables	1,339.87	1,792.30
Trade receivables	4,487.26	8,552.04
Key Management Personnel:		
Payable balance	176.01	74.39

41 Segment Information:

- (a) The Company had been reporting its operating segments as (1) Plastic and Coating and (2) Specialty Chemicals. However, from the previous financial year, the Chief Operating Decision Maker ('CODM') has revisited their review of the company's performance and allocation of resources to be under a single operating segment viz " Colorants" having similar economic characteristics primarily with operations in India. As such, the Company's business activity falls within a single primary business segment viz " Colorants" in line with IND AS -108 "Operating Segments".



Notes to the Financial Statements

for the year ended March 31, 2025

(b) Disaggregated revenue information

(₹ in Lakhs)

Particulars	31-03-2025	31-03-2024
Sale of Goods - "Colorants"	79,148.41	76,366.54
Sale of Services	2,655.38	1,704.04
Total Revenue from contracts with customers	81,803.79	78,070.58
Geographical Location of Customers		
India	55,423.96	53,344.71
Outside India	26,379.83	24,725.87
Total Revenue from contracts with customers	81,803.79	78,070.58
Timing of Revenue Recognition		
Goods transferred at a point in time	79,148.41	76,366.54
Service transferred at a point over time	2,655.38	1,704.04
Total Revenue from contracts with customers	81,803.79	78,070.58

- 42** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

43 Capital-Work-in Progress (CWIP)

(a) For Capital-work-in progress ageing schedule

31 March 2025

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	More than 1 years upto 2 years	More than 2 years upto 3 years	More than 3 years	
Projects in progress	203.78	241.18	26.17	4.25	475.38

31 March 2024

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	More than 1 years upto 2 years	More than 2 years upto 3 years	More than 3 years	
Projects in progress	151.52	185.72	21.12	28.50	386.85

Notes to the Financial Statements

for the year ended March 31, 2025

(b) In case of the following projects (CWIP), where completion is overdue or has exceeded its cost compared to its original plan:

31 March 2025

CWIP	To be completed in			
	Less than 1 year	More than 1 years upto 2 years	More than 2 years upto 3 years	More than 3 years
Projects in progress				
Project 1 (Completion over due)	355.72	2.45	-	-
Project 2 (Exceeded its cost compared to its original plan)	-	-	-	-

31 March 2024

CWIP	To be completed in			
	Less than 1 year	More than 1 years upto 2 years	More than 2 years upto 3 years	More than 3 years
Projects in progress				
Project 1 (Completion over due)	289.44	40.94	-	-
Project 2 (Exceeded its cost compared to its original plan)	-	-	-	-

No projects have been temporarily suspended and exceeded their original budgets for the year ended March 31, 2025 and March 31, 2024

44 Other Statutory Information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- There are no assets hypothecated against the bank limits sanctioned. The bank limits are unsecured. Hence, the company is not obliged to send quarterly returns or statement of current assets.
- The company has not been declared a wilful defaulter as defined by RBI Circular.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- Since, the Company does not have any subsidiary, the provisions of Section 2(87) of the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017, are not applicable.
- The Company has not entered into scheme of arrangement during the financial year 2024-25.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Notes to the Financial Statements

for the year ended March 31, 2025

- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - 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 to or on behalf of the Ultimate Beneficiaries.
- During the year, the Company has not surrendered or disclosed any income in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Accordingly, there are no transaction which are not recorded in the books of accounts.

45 The Company do not have transactions with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

46 Leases

A) Leases where the Company is a Lessee

(i) The movement in Lease liabilities during the year

Particulars	As at 31-03-2025	As at 31-03-2024
Opening balance	2,702.37	-
Additions during the year	-	2,832.47
Finance costs incurred during the year	232.18	179.64
Payment for lease liabilities	(425.37)	(309.74)
Closing balance	2,509.19	2,702.37

(ii) The carrying value of the Rights-of-use and depreciation charged during the year

Particulars	As at 31-03-2025	As at 31-03-2024
Opening balance	2,611.26	8.14
Additions during the year	-	2,832.47
Depreciation charged during the year	(314.88)	(229.35)
Closing balance	2,296.38	2,611.26

(iii) Amount Recognised in Statement of Profit & Loss Account during the Year

Particulars	As at 31-03-2025	As at 31-03-2024
Depreciation expense of right-of-use assets	314.88	229.35
Interest expense on lease liabilities	232.18	179.64
Expense relating to short-term leases/Low value leases (included in other expenses)	97.60	179.47
Total Expenses	644.66	588.46

(iv) Amounts recognised in statement of cash flows

Particulars	As at 31-03-2025	As at 31-03-2024
Total Cash outflow for Leases	(425.37)	(309.74)

Notes to the Financial Statements

for the year ended March 31, 2025

S No.	Ratio	Formula	Particulars		31-Mar-25		31-Mar-24		Ratio as on		Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	Ratio as on	Ratio as on	
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of Goods Sold	(Opening Inventory + Closing Inventory) / 2	47,724.76	12,770.89	48,543.93	12,665.43	3.83	(2%)	
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable) / 2	81,803.79	17,429.53	78,070.58	20,632.74	3.78	24%	
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables) / 2	51,688.64	16,710.42	50,256.68	17,625.84	2.85	8%	
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	Revenue	Average Working Capital= Average of Current assets – Current liabilities	82,505.75	30,902.71	79,070.15	24,739.73	3.20	(17%)	
(i)	Net Profit Ratio	Net Profit / Net Sales	Net Profit	Net Sales	5,144.44	81,803.79	4,113.85	78,070.58	0.05	20%	
(j)	Return on Capital Employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets – Current Liability	7,072.18	56,148.50	5,819.17	51,062.03	0.11	18%	
(k)	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	5,144.44	52,333.65	4,113.85	47,244.13	0.09	11%	



Notes to the Financial Statements

for the year ended March 31, 2025

48 During the year, Heubach GmbH, a related party of the Company and a member of the Heubach Group, had filed an application for opening of regular insolvency proceedings over its assets with the competent insolvency court in Braunschweig, Germany and, a preliminary Insolvency Administrator and Preliminary Custodian had been appointed by the competent court. Further, Heubach Group GmbH, also a member of the Heubach Group and the holding company of Heubach Holding Switzerland AG (a promoter shareholder of the Company and formerly known as Colorants International AG), had also filed an application for insolvency proceedings over its assets with the competent insolvency court in Braunschweig together with certain of its affiliate companies.

On October 11, 2024, Sudarshan Europe BV (“the Acquirer”), a subsidiary of Sudarshan Chemical Industries Ltd (“PAC”), has entered into a purchase agreement to acquire all shares held by the promoters in the Company.

Subsequently, the Company received a copy of the Public Announcement dated October 16, 2024 (“Public Announcement”) regarding an Open Offer for the acquisition of up to 6,001,268 fully paid equity shares with a face value of ₹10 each, representing 26% of the Company’s Equity Share Capital, from public shareholders (as defined in the Public Announcement). This Open Offer has been issued by the Acquirer along with PAC in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

On March 3, 2025, the Acquirer completed the acquisition of business from the insolvent German Group Companies, including the participations held by Heubach Holding Switzerland AG (“PAC-2”) in its subsidiary companies. This included the investment in the Company’s equity shares through a Sale and Purchase Agreement (“SPA”) with SK Neptune Husky Finance S.à.r.l. The acquisition involved the entire shareholding in Heubach Holdings S.à.r.l., which further held investments in companies based in India and the USA. As a result, the Acquirer became entitled to indirectly exercise 54.36% of the Voting Share Capital and control over the Company. Consequently, the Acquirer has acquired indirect control over the Company.

49 On January 1, 2025, a fire broke out at a Warehouse in Company’s Plant, located at Plot No. 113/114, MIDC Dhatav, Near Police Station, Kolad–Roha Road, A.V. Roha A.V. P. O. – Dhatav, Taluka – Roha, Dist.-Raigad 402 116, India. The warehouse is used for storage of “Pigment in Process Goods” used for final manufacturing. There have been no injuries or casualties. The company has adequate insurance coverage against this loss. The Company assessed the loss of Property, Plant and Equipment, as well as Inventories, amounting to ₹10.32 crore, and submitted a claim to the insurance provider. A surveyor appointed by the insurer is currently reviewing the claim. Based on the initial assessment, the insurer has made an advance payment of ₹1.5 crore. The Company has disclosed these matters as Exceptional Items in the financial statements for the year ending March 31, 2025.

50 During the year 2019, the Company, on the basis of an independent valuation, obtained approval from its Board of Directors for the transfer of certain furniture and fixtures and other assets located at the Airoli Office to Clariant India Private Limited (‘CIPL’), a related party at ₹25.81 Crores. Due to various reasons, the transfer of these assets could not be concluded till 2021. The current management noticed that certain identified assets belonging to the Company were unauthorisedly transferred to CIPL without due approval from the Board of Directors. Upon becoming aware of the matter, the Board of Directors engaged external independent agencies to conduct a fact-finding exercise relating to the transaction . The Company continued to engage in negotiations to recover the assets and mitigate any potential adverse impact arising from the transaction. As of the date of these financial statements, the matter remains under review. Additionally, based on the fact-finding report, the Company is evaluating various legal options to determine the appropriate course of action. A final resolution including effects, if any, on the financial statements is pending.

51 The Company has maintained its books of account using an accounting software that is managed and maintained by a third-party service provider. This software includes a feature for recording an audit trail (edit log) of transactions as required under Rule 3(1) of the Companies (Accounts) Rules, 2014. The audit trail feature was enabled and operated for all relevant transactions recorded in the accounting software during the year. However, the audit trail feature was not enabled at the database level of the said software to log any direct data changes. Further, the audit trail of prior year, has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the previous year.

Notes to the Financial Statements

for the year ended March 31, 2025

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The Company maintains its books of account and other relevant books and papers in electronic mode as permitted under the Companies Act, 2013. Daily backups of such books and papers are taken and properly maintained. However, the servers on which the backups of the books of account and other relevant records are maintained are physically located outside India, which is in compliance with the provisions of Rule 3 of the Companies (Accounts) Rules, 2014, and Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, to the extent applicable.
- 53

The figures for the previous year have been regrouped/recasted wherever necessary, to conform to the current year's classification.

In terms of our report attached
For **M S K A & Associates**
Chartered Accountants
Firm Registration Number: 105047W

Udit Brijesh Parikh
Partner
Membership No.: 151016

Mumbai
July 16, 2025

For and on behalf of the Board of Directors
Heubach Colorants India Limited

Sambit Roy
Managing Director
DIN: 08291664

Sunirmal Talukdar
Director
DIN: 00920608

Ashwini Natekar
Company Secretary
Membership No: A65477

Jugal Sahu
Director & CFO
DIN: 02629782

Kewal Handa
Director
DIN: 00056826



Heubach Colorants India Limited

(Formerly known as Clariant Chemicals (India) Limited)

Rupa Renaissance, B Wing, 25th Floor, D-33 MIDC Road, TTC
Industrial Area, Juinagar Navi Mumbai - 400 705 India

www.heubach.com

