INDEPENDENT AUDITORS' REPORT

To the Members of
DACL FINE CHEM LIMITED
Report on the Audit of the Financial Statements
Opinion

We have audited the accompanying financial statements of **DACL FINE CHEM LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements including a material accounting policies 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, 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 specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion
We conducted our audit 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 Auditors' 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Information Other than the Financial Statements and Auditors' Report Thereon
The Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Board's Report but does not include the financial statements and our auditors' report thereon.

The above-referred information is expected to be made available to us after the date of this audit report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information 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 information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management and Board Of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors’ 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.

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 “A”, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

    a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

    b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    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 Flows dealt with by this Report are in agreement with the books of account;

    d. in our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;

e. on the basis of the written representations received from the directors as on March 31, 2026, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164(2) of the Act;

f. with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "B";

g. with respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended: the Company has neither paid nor provided for, any remuneration to its directors during the year; and

h. the other matters to be included in the Auditors' Report in accordance with Rule 11 of with respect to 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 does not have any pending litigations which would impact its financial position;

    ii. the Company did not have any long-term contracts including derivative contracts as at March 31, 2026;

    iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

    iv. (a) the management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) the management has represented, that, to the best of it’s knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. No dividend has been declared and paid during the year by the company.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail facility has been operating throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with and audit trail has been preserved by the Company as per the statutory requirements for record retention.

For K C Mehta & Co LLP
Chartered Accountants
Firm’s Registration No. 106237W/W100829

Chhaya M. Dave
Partner
Membership No. 100434
UDIN: 26100434XKATIH3870
Place: Vadodara
Date: May 15, 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

The annexure referred to in our Independent Auditors' Report to the members of **DACL FINE CHEM LIMITED** ("the Company") on the financial statements for the year ended March 31, 2026, we report that:

i.

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment including Right of use assets.

(B) The Company does not have any intangible assets and therefore, reporting under clause (i)(a)(B) of the Order is not applicable to the Company.

b) The property plant and equipment have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

c) According to the information and explanations given to us and based on our examination of the registered deeds provided to us, the title deeds of the immovable properties disclosed in the financial statements are held in the name of the Company. In respect of immovable properties, i.e., land taken on lease and disclosed under Property, Plant and Equipment, the lease agreements are duly executed in favour of the Company, where the Company is the lessee.

d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) during the year.

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii.

a) In our opinion and according to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion the coverage and procedure of such verification by the management is appropriate and discrepancies noticed were not in excess of 10% or more in aggregate for each class of inventory and same have been properly dealt with in the books of account.

b) The Company has not availed any working capital limits at any points of time during the year, from banks or financial institutions and therefor, reporting under clause (ii)(b) of the Order is not applicable to the Company.

iii. The Company has not made any investments, provided any guarantee or security, or granted any loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties during the year, and therefore, reporting under Clause (iii) of the Order is not applicable to the Company.

iv. The Company has not granted any loans, made any investments, or provided any guarantees or security to which provisions of section 185 and 186 of the Act apply and therefore, reporting under clause (iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are considered to be deemed deposits during the year, hence directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder are not pplicable to the Company. According to information and explanations provided to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

vi. The maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013, is not applicable to the company in view of rule 3 of the Companies (Cost Records and Audit) Rules, 2014, as amended.

vii.

a) According to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including Goods and Services Tax, income-tax, cess and other statutory dues applicable to it. Further, no undisputed amounts payable in respect of Goods and Services Tax, income tax, cess and any other statutory dues were in arrears, as at March 31, 2026, for a period of more than six months from the date they become payable.

b) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues as referred to in sub clause (a) above which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us and on the basis of examination of the records of the Company, there were no transactions relating to previously unrecorded income which requires to be record in books of accounts as surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

ix.

a) The loans amounting to Rs. 673.94 Lakhs from parent company are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. According to the information and explanations given to us, such loans have not been demanded for repayment during the relevant financial year.

b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and therefore, reporting under clause (ix)(c) of the Order is not applicable to the Company.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has used funds raised on short-term basis aggregating to Rs. 621.49 Lakhs (P.Y. Rs. 511.19 lakhs) for long-term purposes. However, during the year fund raised on short term basis have not been used for a long-term purposes.

e) The Company does not have any subsidiaries, associates or joint ventures and therefore, reporting under clause (ix) (e) of the order is not applicable to the Company.

f) The Company has not raised any loans during the year and therefore reporting on clause 3(ix)(f) of the Order is not applicable.

x.

a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares and fully or partly convertible debentures during the year under audit under section 42 and section 62 of the Companies Act, 2013;

xi.

a) No fraud by the Company and or any fraud on the Company has been noticed or reported during the year.

b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) As represented to us by the management, the Company has not received any whistle-blower complaints during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiv. In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.

xv. In our opinion during the year, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. In our opinion and according to the information and explanations given to us:

a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has incurred cash losses of Rs.119.09 Lakhs during the financial year covered by our audit and Rs. 128.44 Lakhs in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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. According to the information and explanations given to us, section 135 of the Act is not applicable to the Company and therefore, reporting under clause (xx) of the Order is not applicable.

xxi. The Company is not required to prepare consolidated Financial Statements and therefore, reporting under this clause of the Order is not applicable to the Company.

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Chhaya M. Dave
Partner
Membership No. 100434
UDIN: 26100434XKATIH3870
Place: Vadodara
Date: May 15, 2026

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **DACL FINE CHEM LIMITED** on the financial statements of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to financial statements of **DACL FINE CHEM LIMITED** (“the Company”) as of March 31, 2026, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 on Audit of Internal Financial Controls over Financial Reporting (the, “Guidance note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to 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 auditors' 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 controls 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 controls 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to 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.

Opinion

In our opinion, the Company has, in all material respects, 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, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Chhaya M. Dave
Partner
Membership No. 100434
UDIN: 26100434XKATIH3870
Place: Vadodara
Date: May 15, 2026

DACL FINE CHEM LTD
BALANCE SHEET AS AT 31ST MARCH 2026

(₹ in Lakhs)

Particulars	Note No.	As at 31st March,2026	As at 31st March,2025
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	4	1,435.44	1,468.09
(b) Intangible assets		-	-
(c) Capital work-in-progress		-	-
(b) Financial Assets			
(i) Others	5	10.01	10.01
(e) Other non-current assets	6	0.03	0.43
Total Non-Current Assets		1,445.48	1,478.53
(2) Current Assets			
(a) Inventories	7	6.28	5.43
(b) Financial Assets			
(i) Trade receivables	8	-	6.86
(ii) Cash and cash equivalents	9	1.22	4.77
(c) Current Tax Assets (Net)	10	-	-
(d) Other current assets	11	50.13	48.17
Total Current Assets		57.63	65.23
TOTAL ASSETS		1,503.11	1,543.76
EQUITY AND LIABILITIES			
(a) Equity Share capital	12	20.00	20.00
(b) Other Equity	13	705.74	857.49
Total Equity		725.74	877.49
Liabilities			
(1) Non-Current Liabilities			
(a) Financial liabilities			
(i) Other Non-Current Financial Liabilities	14	98.25	89.85
Total Non-Current Liabilities		98.25	89.85
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	673.94	567.51
(ii) Trade payables			
(A) due to micro enterprises and small enterprises	16	-	-
(B) due to other than micro enterprises and small enterprises		1.43	2.24
(iii) Other financial liabilities	17	1.83	3.90
(b) Other current liabilities	18	1.86	2.77
(c) Provisions	19	0.06	-
Total Current Liabilities		679.12	576.42
Total Liabilities		777.37	666.27
TOTAL EQUITY AND LIABILITIES		1,503.11	1,543.76

Material Accounting Policies and Notes to the Financial Statements **1-42**

As per our report of even date attached

For and on behalf of the Board

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Chhaya Dave
Partner
Membership No. 100434
Place : Vadodara
Date: May 15, 2026

AMIT MEHTA
Chairman
DIN: 00073907
Place : London, UK

TANMAY GODIAWALA
Managing Director
DIN: 07084668
Place : Mumbai

DIPEN RUPARELIA
Chief Financial Officer
Place : Vadodara

HEMAXI PAWAR
Company Secretary
Place : Vadodara

Date: May 15, 2026

DACL FINE CHEM LTD

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31,2026

(₹ in Lakhs)

	Particulars	Note No.	Year Ended	
			March 31,2026	March 31,2025
I	Revenue from Operations	**20**	**4.18**	14.24
II	Other Income	**21**	**0.77**	0.04
III	**Total income (I+II)**		**4.95**	14.28
IV	**EXPENSES**			
	Cost of materials consumed	**22**	**0.36**	9.94
	Changes in inventories of Finished Goods and Work-In-Progress	**23**	**3.87**	0.92
	Employee benefits expense	**24**	**11.46**	30.22
	Finance costs	**25**	**77.69**	65.62
	Depreciation and Amortisation expense	**26**	**32.66**	32.60
	Other expenses	**27**	**30.66**	36.02
	Total expenses (IV)		**156.70**	175.32
V	**Profit before tax (III-IV)**		**(151.75)**	(161.04)
VI	**Tax expense:**			
	(a)Current Tax		**-**	-
	(b)Tax relating to Earlier Years		**-**	-
	(c)Deferred Tax		**-**	-
VII	**Profit for the year (V-VI)**		**(151.75)**	(161.04)
VIII	**Other Comprehensive Income (OCI)**			
	A. Items that will not be reclassified subsequently to profit or loss :			
	(i) Remeasurement gain/(loss) on the Defined Benefit Plans		**-**	-
	(ii) Gain/(Loss) on measuring equity instruments at Fair Value carried		**-**	-
	through Other Comprehensive Income (FVTOCI)		**-**	-
	(iii) Income tax on above		**-**	-
	B. Items that will be reclassified subsequently to profit or loss :		**-**	-
IX	**Total Comprehensive Income for the year ((VII+VIII))**		**(151.75)**	(161.04)
X	**Earnings per equity share**			
	Basic (₹)		**(75.88)**	(80.52)
	Diluted (₹)		**(75.88)**	(80.52)

Material Accounting Policies and Notes to the Financial Statements **1-42**

As per our report of even date attached

For and on behalf of the Board

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

AMIT MEHTA
Executive Chairman
DIN: 00073907
Place : London, UK

TANMAY GODIAWALA
Managing Director
DIN: 07084668
Place : Mumbai

Chhaya Dave
Partner
Membership No. 100434
Place : Vadodara
Date: May 15, 2026

DIPEN RUPARELIA
Chief Financial Officer
Place : Vadodara

HEMAXI PAWAR
Company Secretary
Place : Vadodara

Date: May 15, 2026

DACL FINE CHEM LTD

STATEMENT OF CASH FLOWS FOR YEAR ENDED 31ST MARCH,2026

(₹ in Lakhs)

	Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net (Loss) before tax	**(151.75)**	(161.04)
	Adjustments for:		
	Finance Cost	**77.69**	65.62
	Depreciation of Property, Plant and Equipment and Intangible Assets	**32.66**	32.60
	Operating (Loss) before changes in working capital	**(41.40)**	(62.82)
	Adjustment for (Increase)/Decrease in Operating Assets		
	Trade Receivables	**6.86**	(0.81)
	Inventories	**(0.85)**	(0.49)
	Other Current Assets	**(1.96)**	(4.88)
	Long-term Loans and Advances and Other Non-current Assets	**0.40**	0.96
	Adjustment for Increase/(Decrease) in Operating Liabilities		
	Trade Payables	**(0.81)**	(9.03)
	Other Financial Liabilities	**6.33**	2.96
	Other Current Liabilities	**(0.85)**	0.37
	Cash flow from operations after changes in working capital	**(32.28)**	(73.74)
	Income-tax paid	**-**	0.10
	Net Cash Flow from/(used in) Operating Activities	**(32.29)**	(73.64)
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Net Cash Flow from/(used in) Investing Activities	**-**	(0.97)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Interest Expense	**(77.69)**	(73.89)
	Increase in Current Borrowings	**106.43**	151.72
	Net Cash Flow from/(used in) Financing Activities	**28.74**	77.83
	Net Increase/ (Decrease) in Cash and Cash Equivalents	**(3.55)**	3.22
	Cash & Cash Equivalents at beginning of year	**4.77**	1.55
	Cash and Cash Equivalents at end of year (see Note 1)	**1.22**	4.77
Notes:			
1	**Cash and Cash equivalents comprise of:**		
	Cash on hand	**0.11**	0.21
	Balance with Banks	**1.11**	4.56
	Cash and Cash equivalents	**1.22**	4.77
2	**Cash Flow from Financial liability**		
	Opening Balance	**567.51**	415.79
	Changes from financing cash flow	**106.43**	151.72
	Closing Balance	**673.94**	567.51

Material Accounting Policies and Notes to Financial Statements **1-42**

As per our report of even date attached

For and on behalf of the Board

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

AMIT MEHTA
Executive Chairman
DIN: 00073907
Place : London, UK

TANMAY
Managing Director
DIN: 07084668
Place : Mumbai

Chhaya Dave
Partner
Membership No. 100434
Place : Vadodara
Date: May 15, 2026

DIPEN RUPARELIA
Chief Financial Officer
Place : Vadodara

HEMAXI PAWAR
Company Secretary
Place : Vadodara

Date: May 15, 2026

DACL FINE CHEM LTD

Statement of Changes in Equity for the year ended March 31,2026

A. Equity Share Capital **(₹ in Lakhs)**

Particulars	**Amount**
Balance as at 31st March,2024	20.00
Additions/(Reductions)	-
Balances as at 31st March, 2025	**20.00**
Additions/(Reductions)	**-**
Balances as at 31st March, 2025	**20.00**

B. Other Equity **(₹ in Lakhs)**

Particulars	**Reserves & Surplus**	**Equity component of compound financial instruments**	**Total**
	Retained Earnings		
Balances as at March 31 2024	(223.76)	1,242.29	1,018.53
Movement during the year: Profit / (Loss) for the year	(161.04)	-	(161.04)
Balances as at March 31 2025	**(384.80)**	**1,242.29**	**857.49**
Movement during the year: **Profit / (Loss) for the year**	**(151.75)**	**-**	**(151.75)**
Balances as at March 31 2026	**(536.55)**	**1,242.29**	**705.74**

Material Accounting Policies and Notes to Financial Statements **1-42**

As per our report of even date attached

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Chhaya Dave
Partner
Membership No. 100434
Place : Vadodara
Date: May 15, 2026

For and on behalf of the Board

AMIT MEHTA
Chairman
DIN: 00073907
Place : London, UK

TANMAY GODIAWALA
Managing Director
DIN: 07084668
Place : Mumbai

DIPEN RUPARELIA
Chief Financial Officer
Place : Vadodara

HEMAXI PAWAR
Company Secretary
Place : Vadodara

Date: May 15, 2026

DACL Fine Chem Limited

Accompanying Notes to the Financial Statements

1. **Corporate Information**
"DACL Fine Chem Limited" ("the Company") is a domestic public limited company incorporated and domiciled in India and has its registered office at Plot No. 13, PCC Area PO Petrochemicals, Vadodara, Gujarat. The company is engaged in the business of manufacturing, wholesale and retail chemicals in all kinds of chemicals and articles related to the chemical industry.

1.1 Statement of Compliance

These Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under Section 133 of The Companies Act, 2013 (the "Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act as amended from time to time.

1.2 Recent pronouncements

Recent pronouncements
The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules, as issued from time to time.

(a) Lack of exchangeability – Amendments to Ind AS 21

MCA via notification dated 7 May 2025, announced amendments to Ind AS 21 "The Effects of Changes in Foreign Exchange Rates" to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after 1 April 2025. The amendments does not have any material impact on the Financial Statements.

(b) In August 2025, MCA notified the following amendments:

(i) Ind AS 1 – Presentation of Financial Statements (applicable w.e.f. April 1, 2025)

The amendment relates to classification of liabilities as current or non-current, including liabilities with covenants. In the context of classifying a liability as current, it does not have the right at the end of reporting period to defer settlement of liabilities for at least 12 months after the reporting date.
The amendment also introduces guidance on classification of liabilities with covenants. The Company has determined that these amendments do not have any impact on its classification criteria of current and non-current liabilities.

(ii) Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures (applicable w.e.f. April 1, 2025)

The amendment requires entities to inform users of financial statements about the existence of supplier finance arrangements and explain the nature of such arrangements, the carrying amount of liabilities, and the range of payment due date. These amendments do not have any material impact on the Financial Statements.

(iii) Amendment to Ind AS 12 Income Taxes (applicable w.e.f. April 1, 2025)

The amendments clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by OECD, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments introduce a temporary exception to the accounting requirements for deferred taxes in Ind AS 12, so that an entity would neither recognize nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. These amendments do not have any material impact on the Financial Statements.

(iv) Amendment to Ind AS 1 (issued but not yet effective)

Where a covenant breach exists on or before the reporting date and, as a result, the liability becomes payable on demand on that date, the liability must be classified as current, even if the lender subsequently (i.e. after the reporting date but before approval of the financial statements) agrees not to demand payment. The Company has reviewed the new pronouncements and based on its evaluation has determined that since the Company does not have any borrowings with covenant the breach of which makes loan repayable on demand, so there is no impact on the financial statements.

1.3 Basis of Preparation

The Financial Statements have been prepared and presented on the historical cost convention on accrual basis except for certain financial instruments, if any, which have been measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Financial Statements have been presented in Indian Rupees (INR), which is also the Company's presentation and functional currency. All values are rounded off to the nearest two decimal lakhs, unless otherwise indicated.

2. Material Accounting Policies

(i) Property, Plant and Equipment

Property, Plant & Equipment (PPE) comprises of Tangible assets and capital work in progress. PPE are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation and accumulated impairment losses, if any; until the date of the Balance Sheet. The cost of PPE comprises of its purchase price or its construction cost (net of applicable tax credit, if any), any cost directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Direct costs are capitalized until the asset is ready for use and includes borrowing cost capitalised in accordance with the Company's accounting policy.

Capital work in progress includes the cost of PPE that are not yet ready for the intended use.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

As per the internal technical evaluation carried out by the management, the management of the company believes that its Property, Plant & Equipment are of such nature that separate components are not distinctly identifiable having different useful life. And therefore, Component level accounting and reporting is not practically feasible for the company.

Depreciation of these PPE commences when the assets are ready for their intended use.

Depreciation is provided on the cost of Property, Plant and Equipment less their estimated residual value, using the straight-line method over the useful life of PPE as stated in the Schedule II to the Companies Act, 2013. The management believes that the useful lives as assessed best represent the period over which management expects to use these assets.

Useful lives of following class of PPE are as prescribed under Part C of Schedule II to the Companies Act, 2013, which are as under:-

Asset Description	Assets Useful life (in Years)
Buildings	30 – 60
Office Equipments	5
Computers	3
Server	6
Furniture and Fixtures	10
Vehicle	8
Plant & Machinery	20

The estimated useful lives, residual values and depreciation method are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions.

The low value assets costing Rs. 25,000/- or less are fully depreciated (net of residual value) in the year of purchase.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

Leasehold improvements are amortized over the period of the lease.

(ii) Inventories

Inventories are valued at lower of cost and net realisable value after providing for impairment and other losses, where considered necessary. The basis of determining the value of each class of inventory is as follows:

Inventories	Cost Formulae
Raw Material, packing materials, fuels and stores and spares	At first–in–first out basis (Net of eligible credit)
Raw Material (Goods in transit)	At invoice price
Work-in-progress	At Cost, comprising of raw material cost, labour cost and appropriate proportion of manufacturing expenses and overheads based on stage of completion.
Finished Goods (Including in Transit)	At Cost, comprising of raw material cost, labour cost and appropriate proportion of manufacturing expenses and overheads.

(iii) Revenue and Income recognition:

(a) Revenue from Contracts with Customers

Revenues from sale of goods or services are recognised upon transfer of control of the goods or services to the customer in an amount that reflects the consideration which the company expects to receive in exchange for those goods or services.

Revenue is measured at the transaction price of the consideration received or receivable duly adjusted for variable consideration and customer's right to return the goods and the same represents amounts receivable for goods and services provided in the normal course of business. Revenue also excludes taxes collected from customers. Any retrospective revision in prices is accounted for in the year of such revision.

Revenue is recognised at a point in time on accrual basis as per the terms of the contract, when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

When sales discount and rebate arrangements result in variable consideration, appropriate estimates are made and estimated variable consideration is recognised as a deduction from revenue at the point of sale (to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not be required). The Company typically uses the expected value method for estimating variable consideration, reflecting that such contracts have similar characteristics and a range of possible outcomes.

The contract asset or a contract liability is recognised when either party to a contract has performed, depending on the relationship between the entity's performance and the customer's payment. When the company has a present unconditional rights to consideration, it is recognised separately as a receivable.

(iv) Leases

As a lessee

The Company's lease assets primarily consist of lease for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases and corresponding Right-of-use Asset. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The Right-of-use Assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liability.

Right-of-use Assets are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

(v) Employees Benefits
Post Employment Benefit

(i) Defined Contribution Plan
The company's contribution to defined contribution plan paid/payable for the year is charged to the Statement of Profit and loss.

(ii) Short Term Employee Benefits
Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the period employee renders services. These benefits include salaries, wages, bonus, performance incentives, etc.

(vi) Statement of Cash Flows
Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

(vii) Income Taxes
Income tax expense represents the sum of the current tax and deferred tax.

(i) Current Tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company’s current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred Tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The Company offsets tax assets and liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Presentation of current and deferred tax:

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(viii) Financial Instruments

Financial assets and Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:
Financial assets and Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets
The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

Amortised Cost:
A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

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

Fair Value through OCI:
A financial asset shall be classified and measured at FVTOCI, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:
A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.
All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorises assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:
(i) Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities
(ii) Level 2: Inputs are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
(iii) Level 3: Inputs are unobservable for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Derecognition of financial assets:
The Company derecognises a financial asset when the contractual right to receive the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Classification and Subsequent Measurement: Financial liabilities:
Financial liabilities are classified as either financial liabilities at FVTPL or amortised cost.

Financial Liabilities at FVTPL:
Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.
Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities at amortised cost:
Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.
The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities and equity instruments:

- Classification as debt or equity:
  Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.
- Equity instruments:
  An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.
  Equity instruments issued by a Company are recognised at the proceeds received.

Derecognition of financial liabilities:
The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

Offsetting:
Financial assets and financial 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 an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(ix) Earnings Per Share
Basic earnings per share is computed by dividing the profit / (loss) after tax with the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, with the aggregate of

weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(x) Provisions, Contingent Liabilities and Contingent Assets

Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent Liabilities and Assets

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

(xi) Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Consolidated Financial Statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

(xii) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

(xiii) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

2 Critical Accounting Judgments, Estimates, Assumptions and Key Sources of Estimation Uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key estimates, assumptions and judgements

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

(i) Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits.

(ii) Useful lives of Property, Plant and Equipment

Property, Plant and Equipment Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisaion for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

(iii) Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

DACL FINE CHEM LTD

Accompanying Notes to the Financial Statements

4. Property, Plant and Equipment (Including Right-of-use Assets) **(₹ in Lakhs)**

Particulars	Right-of-use Assets (Lease hold Land)	Building	Vehicle	Furniture	Computer & Server	Office Equipments	Plant & Machinery	Low value	Total
Gross Block									
As at 31st March, 2024	1,239.08	143.49	14.36	63.72	12.96	19.08	33.72	0.19	1,526.59
Additions	0.34	-	-	-	-	0.63	-	-	0.97
Deductions/Adjustments	-	-	-	-	-	-	-	-	-
As at 31st March, 2025	**1,239.42**	**143.49**	**14.36**	**63.72**	**12.96**	**19.71**	**33.72**	**0.19**	**1,527.56**
Additions									-
Deductions/Adjustments									-
As at 31st March, 2026	**1,239.42**	**143.49**	**14.36**	**63.72**	**12.96**	**19.71**	**33.72**	**0.19**	**1,527.56**
Accumulated Depreciation									
As at 31st March, 2024	20.46	3.34	0.89	1.33	0.23	0.31	0.14	0.18	26.87
Additions	13.96	2.90	1.70	6.05	2.69	3.69	1.61	-	32.60
Deductions/Adjustments	-	-	-	-	-	-	-	-	-
As at 31st March, 2025	**34.42**	**6.24**	**2.59**	**7.38**	**2.92**	**4.00**	**1.75**	**0.18**	**59.47**
Additions	**13.96**	**2.90**	**1.70**	**6.05**	**2.69**	**3.74**	**1.61**	**-**	**32.65**
Deductions/Adjustments									-
As at 31st March, 2026	**48.38**	**9.14**	**4.29**	**13.43**	**5.61**	**7.74**	**3.36**	**0.18**	**92.12**
Net Block									
Balance as at 31st March, 2025	1,205.00	137.25	11.77	56.34	10.04	15.71	31.97	0.01	1,468.09
Balance as at 31st March, 2026	**1,191.04**	**134.35**	**10.07**	**50.29**	**7.35**	**11.97**	**30.36**	**0.01**	**1,435.44**

DACL FINE CHEM LTD
Accompanying Notes to the Financial Statements

5. Financial Assets - Others **(₹ in Lakhs)**

Particulars	As at 31st March, 2026	As at 31st March, 2025
Security Deposits		
- Considered Good	**10.01**	10.01
Total	**10.01**	10.01

6. Other Non-current Assets **(₹ in Lakhs)**

Particulars	As at 31st March, 2026	As at 31st March, 2025
Prepaid Expenses	**0.03**	0.43
Total	**0.03**	0.43

7. Inventories* **(₹ in Lakhs)**

Particulars	As at 31st March, 2026	As at 31st March, 2025
Raw Materials	**3.83**	0.98
Finished goods	**2.20**	4.02
Packing materials	**0.25**	0.43
Total	**6.28**	5.43

* Valuation of inventories are done as per point no.(vii) of material accounting policies (Note-2).

8. Trade Receivables **(₹ in Lakhs)**

Particulars	As at 31st March, 2026	As at 31st March, 2025
Undisputed, Considered good		
Unsecured	-	6.86
Total	-	6.86
Less: Loss Allowance		
Total	-	6.86

8(i) Ageing Schedule for Trade receivables
F.Y 2025-26 **(₹ in Lakhs)**

Particulars	**Outstanding for following periods from due date of payment**						
	Not Due	**6 months-1 year**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
i) Undisputed Trade receivables - considered good	-	-	-	-	-	-	-
ii) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-

F.Y 2024-25 (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	6 months-1 year	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade receivables - considered good	6.86	-	-	-	-	-	6.86
ii) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-

DACL FINE CHEM LTD

Accompanying Notes to the Financial Statements

9. Cash and Cash Equivalents (₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balances with Banks		
In current account	**1.11**	4.56
Cash on hand	**0.11**	0.21
Total	**1.22**	4.77

10. Current Tax Assets (Net) (₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Advance Tax (Net of provisions)	-	-
Total	-	-

11. Other Current Assets (₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balances with Government Authorities		
GST Receivable	**49.53**	45.81
Advance other than capital advance		
Advances to vendors	**0.10**	1.69
Others		
Prepaid Expenses	**0.50**	0.67
Total	**50.13**	48.17

12. Equity Share Capital (₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Authorised		
10,00,000 (P.Y 10,00,000) Equity Shares of ₹ 10/- each	**100.00**	100.00
Total	**100.00**	100.00
Issued, Subscribed and Fully Paid Up		
2,00,000 (P.Y 2,00,000) Equity Shares of ₹ 10/- each	**20.00**	20.00
Total	**20.00**	20.00

Reconciliation of number of equity shares outstanding at the beginning and at the end of reporting period is as under:

Particulars	No. of Shares	Share Capital (₹ in Lakhs)
As at April 1, 2024	2,00,000	20.00
Additions/(Reductions)	-	-
As at March 31, 2025	2,00,000	20.00
As at April 1, 2025	**2,00,000**	**20.00**
Additions/(Reductions)	**-**	**-**
As at March 31, 2026	**2,00,000**	**20.00**

Right, Preferences and restrictions attached to Equity Shares

(i) The Company has only one class of Equity Shares namely i.e. equity shares having par value of ₹10 each. Each holder of equity shares is entitled to one vote per share.

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

DACL FINE CHEM LTD

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Shares held by Holding Company : **(₹ in Lakhs)**

Name of the Shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of Holding	No. of shares	% of Holding
Diamines and Chemicals Limited (All equity shares are held by Diamines and Chemicals Limited ('the holding company') and its nominees)	**2,00,000**	**100.00%**	2,00,000	100.00%

Details of Shareholders holding more than 5 percent share in Company:

Name of the Shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of Holding	No. of shares	% of Holding
Diamines and Chemicals Limited (All equity shares are held by Diamines and Chemicals Limited ('the holding company') and its nominees)	**2,00,000**	**100.00%**	2,00,000	100.00%

13. Other Equity **(₹ in Lakhs)**

Particulars	As at 31st March, 2026	As at 31st March, 2025
Retained Earnings	**(536.55)**	(384.80)
Equity component of compound financial instruments	**1,242.29**	1,242.29
Total	**705.74**	857.49

Particulars relating to Other Equity **(₹ in Lakhs)**

Particulars	As at 31st March, 2026	As at 31st March, 2025
Retained Earnings		
Balance at the beginning of the year	**(384.80)**	(223.76)
Add: Net Loss for the year	**(151.75)**	(161.04)
Balance at the end of the year	**(536.55)**	(384.80)
Equity component of compound financial instruments		
Balance at the beginning of the year	**1,242.29**	1,242.29
Additions/Deductions during the year	**-**	-
Balance at the end of the year	**1,242.29**	1,242.29
Total	**705.74**	857.49

Description of the nature and purpose of Other Equity

Retained Earnings: Retained Earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves etc. & amount distributed as dividends and related dividend distribution taxes.

Equity component of compound financial instruments:

The compound financial instrument relate to the 1% Optionally Convertible Non Cumulative Redeemable Preference Shares ("OCRPS") issued by the company.

A. Details of authorised, issued, subscribed and paid-up preference share capital

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Authorised		
70,00,000 1% Optionally Convertible Non Cumulative Redeemable Preference Shares of ₹ 10 each : Series A (P.Y. : 70,00,000)	**700.00**	700.00
70,00,000 1% Optionally Convertible Non Cumulative Redeemable Preference Shares of ₹ 10 each : Series B (P.Y. : 70,00,000)	**700.00**	700.00
Total	**1,400.00**	1,400.00
Issued, Subscribed and Fully Paid Up		
66,26,160 1% Optionally Convertible Non Cumulative Redeemable Preference Shares of ₹ 10 each : Series A (P.Y. : 66,26,160)	**662.62**	662.62
66,26,160 1% Optionally Convertible Non Cumulative Redeemable Preference Shares of ₹ 10 each : Series B (P.Y. : 66,26,160)	**662.62**	662.62
Total	**1,325.23**	1,325.23

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Terms of conversion attached to 1% Optionally Convertible Non Cumulative Redeemable Preference Shares

(i) 1% Optionally Convertible Non Cumulative Redeemable Preference Shares of ₹ 10 each : Series A - OCRPS shall be convertible into equity shares at the option of the company, within a period of 15 years based on the valuation report from a approved valuer. The Company shall have options to convert the OCRPS into Equity Shares, 1 (One) OCPRS of ₹ 10/- each will be converted into 1(One) Equity Share of ₹ 10/- each or at the option of Board of Directors of the Company .

(ii) 1% Optionally Convertible Non Cumulative Redeemable Preference Shares of ₹ 10 each : Series B - - OCRPS shall be convertible into equity shares at the option of the company, within a period of 20 years based on the valuation report from a approved valuer. The Company shall have options to convert the OCRPS into Equity Shares, 1 (One) OCPRS of ₹ 10/- each will be converted into 1(One) Equity Share of ₹ 10/- each or at the option of Board of Directors of the Company .

Reconciliation of number of preference shares outstanding at the beginning and at the end of reporting period is as under:

Particulars	**No. of Shares**	Share Capital (₹ in Lakhs)
As at April 1, 2024	1,32,52,320	1,325.23
Additions/(Reductions)	-	-
As at March 31, 2025	1,32,52,320	1,325.23
As at April 1, 2025	**1,32,52,320**	**1,325.23**
Additions/(Reductions)	**-**	**-**
As at March 31, 2026	**1,32,52,320**	**1,325.23**

Terms and Rights, preferences and restrictions attached to the preference shares :

(i) The Company has preference shares having a par value of ₹ 10/- per share. OCRPS shall carry voting rights at par with existing equity shareholders of the Company.

(ii) During the financial year 2022-23, the Company had issued OCRPS to Diamines and Chemicals Limited ("DACL"), on right basis. The OCRPS are at par value at maturity, i.e. Series A - 15 years and Series B - 20 years from the date of allotment. The Company shall have options to convert the OCRPS into Equity Shares. 1 (One) OCPRS of ₹ 10/- each will be converted into 1(One) Equity Share of ₹10/- each or at the option of Board of Directors of the Company .

(iii) Right of conversion will be laid with the company. If the company does not exercise conversion option on or before end of OCRPS tenure and redemption is contemplated, in such case, if the aggregate value of equity shares which would have been issued to DACL upon conversion (based on Valuation Report) exceeds the aggregate of (a) consideration paid by DACL towards OCRPS or; (b) any premium to be paid at the time of redemption, the company shall not deny the conversion of OCPRS into equity shares if DACL insists so.
This right of DACL would apply to and can be exercised by DACL in the above referred situation only and redemption value will be based on Valuation report received from Registered Valuer of the company.

Shares held by Holding Company :

Name of the Shareholder	**As at 31st March, 2026**		As at 31st March, 2025	
	No. of shares	**% of Holding**	No. of shares	% of Holding
Diamines and Chemicals Limited	1,32,52,320	**100.00%**	1,32,52,320	100.00%

Details of Shareholders holding more than 5 percent share in Company:

Name of the Shareholder	**As at 31st March, 2026**		As at 31st March, 2025	
	No. of shares	**% of Holding**	No. of shares	% of Holding
Diamines and Chemicals Limited	**1,32,52,320**	**100.00%**	1,32,52,320	100.00%

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Accompanying Notes to the Financial Statements

14. Other Non-Current Financial Liabilities **(₹ in Lakhs)**

Particulars	As at 31st March, 2026	As at 31st March, 2025
Liability component of compound financial instruments *	98.25	89.85
Total	98.25	89.85

*Represents probable dividend liability on OCRPS

15. Borrowings **(₹ in Lakhs)**

Particulars	As at 31st March, 2026	As at 31st March, 2025
Loan Repayable on Demand		
Unsecured Loans from Related Party		
- From holding Company	673.94	567.51
Total	673.94	567.51

16. Trade Payables

Micro, Small and Medium enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micto and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small & Medium Enterprises Development Act,2006 (hereinafter referred to as "the Act") are given below.

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Total Outstanding dues of Micro & Small Enterprises (MSME)*	-	-
Total Outstanding dues of Creditors Other than Micro & Small Enterprises	1.43	2.24
Total	1.43	2.24

* Payment made to suppliers beyond the due date during the year was ₹ Nil (P.Y ₹ Nil). No interest during the year has been paid to Micro and Small Enterprises as there were no delayed payments. Further, interest accrued and remaining unpaid at the year end is ₹Nil (P.Y ₹ Nil)

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")	As at 31st March, 2026	As at 31st March, 2025
(i) Principal amount remaining unpaid to any supplier as at the period end	-	-
(ii) Interest due thereon	-	-
(iii) Amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period for the purpose of disallowance as a deductible expenditure.	-	-
(iv) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act 2006	-	-
(v) Amount of interest accrued and remaining unpaid at the end of the accounting period	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

DACL FINE CHEM LTD

Accompanying Notes to the Financial Statements

16(i) Ageing Schedule for MSME and other Trade payables

FY 2025-26 (₹ in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
A. Cases where due date of payment is specified						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	**1.43**	-	-	-	**1.43**
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
B. Cases where no due date of payment is specified						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

FY 2024-25 (₹ in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
A. Cases where due date of payment is specified						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	2.24	-	-	-	2.24
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
B. Cases where no due date of payment is specified						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

17. Other Financial Liabilities (₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Other Payables		
-Salary/bonus payable	**1.08**	1.50
Outstanding Liabilities Expenses	**0.75**	2.40
Total	**1.83**	3.90

18. Other Current Liabilities (₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Statutory dues payable	**1.86**	2.74
Employee Advances	-	0.03
Total	**1.86**	2.77

19. Provisions

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for employee benefits		
Compensated absences	0.06	-
Total	**0.06**	-

DACL FINE CHEM LTD

Accompanying Notes to the Financial Statements

20. Revenue From Operations

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Sale of products	**4.18**	14.24
Total	**4.18**	14.24

21. Other Income

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Miscellaneous income	**0.77**	0.04
Total	**0.77**	0.04

22. Cost of Materials consumed

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Raw Materials Consumed :		
Opening Stock	**0.98**	-
Add: Purchases	**2.85**	10.14
Less: Closing Stock	**3.83**	0.98
	-	9.16
Packing Materials :		
Opening Stock	**0.43**	-
Add: Purchases	**0.18**	1.21
Less: Closing Stock	**0.25**	0.43
	0.36	0.78
Total	**0.36**	9.94

23. Changes in Inventories of Finished Goods and Work-In-Progress

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Opening Stock		
Finished Goods	**4.02**	**4.94**
Work in Progress	**-**	**-**
	4.02	**4.94**
Less: Closing Stock		
Finished Goods	**0.15**	**4.02**
Work in Progress	**-**	**-**
	0.15	**4.02**
Decrease/(Increase)	**3.87**	**0.92**

24. Employee Benefits Expense

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Salaries and Wages	**11.13**	29.24
Staff Welfare Expenses	**0.33**	0.98
Total	**11.46**	30.22

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25. Finance Costs **(₹ in Lakhs)**

Particulars	**For the year ended 31st March, 2026**	For the year ended 31st March, 2025
Interest Expense		
- Unwinging of interest on OCRPS	**8.40**	7.68
- Interest on loan from Holding Company	**69.26**	57.81
- Others	**0.03**	0.13
Total	**77.69**	65.62

26. Depreciation and Amortisation Expenses **(₹ in Lakhs)**

Particulars	**For the year ended 31st March, 2026**	For the year ended 31st March, 2025
Depreciation on PPE	**32.66**	32.60
Total	**32.66**	32.60

27. Other Expenses **(₹ in Lakhs)**

Particulars	**For the year ended 31st March, 2026**	For the year ended 31st March, 2025
Consumption of stores and spare parts	**0.07**	0.22
Power and Fuel	**4.92**	4.80
Factory Expenses	**0.48**	0.12
Material Handling	**-**	5.02
Repair and Maintenance		
-Buildings	**0.07**	-
-Others	**0.08**	0.04
Insurance	**0.24**	0.20
Rates and Taxes	**8.58**	4.62
Filling Fees	**0.02**	0.07
Professional Fees		
-Others	**0.60**	3.36
Payment to Auditors (Refer note (i) below)	**0.70**	0.70
Security Charges	**13.86**	13.48
Travelling and Motor Car Expenses	**0.49**	1.38
Selling Expenses	**0.01**	0.34
GST Expenses	**0.04**	0.11
Subscription/membership	**0.48**	0.48
Miscellaneous Expenses*	**0.02**	1.08
Total	**30.66**	36.02

* None of the item individually accounts for more than ₹10,00,000 or 1% of revenue whichever is higher.

(i) Payment to Auditors : **(₹ in Lakhs)**

Particulars	**For the year ended 31st March, 2026**	For the year ended 31st March, 2025
(a) Statutory Auditors		
- As Auditor	**0.70**	0.70
- For Taxation Service	**-**	-
- Reimbursement of Expenses	**-**	-
Total	**0.70**	0.70

DACL Fine Chem Limited
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28. Disclosures on Financial Ratios

	Ratio	Numerator	Denominator	31-Mar-26	31-Mar-25		% change	Reason for variance
1	Current ratio	Current Assets	Current Liabilities	**0.08**	0.11	times	-25.01%	The current ratio decreased mainly due to a reduction in trade receivable & increased in borrowings .
2	Debt- Equity Ratio	Total Debt	Shareholder's Equity	**NA**	NA			NA
3	Debt Service Coverage ratio	Earnings available for debt service (1)	Debt Service (2)	**NA**	NA			NA
4	Return on Equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	**-20.91%**	-18.35%	%	13.93%	
5	Inventory Turnover ratio	Cost of goods sold	Average Inventory	**0.18**	0.52	times	-65.51%	The Inventory Turnover ratio decreased mainly due to lower cost of goods sold (COGS) as a result of reduced sales during the year.
6	Trade Receivable Turnover Ratio	Net Credit Sales (3)	Average Accounts Receivable	**0.30**	0.55	times	-44.76%	The Trade Receivables Turnover Ratio decreased mainly due to a reduction in sales as compared to the previous year.
7	Trade Payable Turnover Ratio	Net Credit Purchases (RM) (4)	Average Trade Payables (RM)	**0.39**	0.38	times	3.47%	The Trade Payables Turnover Ratio decreased mainly due to a reduction in trade payables as compared to the previous year.
8	Net Capital Turnover Ratio	Net Sales (5)	Working Capital (6)	-0.64%	-2.68%	%	-76.00%	The Net Capital Turnover Ratio decreased mainly due to a reduction in sales as compared to the previous year.
9	Net Profit ratio	Net Profit	Net Sales (5)	-3630.38%	-1130.90%	%	221.02%	EBIDTA reduced due to reduction in sales
10	Return on Capital Employed	Earnings before interest and taxes	Capital Employed (7)	-9.32%	-10.08%	%	-7.56%	
11	Return on Investment	Income from invested funds (8)	Average Invested Funds (9)		NA			NA

(1) Net Profit after taxes + Non-cash operating expenses (like depreciation and other amortizations) + Interest + Other Adjustments (like Loss on sale of PPE)
(2) Interest & Lease Payments + Principal Repayments
(3) Gross Credit Sales - Sales Return
(4) Gross Credit Purchases - Purchase Return
(5) Total Sales - Sales Return
(6) Current Assets - Current Liabilities
(7) Tangible Net Worth + Total Debt + Deferred Tax Liability

(8) Income generated from invested funds represents Interest Income, Actual Gain / (Loss) on Sale of Investments in Shares / Mutual Funds and Notional Gain / (Loss) on unsold Investments in Shares /Mutual Funds
(9) Average Invested funds represents Average Investments in Fixed deposits, Equity Shares and Mutual Funds

29 Capital and Other Commitments

Estimated amount of contracts remaining to be executed of Capital Nature and not provided for (Net of Advances) **₹ Nil** (P.Y ₹ Nil)

There is no contingent liability of the company not provided for as at March 31, 2026 (P.Y ₹ Nil).

30 In accordance with Ind AS - 33, "Earnings Per Share", the Basic and Diluted EPS have been calculated as under:

Particulars	As at March 31, 2026	As at March 31, 2025
Profit/(Loss) available to equity shareholders for basic EPS (₹ in Lakhs)	**(151.75)**	(161.04)
Weighted Average Number of Equity Shares For Basic EPS	**2,00,000**	2,00,000
- Basic Earnings Per Share of ₹ 10 each	**(75.88)**	(80.52)
Profit/(Loss) before Tax	**(151.75)**	(161.04)
Add: interest on convertible preference shares of series A & B	**8.40**	7.68
Profit/(Loss) available to equity shareholders (₹ in Lakhs)	**(143.35)**	(153.36)
Weighted Average Number of Equity Shares	**2,00,000**	2,00,000
Add: Equity shares resultant equity shares on conversion of 1%/2% optinally convertible prefrence shares	**1,32,52,320**	1,32,52,320
Total Weighted Average Number of Equity Shares for diluted EPS	**1,34,52,320**	1,34,52,320
Diluted Earnings Per Share of ₹ 10 each	**(1.07)**	(1.14)
- Basic	**(75.88)**	(80.52)
- Diluted (Anti-Dilutive)	**(1.07)**	(1.14)
- Diluted (Reported)	**(75.88)**	(80.52)

Since, Diluted EPS is higher than basic EPS being anti dilutive, Basic EPS has been considered as dilutive EPS in accordance with the Ind AS 33 "Earning Per Share".

31 Related Party Disclosures

Disclosures in respect of Related Parties transactions:

(a) Name of related parties and description of their nature of relationship are as under:

(A) Key Managerial Personnel:

Mr. Amit M Mehta	Chairman
Mr. Tanmay Godiawala	Managing Director
Mr. G. S. Venkatachalam	Director
Mr. Mohak Mehta	Director
Ms. Hemaxi Pawar	Company

(B) Holding Company

Diamines and Chemicals Limited	Holding Company

(b) The following transactions were carried out with the related parties in ordinary course of business during the period:

(₹ in Lakhs)

Nature of Transaction	**Holding Company**	**Total**
Expenses incurred on behalf of the Company	-	-
	-	-
Interest paid	**69.26**	**69.26**
	(57.81)	(57.81)
Loan Received from	**1,244.60**	**1,244.60**
	(151.72)	(151.72)
Purchase of Raw Material	**2.40**	**2.40**
	(7.53)	(7.53)

Amounts in bracket indicate previous year figures.

Balance outstanding as at March 31 :

(₹ in Lakhs)

Payable	**Holding Company**	**Total**
Borrowings	**674.69**	**674.69**
	(569.91)	(569.91)

Amounts in bracket indicate previous year figures.

DACL Fine Chem Limited
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32 Financial instruments disclosure

Given the current level of operations, the following disclosures are made for financials instruments.

The capital structure of the Company consists of total equity (Refer note 12 & 13).
The Company is not subject to any externally imposed capital requirements.

(a) Financial assets and liabilities:

Categories of financial instruments

(₹ in Lakhs)

Particulars	As at March 31, 2026			As at March 31, 2025		
	FVTPL	FVOCI	Amortized	FVTPL	FVOCI	Amortized
Financial Assets						
Trade Receivables	-	-	-	-	-	6.86
Cash and Cash Equivalents	-	-	1.22	-	-	4.77
Other Financial Assets	-	-	10.01	-	-	10.01
Total Financial Assets	-	-	11.23	-	-	21.64
Financial Liabilities						
Trade payables	-	-	1.43	-	-	2.24
Borrowings	-	-	673.94	-	-	567.51
Other Non-Current Financial Liabilities	-	-	98.25	-	-	89.85
Other financial liabilities	-	-	1.83	-	-	3.90
Total Financial Liabilities	-	-	775.45	-	-	663.50

(b) Capital Management

For the purpose of the Company's Capital Management, Capital includes issued Equity Share Capital, 1% Optionally Convertible Non Cumulative Redeemable Preference Shares ("OCRPS") and all Other Reserves attributable to the Equity shareholders of the Company. The Primary objective of the Company's Capital Management is to maximise the shareholders' value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value. The Company monitors capital regularly.

(c) Financial risk management:

The Company’s financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The Company’s principal financial liabilities comprise of other payables. The main purpose of these financial liabilities is to finance the Company’s operations. The Company’s principal financial assets include cash and cash equivalents.

(a) Market risk:

Market risk is the risk that changes in market prices- such as foreign exchange rates, interest rates and equity prices- will affect the Company’s income or the value of its holdings of financial instrument. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return. The major components of market risk are foreign currency risk, interest rate risk and price risk.

(b) Interest rate risk:

The company currently has borrowing from its Holding company. On Considering parent company bank deposits are short term in nature, there is no significant interest rate risk as the company is at its initial stage.

(c) Price risk:

The Company is not an active investor in equity markets.

(d) Credit risk:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company.

(e) Liquidity risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company’s approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

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33 Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company.

34 The Company do not have any transactions with struck off companies.

35 As matter of prudence and in the absence of strong convincing evidence about availibility of future taxable profits, deffered tax assets (DTA) on unused tax losses have been not recognised.

36 The Company doesn't have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

37 The Company doesn't have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

38 The Company has not advanced any loans or advances in the nature of loans to specified persons viz. promoters, directors, KMPs, related parties; which are repayable on demand or where the agreement does not specify any terms or period of repayment.

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

40 The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

41 The previous year’s figures have been regrouped wherever necessary to make this comparable with the current year.

42 **Approval of financial statements**
The financial statements were approved for issue by the Board of Directors in its meeting held on May 15, 2026.

As per our report of even date attached

For K C Mehta & Co LLP
Chartered Accountants
Firm’s Registration No. 106237W/W100829

Chhaya Dave
Partner
Membership No. 100434
Place : Vadodara
Date : May 15, 2026

For and on behalf of the Board

AMIT MEHTA
Chairman
DIN: 00073907
Place : London, UK

TANMAY GODIAWALA
Managing Director
DIN: 07084668
Place : Mumbai

DIPEN RUPARELIA
Chief Financial Officer
Place : Vadodara

HEMAXI PAWAR
Company Secretary
Place : Vadodara

Date : May 15, 2026