

August 28, 2025

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001, Scrip Code: 543266	National Stock Exchange of India Limited Exchange Plaza, 5 th Floor Plot no. C/I, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051. Symbol: HERANBA
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Dear Sir/Madam,

Sub: Submission of the Annual Report under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

Pursuant to Regulation 34(1) of the Listing Regulations, as amended, we attach herewith the Annual Report of the Company for the financial year 2024-25.

We inform that 33rd Annual General Meeting of the Company for the F.Y. 2024-25 will be held on, **Wednesday, September 24, 2025 at 03.00 p.m.** (IST) through Video Conferencing (VC)/Other Audio Visual Means (OAVM) facility.

The said Annual Report is being sent through electronic mode to the shareholders of the Company and is also available on the website of the Company.

We request you to kindly take the above information on record.

Thanking you.

For Heranba Industries Limited

**ABDUL
LATIF**

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ABDUL LATIF
Date: 2025.08.28
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Abdul Latif

Company Secretary and Compliance Officer

Membership No.: A17009



Building Tomorrow's Capabilities, Today

Heranba Industries Limited
Annual Report 2024-25



Building Tomorrow's Capabilities, Today

While the global agrochemicals industry weathered unprecedented challenges in FY25, Heranba Industries chose a different path, one of strategic investment, capability and capacity building that positions us not just for recovery, but for leadership in the industry's next growth phase.

Our approach remained fundamentally forward-looking. As the industry retrenched, we doubled our Active Ingredients production capacity from 12,900 TPA to 26,700 TPA, commissioned state-of-the-art facilities at Sarigam and Saykha, and expanded our operational footprint to 7 fully functional production & packaging units. These aren't just capacity additions: they are strategic capability enhancements that enable us to serve tomorrow's market demands today.

The transformation extends beyond manufacturing scale. Our planned foray into the CRAMS domain through the Daikaffil acquisition opens an entirely new business

domain in contract research and manufacturing services. The establishment of our upcoming R&D centre, equipped with cutting-edge pilot plant facilities, reinforces our commitment to innovation-led growth across multiple industry verticals.

We are also working towards diversifying our product portfolio from an insecticides-focused to one across fungicides and herbicides, this will gain more momentum given the commissioning of our recent CAPEX projects. This diversification, combined with strategic product registrations in developed markets like the US and Europe, creates multiple pathways to growth as

global demand normalizes and growth resumes.

Our philosophy remains unshakable: true competitive advantage is built during challenging times. By investing in tomorrow's capabilities today, be it advanced manufacturing infrastructure, diversified product portfolios, enhanced R&D capabilities, and strategic market access, we are positioning Heranba to capitalize on emerging opportunities and deliver sustained value creation for all stakeholders.

The foundation for our next growth cycle is already built.



Sadashiv K Shetty
Chairman and
Executive Director

While product prices across the sector continued to languish, Heranba Industries resumed its growth trajectory, driven by a clear focus on volume expansion. Most importantly, our Domestic Branded Formulations business delivered a robust performance, supported by a relatively conducive operating environment in India.



Raghuram K Shetty
Managing Director

As we move into FY26, our priorities are clear: scale our domestic formulations business further, leverage our new active ingredients capacities, and accelerate our entry into the CRAMS space with the upcoming R&D center and pilot plant at Daikaffil.

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For more details visit
www.heranba.co.in

Safe Harbour Statement

This document covers anticipated future events, financial outcomes, and operational performance of Heranba Industries Limited, which are forward-looking in nature. These statements are based on assumptions and are inherently exposed to risks and uncertainties. There is a notable risk that these assumptions, forecasts, and other forward-looking statements may not be accurate.

Readers are advised to exercise caution and not overly rely on these forward-looking statements, as various factors could lead to differences between assumed and actual future results and events. Therefore, this document is subject to the disclaimer and is qualified in its entirety by the assumptions, qualifications, and risk factors outlined in the Management's Discussion and Analysis of Heranba Industries Limited's Annual Report for FY25.



ABOUT US

Introduction to Heranba Industries

Heranba is a leading agrochemical Company in India, founded by technocrats Sadashiv K Shetty and Raghuram K Shetty. Heranba's mission is to improve crop productivity and public health, reflecting a deep commitment to global wellness through innovative, science-driven solutions. Our passion lies in delivering effective solutions to farmers that enhance farm efficiency.

With our comprehensive range of crop protection products, including insecticides, fungicides, herbicides, and plant growth regulators, we strive to be the trusted one-stop partner for our customers' agricultural needs worldwide.

Heranba continues to invest in research and development to support long-term growth and sustainability. Strong environmental stewardship is central to its operations, highlighted by ISO certifications and best practices in effluent treatment, hazardous waste management, and health and safety protocols.



Heranba has established itself as a leading integrated player in the agrochemical sector, with a robust presence throughout the product value chain. Driven by the transformative potential of chemistry, Heranba remains dedicated to empowering farmers and advancing agricultural productivity globally.



Comprehensive Agrochemical Offerings

As one of India's leading agrochemical manufacturers and a prominent player in the synthetic Pyrethroids product category, our portfolio features a comprehensive range of crop protection solutions, including insecticides, herbicides, fungicides, and public health products, engineered for effective pest control across domestic and international markets.



Expanded Manufacturing Capabilities

With active manufacturing operations in 7 facilities across the industrial hubs of Vapi, Sarigam, and Saykha in Gujarat, our state-of-the-art, fully integrated manufacturing complex exemplifies industry excellence.

With the conclusion of our recent expansions at Saykha and Sarigam, Heranba has substantially increased production capacity to deliver world-class agrochemical solutions, supported by an active in-house R&D function focused on product commercialization, process efficiency, backward integration, and delivering an exceptional customer experience.



Commitment to Innovation

We are committed to developing cost-efficient processes for manufacturing active ingredients and intermediates for herbicides, insecticides, and fungicides, as well as creating innovative new crop protection formulations. Our advanced R&D centres and pilot plant, staffed by skilled research personnel and scientists, consistently drive improvements in existing products and the development of superior new solutions.

ABOUT US



HERANBA AT A GLANCE

7

Operational manufacturing & packaging facilities

75+

Countries' presence globally

1,300+

Team strength across all functions

225+

Active international customers*

10,000+

Dealers across 20 states & UT

48%

Revenues derived from branded formulations

1,084

Cumulative product registrations & 183 registration in pipeline

29%

Revenues derived from robust exports

26,700 MTPA

Aggregate Technicals & Intermediates Capacity

30,000 MTPA

Aggregate Formulations Capacity

*Institutional Customers includes Technical Exports, Technical Domestic, Branded Formulation and Public Health Clients



HERANABA'S COMPETITIVE STRENGTHS

Heranba Industries' core competitive strengths form the backbone of its resilience and progress in the agrochemical sector. Through strategic focus and business model positioning, we have developed capabilities that enable us to adapt and excel in a continuously evolving market environment and changing industry dynamics.



1 Complete Value Chain Integration

Our integrated manufacturing units, strategically spread out over 7 facilities, allow us to produce intermediates, technicals, and formulations for various product categories. This operational flexibility equips us to effectively address the evolving needs of different markets.

2 Strong Global Market Footprint

With 1,084 product registrations spanning 54 countries, we have cemented a strong global presence across various continents and key global markets. Collaborations with international distribution partners enhance our ability to deliver products worldwide, ensuring broad accessibility for customers.

3 Nationwide Distribution & Brand Strength

Serving farmers nationwide, our expansive distribution network includes over 10,000 dealers and distributors, supported by 31 stock depots across 20 states and union territories. This widespread infrastructure guarantees reach to customers across all corners of the country, and an efficient delivery and availability of our products to customers across India.

4 Partnership with Leading Agrochemical Companies

We cater to a diverse group of clients, both domestic and international, including leading agrochemical companies such as UPL, Rallis, Tagros, Gharda Chemicals, ADAMA, Dhanuka, PI Industries, Meghmani, Sumitomo, Sulphur Mills, Biostadt India, Crystal Crop Protection, and many more. This broad customer base, in India and beyond, underscores our dedication to meeting industry demands and strengthening our presence globally.

5 Dynamic and Professional Leadership

Our growth is driven by a blend of young and seasoned expertise. First-generation technocrat promoters, with over three decades of industry knowledge and expertise, lead our management team, while the seamless transition to the second generation ensures continuity and enduring progress.

OUR BRANDS AND PRODUCTS

Championing Growth in Agriculture

Heranba's brands and products are unified under a single goal: fostering agricultural prosperity. We are dedicated to providing farmers with a comprehensive range of high-quality solutions that enhance crop yields and boost farmer incomes. As one of India's leading agrochemical companies, Heranba remains at the forefront of innovation and quality. Our absolute focus on efficacy and product excellence has earned us the trust of millions of farmers worldwide.

Integrated Crop & Public Health Solutions

Heranba understands the importance of a holistic approach for comprehensive crop protection and farmer success. Our commitment is embodied in a diverse portfolio, including intermediates, technicals, and formulations, as well as public health products. These solutions serve not only the needs of agriculture but also address the requirements of pest control companies and government health departments, extending our positive impact beyond the fields.



OUR MISSION

Our mission is to improve crop productivity and public health. We are committed to the wellness of world citizens and are passionate about providing innovative products to farmers that enhance farm efficiency.

HOLISTIC PRODUCT PORTFOLIO

1,084

Cumulative product registrations

183

Product registrations in pipeline

54 countries

Product registration across 54 countries

Key markets include India, Middle East, CIS, Asia, North America, South East Asia and Africa

Registration of manufacturing & sales in India

73

Technicals

302

Formulations

Registration of manufacturing & sales for export markets

210

Technicals

499

Formulations



OUR BRAND PORTFOLIO

Brands launched this year

DISKLOSE, FLIKER FORCE, KREATOR, PEACOCK, PICKLEE, PROFONE, TAGDA, TOPRA-1



Top selling brands

PROGRESS PLUS, HAURIS, HERACLAIM-XP, LORANTA, GLORY



Intermediates

- Cypermethric Acid Chloride (CMAC)
- High CIS CMA
- High CIS CMAC
- High Trans CMA High Trans CMAC
- Bromobenzenes
- Metaphenoxy Benzaldehyde (MPBD)
- Metaphenoxy Benzyl Alcohol (MPBAL)
- NPBR

Technicals

Insecticides

- Alpha Cypermethrin
- Bifenthrin
- Cypermethrin
- Deltamethrin
- Diflubenzuron
- Dinotefuran
- Ethion
- Lambda Cyhalothrin
- Methamidophos
- Permethrin
- Profenophos
- Temephos
- Theta Cypermethrin
- Thiophanate-Methyl
- Tolfenpyrad

Fungicides

- Doline
- Hexaconazole
- Picoxystrobin
- Propiconazole
- Tebuconazole
- Thifluzamide
- Tricyclazole

Herbicides

- Bispyribac Sodium
- Clodinofof
- Pendimethalin
- Tembotorine

Plant Growth Regulator

- Mepiquat Chloride

Formulations

- Emulsifiable Concentrate (EC)
- Capsule Suspension (CS)
- Suspension Concentrate (SC)
- Oil Dispersion (OD)
- Concentrated Aqueous Emulsions (EW)
- Wettable Powder (WP)
- Suspoemulsion (SE Formulations)
- Water Dispersible Granule (WDG)
- ZC Formulation
- Soluble Liquid (SL)
- Flowable Concentration (FS)
- Soluble Powder (SP)

BUSINESS VERTICALS

Diversified and Resilient Business Model



As an integrated leader in the agrochemical sector, Heranba Industries has a notable presence at every stage of the value chain — from the production of intermediates and active ingredients to the distribution of branded formulations.

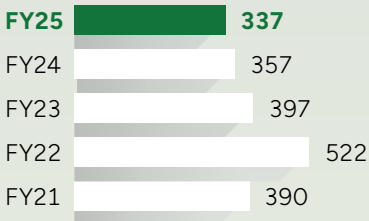
Our business verticals are thoughtfully designed to maximize efficiency and deliver value across the agricultural landscape. In each area of operation, our mission remains consistent: to drive growth, spur innovation, and enhance farm productivity.



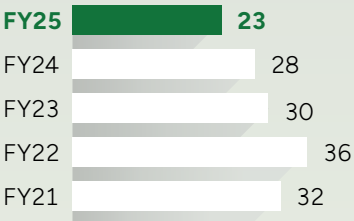
Technicals (Domestic)

Our primary focus lies in manufacturing and supplying technicals in large volumes to both domestic and multinational agrochemical companies. These organizations use our high-quality technicals as the foundation for a wide range of formulations. By providing superior technicals, we empower our partners to create products that effectively address the diverse needs of farmers and industry stakeholders.

Sales
(In ₹ crore)



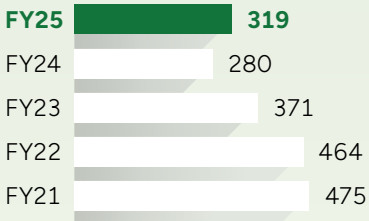
Contribution
(In %)



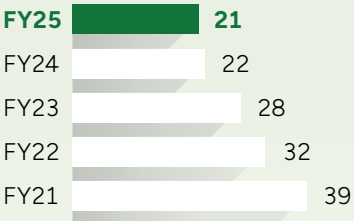
Technicals (Exports)

A significant component of our operations is the export-oriented production of technicals. We supply these essential ingredients to agrochemical companies worldwide, supported by numerous product approvals and registrations that ensure compliance with global regulatory standards. We are also actively pursuing additional registrations to broaden our product portfolio and stay ahead of the evolving needs of international markets.

Sales
(In ₹ crore)



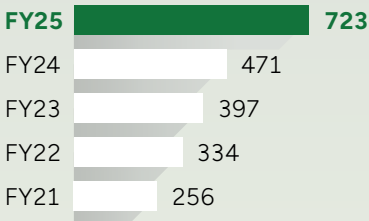
Contribution
(In %)



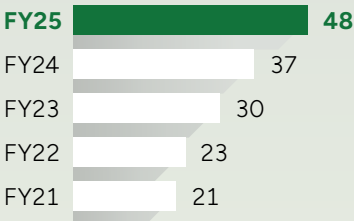
Formulations (Branded)

Domestically, our branded insecticides, herbicides, and fungicides are promoted through an extensive, pan-India distribution network under our own proprietary brands. We operate 31 depots strategically located across 20 states and union territories, supporting a robust network of over 10,000 dealers. This infrastructure ensures our products are widely available at retail outlets, enabling farmers easy access to our comprehensive offerings for their agricultural requirements. Over the recent years Branded Formulations has become a growth vertical & business contributor for the Company.

Sales
(In ₹ crore)



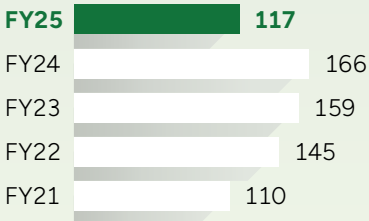
Contribution
(In %)



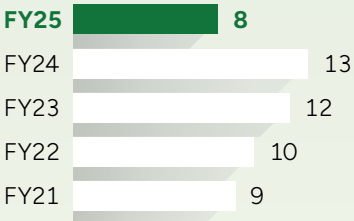
Formulations (Exports)

We also specialize in the manufacture of formulations tailored specifically for export, supplying agrochemical companies around the globe. Backed by a strong portfolio of product registrations, we continuously pursue opportunities to secure additional registrations for international markets. Simultaneously, we are expanding our offerings to effectively meet the dynamic and growing demands of our worldwide clientele.

Sales
(In ₹ crore)



Contribution
(In %)



R&D CAPABILITIES

The Heart of Innovation at Heranba

Heranba Industries' robust R&D capabilities underpin our continued success in the agrochemical sector. Harnessing new technologies, refining production processes, enhancing efficiency, and elevating product quality, all while developing ground breaking solutions, has positioned Heranba as a leader able to meet evolving customer needs and sustain market leadership. Our significant investments in R&D infrastructure, talent, and resources reflect our strong commitment to long-term sustainability and growth through innovation.

3

Dedicated state-of-art R&D centres

48

R&D team strength consisting of scientists, engineers, analysts and chemists

₹6.45 crore

R&D spends in FY25

Sophisticated R&D Ecosystem

Heranba has built an advanced R&D function and infrastructure comprising 3 state-of-the-art centres, each with independent and fully functional quality control laboratories. These laboratories play a pivotal role in monitoring the quality and consistency of raw materials, intermediates, and finished products. Our facilities are equipped with cutting-edge instruments such as High-Performance Liquid Chromatography (HPLC), Gas Chromatography (GC), UV spectrophotometers, moisture analysers, particle size analysers, and electron microscopes.

Our R&D focuses on developing efficient manufacturing processes for active ingredients and intermediates across herbicide, insecticide, and fungicide segments, as well as exploring novel crop protection formulations. In particular, our Unit III R&D facility, launched in 2020 and expanded in 2024, now features the latest technologies for in-depth research on active ingredients and formulations, especially those geared for export markets.



By leveraging advanced equipment and stringent protocols, we deliver precise and reliable products, furthering our commitment to the highest quality standards for our customers and raising industry benchmarks.

Expanding R&D Function to Formulations

With increasing focus on formulation products, our R&D function now houses equipment such as bead mills, air jet mills, extruders, and fluidized bed dryers. We have also established a dedicated Analytical Development Laboratory to support diverse development projects.

Certified Excellence in Research

Our R&D centres have earned recognition and accreditation from key authorities. The Department of Scientific and Industrial Research (DSIR), Ministry of Science & Technology, Government of India, has recognized our R&D units. Additionally, our facilities are certified under ISO-9001:2015 QMS and ISO-14001:2017 standards, and our analytical lab holds NABL accreditation as per ISO/IEC-17025:2017.



Strategic R&D Priorities

The Heranba R&D team drives innovation across critical areas:

- Advancing production processes for active ingredients and intermediates in herbicides, insecticides, and fungicides
- Developing new, innovative formulation products for crop protection
- Elevating the performance and quality of existing products
- Commercializing new agrochemical active ingredients and finished products
- Enhancing process efficiencies
- Increasing backward integration
- Strengthening engineering capabilities for sustainable and safer operations

FY25 Initiatives and Breakthroughs

Heranba's R&D initiatives in FY25 have showcased significant progress and adaptability. The team developed 5 new herbicides (with 3 successfully launched), 4 fungicides (3 launched), and 3 insecticides (with 2 piloted and launched in various geographies). We have also expanded our R&D capabilities by increasing investment in facility resources, hiring more talent, and allocating additional funds for establishing a new R&D centre.

Stringent Quality Assurance

Consistent quality control is at the core of Heranba's R&D approach. Independent, fully equipped quality labs at all 3 sites continually monitor the quality and uniformity of incoming raw materials, intermediates, and final products. Comprehensive testing, including both classical methods and advanced chemical analysis, guarantees products meet stringent specifications. Our laboratories also specialize in detecting and quantifying impurities to comply with the rigorous requirements of export markets.

Pioneering Research for Emerging Needs

Heranba's R&D remains future-oriented, with ongoing work on fungicides for rice, fruits, and vegetables, and continued investigation into herbicides and insecticides that are effective for crops such as soybean, maize, cotton, groundnut, rice, and sugarcane. Our skilled scientists and technical experts collaborate to improve existing products and pioneer new solutions, solidifying Heranba's growth and reputation as an industry innovator.

MANUFACTURING INFRASTRUCTURE

Distinctive Manufacturing Strength



Heranba Industries has established a comprehensive manufacturing infrastructure designed to serve the diverse needs of customers in both domestic and international markets.

Our state-of-the-art facilities are manned by highly skilled professionals and leverage cutting-edge technology to produce top-quality products that meet rigorous industry standards. Our manufacturing and packaging operations extend across 7 specialized facilities, each equipped to handle a broad spectrum of chemical processes, reactions, and formulation manufacturing.

Versatile Capabilities

Our manufacturing strength is anchored by 7 distinct units, strategically located in Vapi, Sarigam, and Saykha, Gujarat. These units excel at managing a wide variety of chemistries, complex reaction profiles, and are capable of handling high-volume production requirements. Over the years, we have substantially scaled up the output of intermediates, technicals, and formulations, reinforcing our presence at every stage of the agrochemical value chain. Recent expansions at our Sarigam and Saykha facilities, fuelled by significant CAPEX investments we have concluded in FY25, have further enhanced our production capabilities & capacities.

Strategic Industrial Footprint

Located within the prime industrial corridors of Vapi, Sarigam, and Saykha, our integrated and modern manufacturing facilities are ideally positioned to support seamless, efficient operations.

MANUFACTURING INFRASTRUCTURE

7

Operational manufacturing & packaging facilities

1,24,970 SQ MT

Total area in use

71,958 SQ MT

Additional area available for expansion



MANUFACTURING CAPACITIES

FY24

12,900 MTPA

Aggregate Technicals & Intermediates Capacity

25,000 MTPA

Aggregate Formulations Capacity

295

Cumulative reactors installed across all facilities

FY25

26,700 MTPA

Aggregate Technicals & Intermediates Capacity

30,000 MTPA

Aggregate Formulations Capacity

384

Cumulative reactors installed across all facilities

Advanced Reaction Capabilities

We at Heranba Industries manufacture an extensive portfolio of products, each requiring its own specialized process. Our deep chemical expertise enables us to carry out a wide range of complex reactions using advanced plant infrastructure. With the expansion of our facilities at Saykha and Sarigam this year, we have significantly increased our reaction capabilities, further strengthening our ability to deliver specialized solutions to meet market demands.

Reaction capabilities:

Ammonolysis	Hydrolysis	Favorski	Cyanation	Methoxylation	Esterification
Halogenation (Chlorination and Bromination)	Condensation	Friedel Crafts	Cyclisation		
Isomerisation	Nitration	Hydrogenation	Amination	Diastereoselective Synthesis	
Resolution of Enantiomers	Diazo Coupling Reaction	Substitution Reaction	Ketal Formation		

MANUFACTURING INFRASTRUCTURE

HERANBA'S MANUFACTURING FACILITIES

1 UNIT- I GIDC, Vapi

- Heranba's first facility to manufacture various technical grade Synthetic Pyrethroids and Organophosphorus products and their intermediates.
- Large scale manufacturing unit for insecticides, herbicides, fungicides & their intermediates.
- ISO 14001:2015 certified unit with a large-scale production house.
- Projects for capacity expansion of manufacturing facilities at this site have been commissioned in FY25, and the site is now equipped with revamped state-of-art facilities for sustainable & responsible operational practices.

3 UNIT- III GIDC, Sarigam

- SO 9001: 2015 certified facility equipped with modern formulation and packing facilities capable of handling large capacities of liquid, powders and granules.
- It specialises in various formulations such as EC, SC, SL, SE, EW, CS, ZC, FS, SP, WP, WS, and WDG.
- Equipped with a rooftop solar plant that generates 185.0 KW per annum energy, utilised for captive consumption.

5 UNIT- IV GIDC, Vapi

- Unit-IV is the Company's facility to manufacture Liquid Bromine, Phenol, Ammonium Chloride Powder, Poly Ammonium Chloride and Powder, Copper Hydroxide, Bromobenzene, Pure Benzene.
- The commercial production from this Unit-IV commenced in FY22. This facility is in line with the Company's commitment and promises towards fostering sustainable growth.
- This facility enables the Company to become self-dependent, mainly for Bromine recovery, without relying on external job workers.
- This facility is being revamped for accommodating manufacturing capacity of new technical products and advanced intermediates. This project is expected to be commissioned in Q2FY26.

2 UNIT- II GIDC, Vapi

- Manufacturing Cypermethric Acid Chloride (CMAC) and all other Isomers/derivatives of CMAC as per internal & customer requirements.
- Manufactures Cypermethrin and Alpha Cypermethrin technicals.
- Earlier the Company had acquired an industrial plot adjacent to the existing site to upgrade Unit II's environmental pollution control facilities, which has now been commissioned as per plan and is fully functional.

4 PHASE-II Sarigam Unit (HOPL)

- Phase 1 of the technical plant at Sarigam was successfully commissioned in Q1FY25. Capacity of Phase 1 technical plant is 9,600 MTPA of Intermediates and Technical Products.
- Phase 2 of the new technical plant was commissioned in Q1FY26. With the completion of Phase 2 capacity has increased by another 9,000 MTPA of Advanced Agrochemical Technicals.

6 Saykha Unit (HOPL)

- Phase 1 of the new technical plant at Saykha was commissioned in Q1FY26. Capacity of Phase 1 is 6,000 MTPA. This setup is created for manufacturing specific and non-specific Herbicides and other key intermediates.
- This facility features state of the art Hydrogenation and Nitration facility for handling sensitive processes which are required for value-added products.

7 Tarapur Unit (Daikaffil)

- Newly acquired subsidiary of Heranba Industries, Daikaffil Chemicals India is engaged in the manufacturing of optical brightening agents, naphthol derivatives and textile auxiliaries.
- Daikaffil is a new addition to Heranba to expand on its diversification plan from agrochemicals and its intermediates.
- The project for expansion of the laboratory facility will begin by the end of Q2FY26 and will be ready by end of Q1FY27. This is in line with the vision to present Daikaffil as a Contract Research Organization (CRO) powerhouse for development of processing technologies for specialty chemicals.



DAIKAFFIL INTEGRATION & EXPANSION

Strategic Foray into CRAMS

Heranba Industries has strategically broadened its business portfolio by venturing into the Contract Research and Manufacturing Services (CRAMS) sector.

Foundation for Diversification

This expansion follows the Company's acquisition of Daikaffil Chemicals India Limited, which brings valuable land and infrastructure in the industrial hub of Tarapur, Maharashtra, north of Mumbai. This acquisition paves the way for establishing a world-class Research and Development (R&D) centre, one that will strengthen Heranba's internal R&D capabilities for its agrochemical business and serve as the cornerstone for its entry into the CRAMS, CRO, and CDMO (Contract Research/Development and Manufacturing Organization) domains.

Growth Objectives and Strategic Approach

Leveraging its expertise in complex chemistries from R&D through commercialization, Heranba will offer end-to-end contract research, development, and manufacturing services to diverse industries, including agrochemicals, plant nutrition, pharmaceuticals, biopharmaceuticals, and specialty chemicals.

The Company plans to significantly enhance its R&D team by adding 60 scientists in the initial phase, focusing on:

- 1 **Synthetic chemistry**
- 2 **Analytical research**
- 3 **Formulation development**
- 4 **Pilot plant operations**

Building Robust Capabilities

To drive this expansion, Heranba has earmarked ₹50 crore for the initial phase to upgrade its facilities and develop the Tarapur R&D centre. A major share of this investment will establish a world-class pilot plant with 15 reactors for small-scale batch manufacturing and process validation, enabling Heranba to provide a full spectrum of services, from early-stage research to pilot-scale production.

The new R&D center will feature state-of-the-art amenities, with 5 synthetic labs equipped with advanced fume hoods, specialized analytical instruments, and a dedicated development team to maintain rigorous quality standards throughout research and production.



ROADMAP FOR FACILITY DEVELOPMENT

Phase 1:

- Budget: ₹50 crore
- Objective: Enhance existing capabilities, develop the R&D center
- Facilities: Pilot plant with 15 reactors for batch manufacturing and process validation

Phase 2 (Planned for FY26):

- Creation of specialized divisions, including:
 - Custom and Specialty Chemical Division
 - Performance Chemical Division
 - Fermentation Technology and Bio-catalysis Platform
- Exploration of establishing a GLP-certified facility

Project Updates:

- Set to commence work on the new laboratory facility by Q2FY26
- Expected project completion of the laboratory facility by Q1FY27

ROADMAP AHEAD

Heranba's long-term plan for this new business vertical is to provide comprehensive research and development services and, ultimately, manufacture and supply large volumes of specialized chemicals to a variety of industries. The Company sees its entry into CRAMS as transformative, substantially enhancing its capabilities and positioning it for long-term growth and diversification. By harnessing its established strengths in advanced chemistry and branching into higher-value markets, Heranba Industries Limited is preparing for robust expansion and value creation in the years ahead.



GEOGRAPHICAL PRESENCE

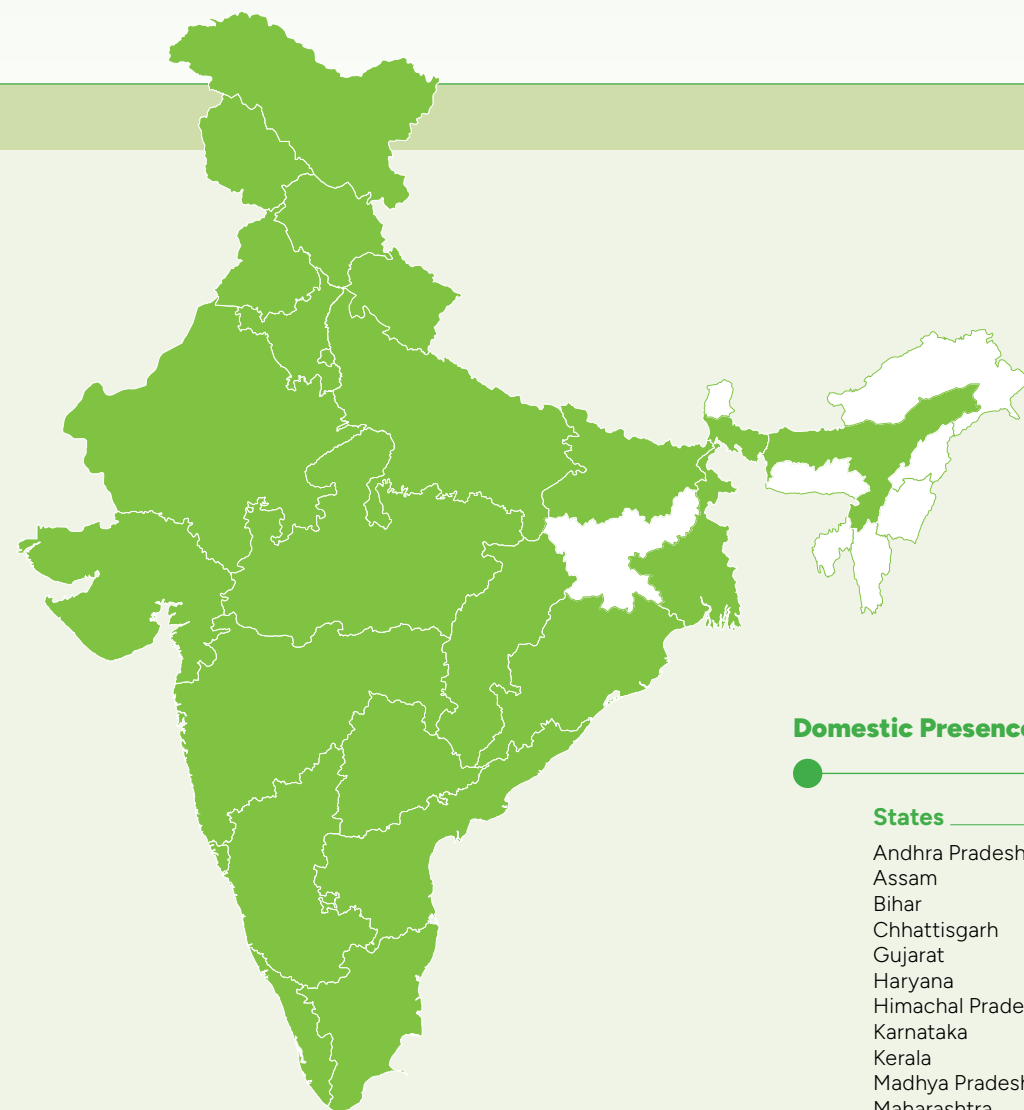
Global Reach and Impact

Heranba Industries has diligently cultivated a broad geographical presence, serving customers across both domestic and international markets. Through focused expansion initiatives, our products have reached farmers around the globe, representing key milestones in our growth story.

Our mission to empower farmers extends beyond our home markets in India, it drives us to introduce innovative solutions and dedicated support to agricultural communities worldwide. This commitment is about more than entering new regions; it's about making a meaningful impact wherever we go.

Developed Market Penetration

We have successfully entered major markets such as the USA and Europe, forging strategic partnerships and significantly strengthening our global footprint. These achievements position Heranba to capture emerging opportunities and advance our international success.



Presence across
75+ countries

Presence across
20 states and UT

Domestic Presence

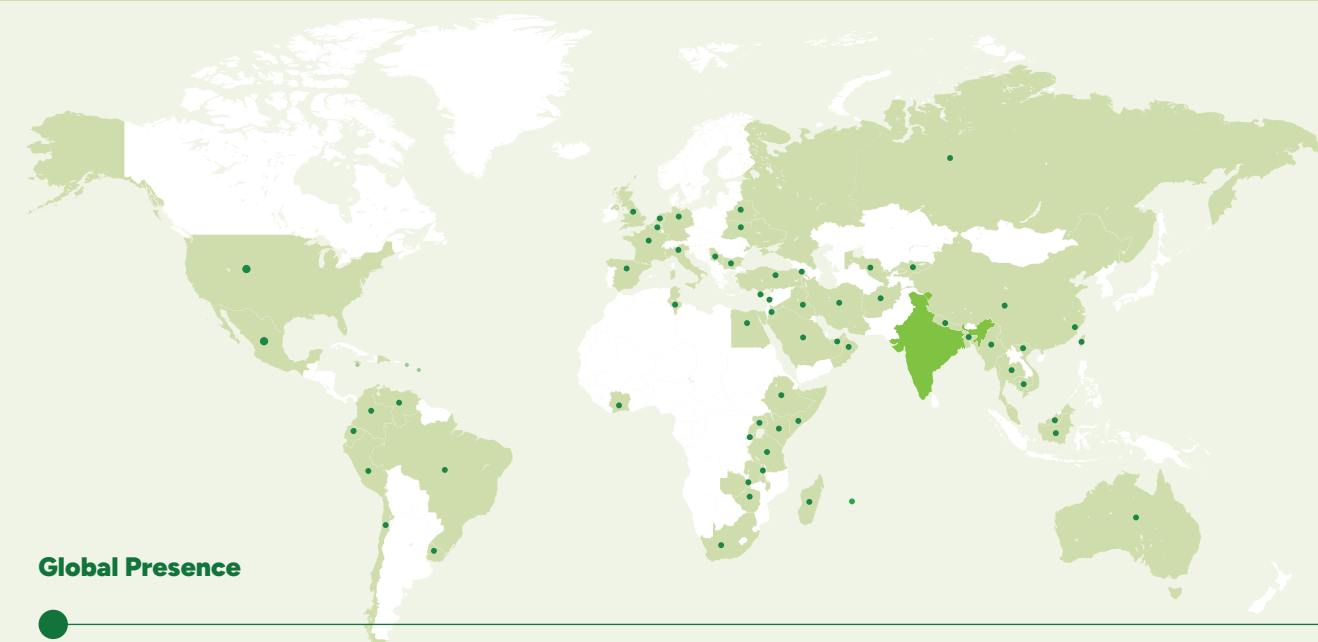
States

Andhra Pradesh
Assam
Bihar
Chhattisgarh
Gujarat
Haryana
Himachal Pradesh
Karnataka
Kerala
Madhya Pradesh
Maharashtra
Odisha
Punjab
Rajasthan
Tamil Nadu
Telangana
Uttar Pradesh
West Bengal
Uttarakhand

Union Territories

Jammu and Kashmir

Map only for illustration purpose, not to scale



Global Presence

Asia

Afghanistan
Armenia
Bangladesh
Cambodia
China
Hong Kong
Indonesia
Iran
Iraq
Jordan
Korea
Kuwait
Kyrgyzstan
Lebanon
Malaysia
Myanmar
Nepal
Oman
Saudi Arabia
Singapore
Taiwan
Thailand
U.A.E
Uzbekistan
Vietnam

Europe

Belgium
Bulgaria
Cyprus
France
Germany
Italy
Liechtenstein
Netherlands
Republic of Belarus
Russia
Serbia
Spain
Switzerland
Turkey
Ukraine
United Kingdom

Africa

Algeria
Burundi
Egypt
Ethiopia
Ghana
Ivory Coast
Kenya
Madagascar
Malawi
Mauritius
Nigeria
Rwanda
Somalia
South Africa
Tanzania
Tunisia
Uganda
Zambia
Zimbabwe

North America

Canada
Dominican Republic
Jamaica
Mexico
Nevis
U.S.A.

South America

Argentina
Brazil
Chile
Colombia
Ecuador
Peru
Uruguay
Venezuela

Australia

Australia

VALUE-CREATION MODEL

Cultivating Sustainable Value



Inputs

Financial Capital

₹926.08 crore **₹731.52 crore**
Total Equity CAPEX

Robust Capital Structure

(0.26X Debt to Equity Ratio)

Technological & Infrastructure Capital

7 **3**
Operational R&D Centres
Manufacturing & Packaging Facilities

Human Capital

1,300+ **48 R&D**
Employee Strength Team Strength

Community and Environmental Capital

Dedicated commitment and investment towards sustainability initiatives

Active engagement in CSR, with effective solutions implemented

A rooftop solar plant

Value Creation



Mission

To improve crop productivity and public health. We are committed to the wellness of world citizens and are passionate about providing innovative products to farmers that enhance farm efficiency.



Competitive Strengths

- Complete Value Chain Integration
- Strong Global Market Footprint
- Nationwide Distribution & Brand Strength
- Partnership with Leading Agrochemical Companies
- Dynamic and Professional Leadership

 Learn more on **05 page**

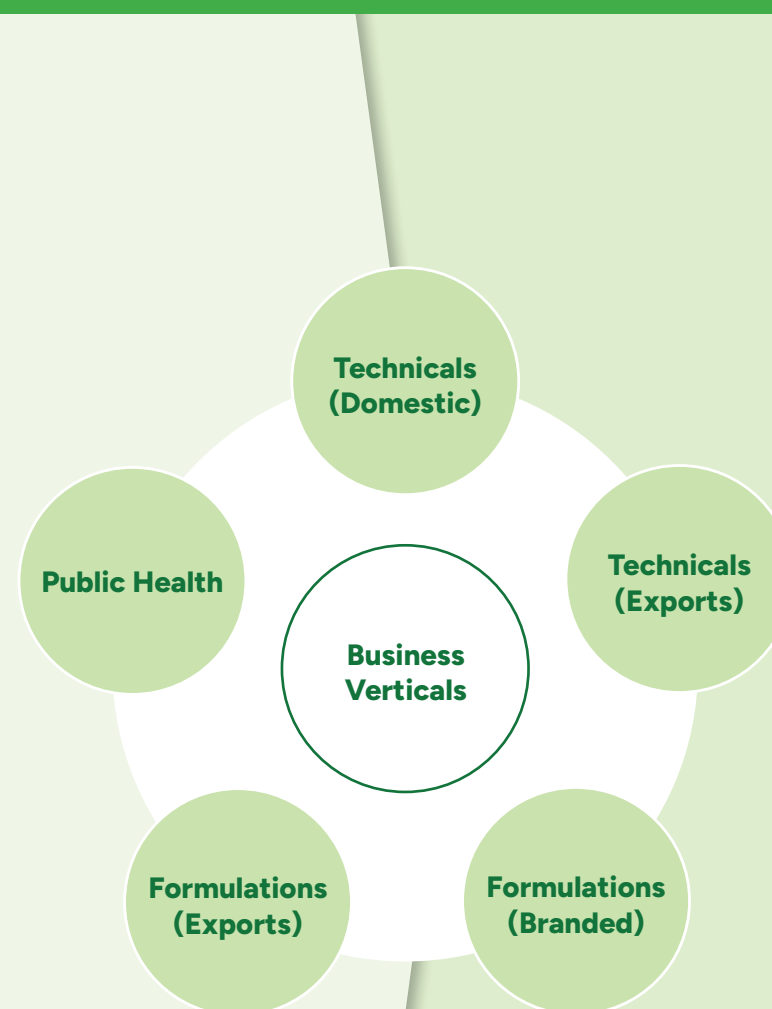


Strategic Priorities

- Amplifying Manufacturing Strength
- Strengthening Brand & Customer Relationships
- Capitalizing on Global Prospects
- Commercialising New Molecules
- Establishing Global Strongholds

 Learn more on **22 page**

Outputs



Products

Intermediates

Technicals

Formulations

Outcomes

Robust Financial Health

₹1,541.48 crore **₹54.00 crore**
Revenue PAT
₹128.81 crore **₹16.58**
EBITDA EPS

Superior Manufacturing Capabilities

26,700 MTPA
Total Technicals & Intermediate Manufacturing Capacity
30,000 MTPA
Total Formulations Manufacturing Capacity

1,084 **183**
Cumulative Product Registrations Product Registration in Pipeline
54
Product Registrations Across 54 Countries

Committed Workforce

Skilled, motivated, and experienced workforce committed to excellence and innovation

Community and Environmental Capital

142,270 kWh
Generated Solar Power for Captive Consumption in FY25

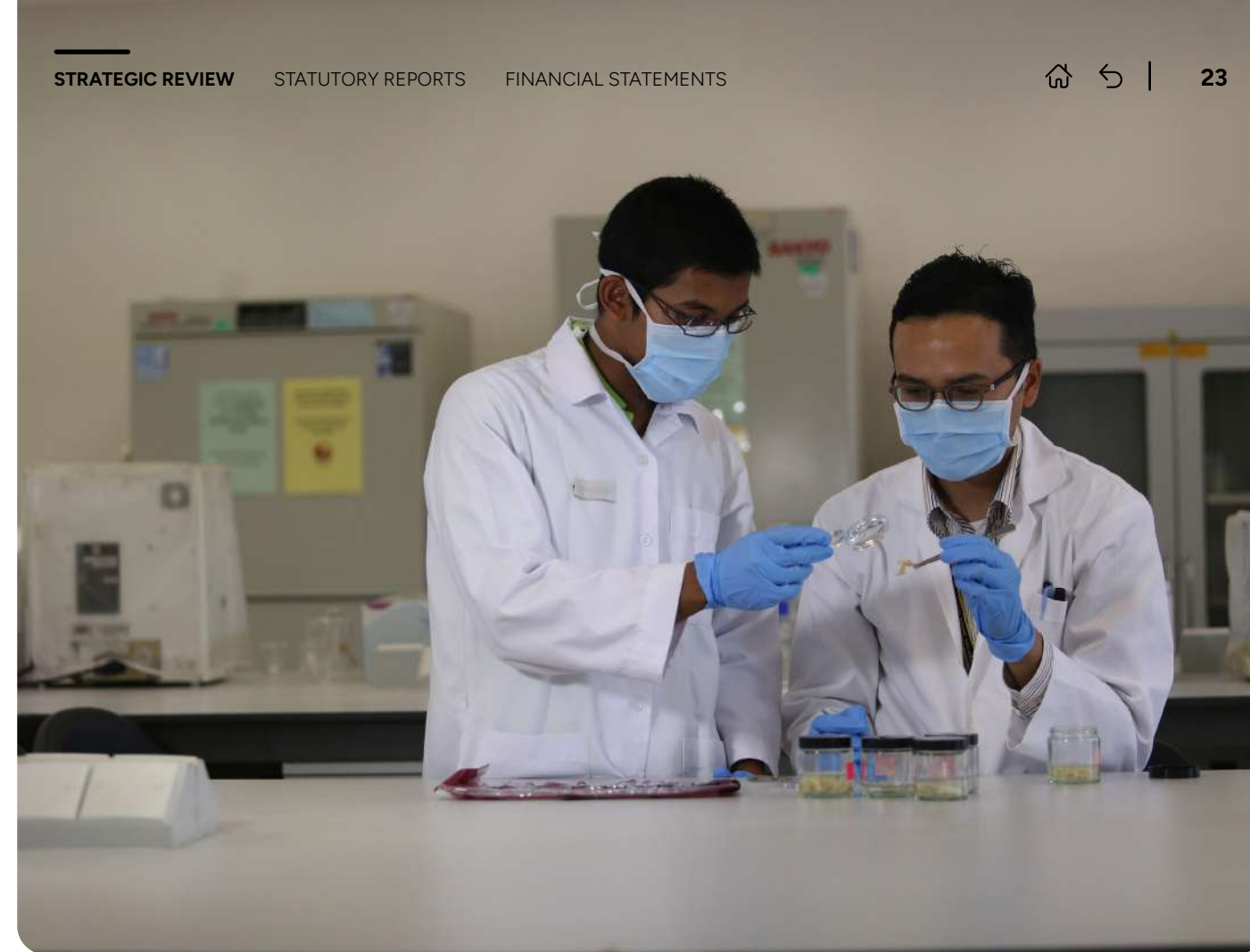
Reduced Carbon Footprint
Minimised Environmental Impact

STRATEGIC PRIORITIES

Pillars of Future Success

Heranba's forward-thinking strategy and proactive approach have been pivotal to our expansion journey. As we enter new geographies and product categories, with a focus on developed markets, we remain committed to our long-term strategic objectives. These priorities serve as our growth roadmap, guiding consistent progress and positioning Heranba for higher levels of success.

By adhering to these strategic imperatives, we not only fortify our business model but also skillfully navigate industry challenges, including those present in today's evolving environment with the agrochemicals industry. With consistent dedication to these initiatives, our goal is not only to sustain our performance but to reach new heights of achievement.



S1

Amplifying Manufacturing Strength

This year, we completed major expansion projects at our Saykha and Sarigam facilities, increasing capacities for technicals and intermediates. Both Phase I and Phase II expansions at Sarigam concluded in October 2024 and June 2025, respectively. At Saykha, Phase I was commissioned in April 2025. With the commissioning of these recent CAPEX projects, our cumulative Technicals and Intermediates capacity has more than doubled, from 12,900 MTPA to 26,700 MTPA.

S2

Strengthening Brand & Customer Relationships

We actively participate in both international and domestic agrochemical exhibitions and trade shows to strengthen our market presence for technicals and formulations. Our ongoing brand-building efforts include farmer training camps, village-level programs, and exhibitions across India, allowing us to educate farmers on product benefits and build direct relationships with agricultural communities. Our sales and marketing teams are focused on sustaining and growing existing customer relationships while exploring new opportunities. Consistent promotion of our branded formulations through varied events ensures greater accessibility for farmers.

S3

Capitalizing on Global Prospects

With expanded capacities at Sarigam and Saykha, we are strategically focused on growing our Technicals vertical in both domestic and export markets. We are prioritizing securing product registrations for technicals and formulations to reinforce our international business. Additionally, we aim to capitalize on the upcoming wave of off-patent technicals, planning to commercialize these molecules globally, with targeted registration efforts in regulated markets.

S4

Commercialising New Molecules

An active pipeline of molecules under development by our R&D team sets the foundation for ongoing innovation. As new products receive registrations and successfully clear R&D milestones, Heranba is poised to introduce multiple new molecules every year. These commercialization efforts span both existing and newly developed facilities and portfolios.

S5

Establishing Global Strongholds

Our efforts to penetrate developed markets, particularly the US and Europe, are gathering momentum. The commissioning of our Sarigam facility is a significant milestone in strengthening our presence in these valuable markets. Meanwhile, our R&D team is focused on developing custom-made molecules for the US, Europe, and Brazil. With a detailed plan to achieve \$25 million in US sales in the coming years, we are well-positioned to establish a strong foothold in this key market.

CHAIRMAN'S ADDRESS

Positioned for the Next Growth Cycle



A significant highlight of FY25 was the sustained growth of our Branded Formulations vertical, which has steadily evolved into a key growth driver for the Company.

DEAR SHAREHOLDERS,

I write to you with an update on our Company's performance for FY25. The past year was yet another testing period for the global agrochemicals industry. Despite the external challenges, Heranba Industries has demonstrated remarkable resilience for the third consecutive year, navigating a demanding macroeconomic and industry landscape while maintaining our focus on sustainable growth and long-term value creation.

Industry Operating Environment

FY25 continued to be defined by a complex external environment. Global demand for agrochemicals remained subdued, weighed down by an extended period of pricing pressure and inventory overhang across key markets. Intense pricing competition, particularly from the Chinese industry, further compounded these challenges. This backdrop resulted in a slowdown in our Export Technicals business vertical, where demand was muted, and margins remained under pressure.

However, amidst these headwinds, we made tangible progress. While product prices across the sector continued to languish, Heranba Industries resumed its growth trajectory, driven by a clear focus on volume expansion. Most importantly, our Domestic Branded Formulations business delivered a robust performance, supported by a relatively conducive operating environment in India. Favourable monsoon conditions, despite intermittent volatility and excessive rainfall in parts of the season, enabled healthy demand for agrochemicals in India.

A significant highlight of FY25 was the sustained growth of our Branded Formulations vertical, which has steadily evolved into a

26,700 TPA

Expanded Active Ingredients
Production Capacity



key growth driver for the Company. Its contribution to our consolidated revenue has increased from 21% in FY21 to 48% in FY25, reflecting our deliberate strategy to reduce reliance solely on the Technicals vertical and build a stronger, more resilient business model. This shift has not only provided a buffer against global volatility but has also strengthened our positioning in the domestic agrochemicals value chain.

Augmenting Capacities and Capabilities

FY25 was also a landmark year in terms of capacity expansion and capability building. We successfully concluded several major projects that significantly enhance our scale, operational flexibility, and product portfolio.

In October 2024, we commenced commercial production at our Sarigam Unit through our wholly owned subsidiary, Heranba Organics. Subsequently, we commissioned Phase-I of our Saykha Unit in April 2025, followed by Phase-II commissioning at our Sarigam Unit in July 2025. With these milestones, Heranba now operates 7 fully functional production and packaging units, positioning us to meet current and future market needs more effectively.

These expansions have more than doubled our Active Ingredients production capacity from 12,900 TPA to 26,700 TPA. Beyond capacity, they enable us to diversify our product mix meaningfully. Historically, our portfolio was concentrated in insecticides. With our new facilities, we are poised to enter the fungicides and herbicides segments, transforming Heranba into a more versatile agrochemicals player with a broader market presence.

Complementing these capacity expansions is our strategic investment in R&D capabilities.

Our new upcoming R&D and Pilot Plant centre at Daikaffil, coupled with enhanced talent strength and budget allocation, notes our commitment to innovation. In FY25 alone, our R&D team developed and launched a range of products including: 5 herbicides (3 launched), 4 fungicides (3 launched), and 3 insecticides (2 piloted and launched across select geographies). These initiatives reflect our focus on new product commercialization, process efficiency, backward integration, quality enhancement, and safer, sustainable operations.

These capacity and capability enhancements place Heranba in a strong position to capitalize on the eventual recovery of the global agrochemicals industry. As the cycle turns, we will be better equipped to capture opportunities and accelerate growth.

Strategic Direction

Looking ahead, our focus remains anchored on our long-term strategic priorities. We are committed to strengthening our domestic branded formulations franchise, capitalizing on our global presence, leveraging the upcoming wave of off-patent technicals, expanding our portfolio with new product launches, and increasing our presence across multiple agrochemical categories.

Our commitment to research and development is continuous. By continuing to invest in our R&D infrastructure and talent, we aim to build a strong pipeline of products that address evolving customer needs while improving our competitiveness.

We also remain steadfast in our efforts to diversify our customer base and market exposure. Entering new geographies, particularly developed markets like the US and Europe, will not only mitigate risks but also create multiple avenues for growth. We are confident that these strategic

steps will translate into stronger and more sustainable value creation for our shareholders.

Closing Thoughts

FY25 demonstrated, once again, that resilience and strategic focus are at the core of Heranba Industries. While the global agrochemicals industry is undergoing a period of consolidation and cyclical weakness, we are using this time to strengthen our foundations, expand capacities, diversify our portfolio, invest in innovation, and fortify our domestic franchise.

As the industry scenario improves, Heranba will be uniquely positioned to capitalize on the emerging opportunities and deliver profitable growth.

I would like to express my heartfelt gratitude to our shareholders, employees, customers, and partners for their trust and support. Your confidence in our vision and our ability to execute has been instrumental in enabling us to navigate these challenging times and lay the groundwork for a stronger future.

We remain committed to creating sustainable value for all our stakeholders and are excited about the opportunities that lie ahead.

Sincerely,

Sadashiv K Shetty
Chairman and Executive Director

MD'S MESSAGE

Navigating Transition, Driving Diversification



Formulations now account for more than half of our overall top line, a significant shift that has not only strengthened our revenue mix but also mitigated the impact of volatility in our Technicals business.

DEAR SHAREHOLDERS,

I am pleased to present to you an update on our Company's performance for the year under review. FY25 has continued to be a period of transition, not only for Heranba Industries but also for the global agrochemicals industry at large. The sector continues to navigate through significant headwinds, marked by price corrections, demand fluctuations, and heightened competition, particularly in the export markets.

Global pricing for agrochemical products has witnessed a substantial dip during the year, primarily due to high inventory levels across trade channels, a subdued demand outlook, and tepid broader market conditions. Further intensifying these challenges, excessive pricing competition from the Chinese industry has exerted pressure on realisations, particularly in our Technicals Exports business. Consequently, this vertical has been facing a phase of subdued performance. Despite this, Heranba has displayed resilience by strategically realigning its focus towards more value-accretive segments and driving diversification across markets and product categories.

Growing Focus on Formulations

One of the most notable strategic shifts in recent years has been our growing emphasis on the formulations business. This approach is driven by the enhanced value addition at the formulation stage, particularly when using our own captive technicals, which allows for incremental margins and better profitability.

In FY25, Indian markets performed relatively better amidst global volatility, supported by healthy monsoon conditions and strong reservoir levels, which also suggest a positive outlook for the upcoming year. Leveraging this environment, we intensified our focus on scaling the Domestic Branded Formulations vertical through new product launches, market penetration initiatives, and robust demand generation activities.

48%

Branded Formulations Revenue
Contribution in FY25



As a result, our Domestic Branded Formulations business contributed 48% of our total revenue in FY25, supplemented by an additional 8% contribution from Formulation Exports. Together, formulations now account for more than half of our overall top line, a significant shift that has not only strengthened our revenue mix but also mitigated the impact of volatility in our Technicals business. This diversification has reinforced the resilience of our business model and will remain a key pillar of our growth strategy going forward.

**Continuous Product
Registration Efforts**

Product registrations continue to be a cornerstone of our long-term strategy, particularly in expanding our global market access. During the year, we made steady progress in this regard, especially in light of our recently commissioned facilities.

We are anticipating the receipt of several important export market registrations for which we applied 2 to 3 years ago. Early approvals in the United States have already been received, and we expect more to follow across key geographies, including the US and Europe. While the product registration process is inherently time-consuming, its benefits are transformative, allowing us to diversify our presence across multiple global markets and build a stronger, more sustainable export business.

**Daikaffil Acquisition and
CRAMS Foray**

Our acquisition of Daikaffil last year marked the beginning of a new chapter for Heranba Industries. Through this strategic move, we are entering the Contract Research and Manufacturing Services (CRAMS) domain, thereby broadening our vision beyond the core agrochemical business.

We are in the process of establishing a state-of-the-art R&D centre that will not only strengthen our internal R&D capabilities but also serve as the foundation for our foray into CRAMS, CRO, and CDMO businesses. Phase 1 of this initiative includes the development of a pilot plant equipped with 15 reactors for batch manufacturing and process validation, with work scheduled to commence in Q2FY26 and completion targeted by Q1FY27.

This diversification into CRAMS has the potential to be transformative, enabling us to provide end-to-end research and manufacturing solutions across industries. We view this as a significant long-term growth driver that will complement our core business while positioning Heranba as a multi-vertical specialty chemicals Company.

Financial Performance

For FY25, our Revenue from Operations stood at ₹1,495.90 crore, representing a 17% YOY growth compared to ₹1,274.75 crore in FY24. While our volumetric growth was higher, pricing pressures in the industry limited the full reflection of this growth in our top line.

EBITDA margins for the year were 8.4% as against 9.7% in FY24, impacted by lower realizations and higher operating costs associated with our recently commissioned capacity expansion projects. Consequently, Profit After Tax (PAT) stood at ₹54.00 crore, compared to ₹66.35 crore in the previous year. The rise in depreciation and finance costs further contributed to the net profit compression.

Despite these challenges, FY25 must be viewed as a year of transition. With significant capacity now operational and our new investments beginning to scale, we anticipate improved performance in the coming years. As industry realizations stabilize and our

expanded facilities start contributing meaningfully, we expect stronger margins and improved profitability.

**Looking Ahead with
Confidence**

As we move into FY26, our priorities are clear: scale our domestic formulations business further, leverage our new active ingredients capacities, and accelerate our entry into the CRAMS space with the upcoming R&D centre and pilot plant at Daikaffil. These initiatives will not only strengthen our business fundamentals but also position us for sustainable, long-term growth across diverse revenue streams.

We remain confident that our strategic diversification, combined with our focus on operational efficiency, will enable us to navigate industry cycles effectively and emerge stronger as the global agrochemicals market normalizes.

Gratitude

In closing, I extend my heartfelt gratitude to our shareholders, employees, partners, and all stakeholders who have stood by us during this period of industry-wide volatility. Your support and trust in our long-term vision empower us to continue building a resilient and future-ready organization.

Together, we will continue to transform Heranba Industries into a stronger, more diversified, and value-driven enterprise in the global agrochemicals space.

With Regards,

Raghuram K Shetty
Managing Director

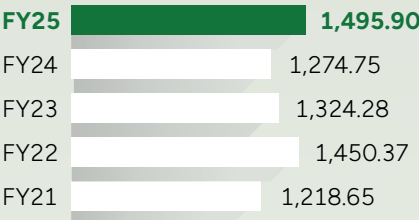
KEY PERFORMANCE INDICATORS

Resilience in Action

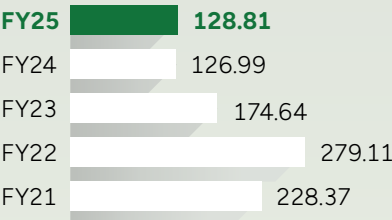
Heranba Industries once again demonstrated resilience during the year, navigating a challenging global environment marked by demand volatility and pricing pressures. Amidst these industry headwinds, Heranba’s focus on strengthening its domestic branded formulations business resulted in steady growth, helping to offset subdued demand in technicals exports. Strategic capacity expansions and ongoing investments in innovation and R&D will enable Heranba to broaden its product offerings and reinforce its foundation for future growth.



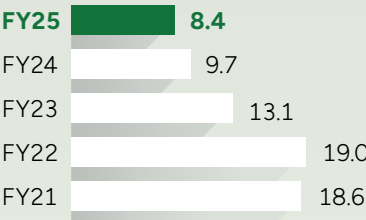
Revenue from Operation
(In ₹ crore)



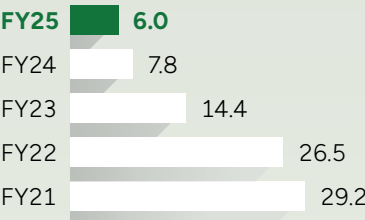
EBITDA
(In ₹ crore)



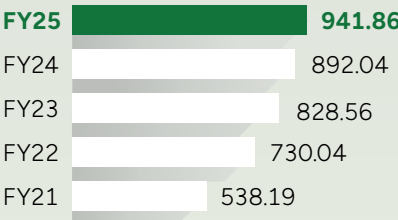
EBITDA Margin
(In %)



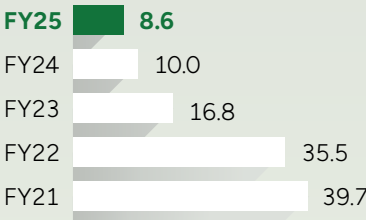
ROE
(in %)



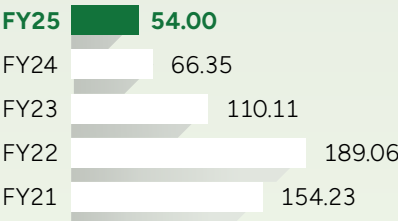
Capital Employed
(in ₹ crore)



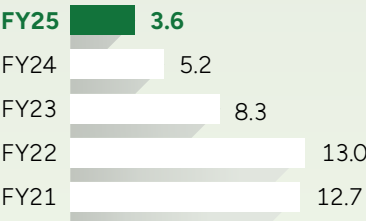
ROCE
(in %)



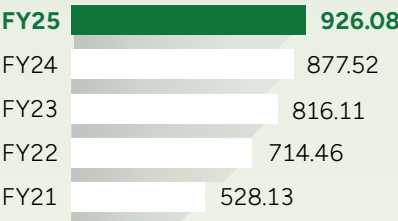
PAT
(in ₹ crore)



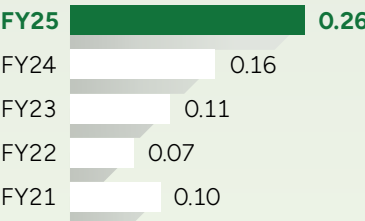
PAT Margin
(in %)



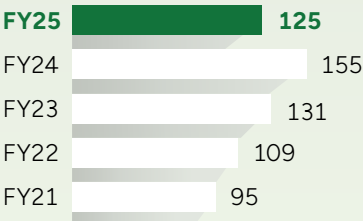
Net Worth
(in ₹ crore)



Net Debt to Equity
(in X)



Working Capital Cycle
(in Days)



BOARD OF DIRECTORS

Steering Progress



C R O

Mr. Sadashiv K. Shetty
Chairman & Executive Director

Since the company's inception, Mr. Sadashiv K. Shetty has been a pivotal force, contributing over 3 decades of invaluable experience in the agrochemicals sector. He holds a Bachelor's degree in Physics and Chemistry as well as a Master's in Chemistry from the University of Mysore, providing him with a strong academic foundation.

Mr. Shetty has played a central role in product development, capacity enhancement, and capability building within Heranba. His extensive expertise spans business leadership, operations, risk management, governance, and strategic planning. With deep insights into the chemical industry, manufacturing, and R&D, he continues to drive Heranba's growth and innovation.



S R O

Mr. Raghuram K. Shetty
Managing Director

Since 1994, he has been a vital part of the Company, holding comprehensive responsibility for overall management and day-to-day operations while shaping long-term business strategies. As the driving force behind key functions such as business development, risk management, governance, operations, finance, accounting, strategic planning, procurement, sales and marketing, international trade, and export management, he plays an essential role in guiding the Company's direction and growth.

Bringing more than thirty years of experience in the agrochemicals industry, Mr. Shetty contributes extensive knowledge and insight to his position. He holds a Bachelor's degree in Economics from the University of Mysore, a Government Commercial Diploma from the Department of Education, Bureau of Government Examinations, Maharashtra, and a Diploma in Export and Import Management from the India International Trade Centre, Mumbai.



R O

Mr. Raunak R. Shetty
Whole-Time Director

Since joining Heranba in 2016, Mr. Raunak Shetty has led crucial functions such as Finance & Banking, system standardisation, procurement, marketing, investor relations, business development, and the initiation of new projects and products.

He is instrumental in adopting new technologies and promoting innovation within the company. Mr. Shetty holds a Bachelor of Commerce degree from the University of Mumbai and is an Associate Member of the Institute of Chartered Accountants of India. His expertise supports Heranba's sustained growth and performance.



O

Mr. Shriraj S. Shetty
Whole-Time Director

He has been a valued member of the Company since 2014, overseeing a diverse range of essential functions, including business operations, risk management, governance, technical process improvement, process implementation, technical innovation, team leadership, production enhancement, product quality and safety, procurement, and sales and marketing.

With substantial experience in both functional and managerial roles, he brings a strong combination of expertise and leadership to the organisation. Holding a Bachelor's degree in Chemical Engineering and an M. Tech. in Chemical Engineering, his solid educational background and in-depth knowledge help drive the Company's efficiency, innovation, and pursuit of excellence.

Board Committee Key

- (A)

 Audit Committee
- (C)

 Corporate Social Responsibility Committee
- (N)

 Nomination and Remuneration
- (R)

 Risk Management
- (S)

 Stakeholders' Relationship
- (O)

 Open Offer

 Chairman  Member



A N S C R

Mr. Ganesh N. Vanmali
Independent Director

A Certified Associate of the Indian Institute of Bankers from the Indian Institute of Banking and Finance, he brings over four decades of extensive experience in the banking sector. His long-standing tenure at the Bank of Maharashtra has further deepened his expertise and understanding of the industry.

Mr. Vanmali holds a Bachelor's degree in Commerce and General Laws from the University of Mumbai. In addition to his accomplished banking career, he serves as a consultant, utilizing his wealth of knowledge and insights to provide valuable guidance within the banking field.



N S

Mr. Anilkumar M. Marlecha
Independent Director

He is a distinguished advocate actively engaged in legal practice, holding a Certificate of Practice from the Bar Council of India. With over a decade of experience in the legal profession, he has built a strong reputation as a trusted legal expert.

Mr. Marlecha possesses a solid educational foundation, having earned Bachelor's degrees in both Commerce and Law from the University of Mumbai. His legal expertise and commitment to his field make him a valuable asset, providing significant guidance and support to the Company.



A

Ms. Reshma D. Wadkar
Independent Director

With more than two decades of experience in finance, accounting, taxation, and banking, she brings a broad spectrum of expertise to her role. Equipped with a Bachelor of Commerce degree from the University of Mumbai, she has a strong academic grounding in her field.

Her substantial professional background and deep insight into financial matters make her a highly valued member of the Board, adept at offering sound financial advice and support across multiple areas.



A N C

Mr. Mulky V. Shetty
Independent Director

A seasoned consultant in the chemicals industry, he contributes more than two decades of experience across multiple areas within the sector. His expertise includes product development, plant establishment, and oversight of manufacturing operations.

Mr. Shetty holds a Bachelor's degree in Science, specializing in Physics and Chemistry from the University of Mysore. Drawing on his deep knowledge and broad industry experience, he offers the Company invaluable insights and expert guidance.

CORPORATE GOVERNANCE FRAMEWORK

Building Trust Through Governance

We uphold a robust code of ethics that centres on integrity, transparency, and accountability. Our commitment extends beyond compliance, as we strive to conduct our business in a sustainable and socially responsible manner that creates enduring value for all stakeholders. Guided by steadfast ethical principles, we remain dedicated to making a lasting, positive impact within our industry and the communities we serve.

Governance Framework

The foundation of our corporate governance lies with our Board of Directors, who chart the strategic path, monitor management, and safeguard stakeholder interests. To address key areas of governance, we have established five specialized Board Committees. Operating under the Board's guidance, these committees report regularly on their activities and provide recommendations to the Board.

These Board Committees are:

- A** Audit Committee
- N** Nomination and Remuneration Committee
- S** Stakeholders' Relationship Committee
- C** Corporate Social Responsibility Committee
- R** Risk Management Committee

Board of Directors

Our Board features a balanced mix of professionals, combining a wide spectrum of expertise across the agrochemicals industry, financial management, organizational strategy, and regulatory compliance.

Uniquely, the Board maintains equal representation of Executive and Non-Executive Directors, blending experience with fresh perspectives. Together, they foster innovation while drawing upon deep industry knowledge and practical insights.

We distinguish ourselves by proactively adopting and advocating exemplary governance practices, often exceeding statutory requirements. Rooted in strong ethical values, our corporate governance ethos goes far beyond basic compliance, strengthening our reputation for excellence. Heranba has voluntarily established a number of policies, demonstrating our dedication to upholding the highest standards and driving continuous improvement.

BOARD COMMITTEES



BOARD COMMITTEES

Audit Committee

The Audit Committee is responsible for continuous oversight of the Company's financial statements, internal audit reports, audit plans, internal controls, and compliance with accounting standards. The Committee also reviews the effectiveness of financial controls and risk management systems.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee regularly evaluates the remuneration of directors and senior management, including Key Managerial Personnel. It also reviews director performance and makes recommendations regarding appointments and dismissals to the Board.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee oversees the shareholder and investor grievance redressal system, monitoring its effectiveness and implementing process improvements. It also reports any significant concerns to the Board.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee is tasked with drafting and proposing the Company's CSR Policy and overseeing CSR activities, whether implemented by Heranba directly or through a partner agency. It periodically reviews CSR initiatives, monitors their execution, and tracks related expenditures.

Risk Management Committee

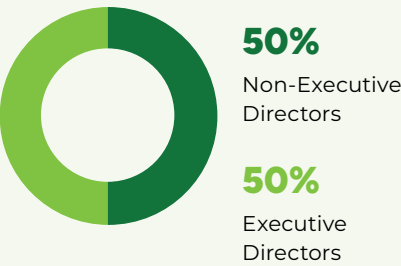
The Risk Management Committee is charged with developing and recommending a robust Risk Management Policy to the Board, this committee:

- Establishes methodologies, procedures, and systems to identify and assess operational risks
- Oversees the implementation and effectiveness of risk management strategies
- Conducts periodic reviews of risk policies
- Keeps the Board updated on key discussions, recommendations, and follow-up actions

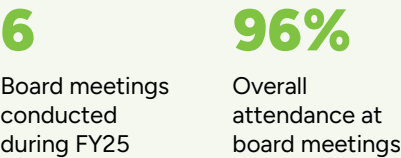
Open Offer Committee

A dedicated Open Offer Committee was established to manage all matters related to the Open Offer made by Mikusu India Private Limited, the Company's wholly-owned subsidiary, for the acquisition of Daikaffil Chemicals India Limited.

Balanced Board Composition



A proactive Board



Policies Adopted by the Board

- Prohibition of Child and Forced Labour Policy
- Anti Discrimination Policy
- BRSR Policy
- Grievance Redressal Policy
- Labour and Human Right Policy
- Anti-Corruption Policy
- Code of Conduct for Board of Directors and Senior Management
- Determination of Materiality Policy
- KMP for Determining Materiality
- Diversity on The Board Of Directors Policy
- Materiality of Related Party Transactions policy
- Sexual Harassment Policy
- Fair Disclosure Code
- CSR Policy
- Risk Assessment and Minimisation Policy
- Preservation of Documents Policy
- Dividend Distribution Policy
- Vigil Mechanism Policy
- Insider Trading Policy
- Familiarisation Program for Independent Directors Policy
- Terms and Conditions of Appointment of Independent Directors
- Remuneration Policy
- Succession Policy
- Materiality Subsidiary Policy

CORPORATE SOCIAL RESPONSIBILITY

Our Social Promise

Heranba Industries is deeply committed to advancing social and environmental development, acknowledging the crucial role that businesses play in shaping a better future. The Company's Corporate Social Responsibility (CSR) framework is anchored in the pillars of Education, Health & Sanitation, Cultural Programs, and Sports Promotion. By partnering with a range of implementing agencies, including trusts and NGOs, Heranba aims to deliver a meaningful and lasting impact on the communities it serves. Integrating CSR into its core values and day-to-day operations, Heranba ensures that its business practices reflect its dedication to societal well-being.

In FY25, Heranba allocated
₹3.26 crore
 towards its CSR initiatives



KEY CSR INITIATIVES



Education

Heranba believes that education is the cornerstone of progress and essential to building a brighter future for the next generation. The Company's educational projects include:

Vocational Training:

Providing vocational training to underprivileged students in Rajasthan, Gujarat, and Uttar Pradesh, enhancing their skills, improving employability, and encouraging self-reliance.

Educational Development:

Supporting educational initiatives in Maharashtra and Gujarat to create nurturing environments that foster learning and personal growth among young minds.



Health & Sanitation

Heranba Industries is dedicated to promoting the accessibility of health and sanitation, which are fundamental human rights. The Company's efforts in this area include:

Green Community

Toilets: Mobilising funds for the installation of eco-friendly community toilets in the Vapi district of Gujarat. These toilets address sanitation needs while also contributing to environmental sustainability.

Health Care Initiatives: The Company has also mobilised efforts for promoting health care activities & initiatives in the Mumbai district of Maharashtra.



Inclusive Initiatives

Heranba Industries also focuses on inclusive initiatives to support marginalised communities and make social welfare contributions. Key activities include:

Rainwater Harvesting:

The Company has made dedicated efforts, in association with an implementing agency, for rainwater harvesting efforts in the Vapi district of Gujarat, addressing the water needs as well as promoting sustainability in the region.

Empowering Widows:

Distributing sewing machines to underprivileged widows in Maharashtra, enabling them to earn a livelihood and improve their quality of life.

Social Welfare Contributions:

Supporting community well-being through efforts like the Police Welfare Function in Sarigam, Gujarat.

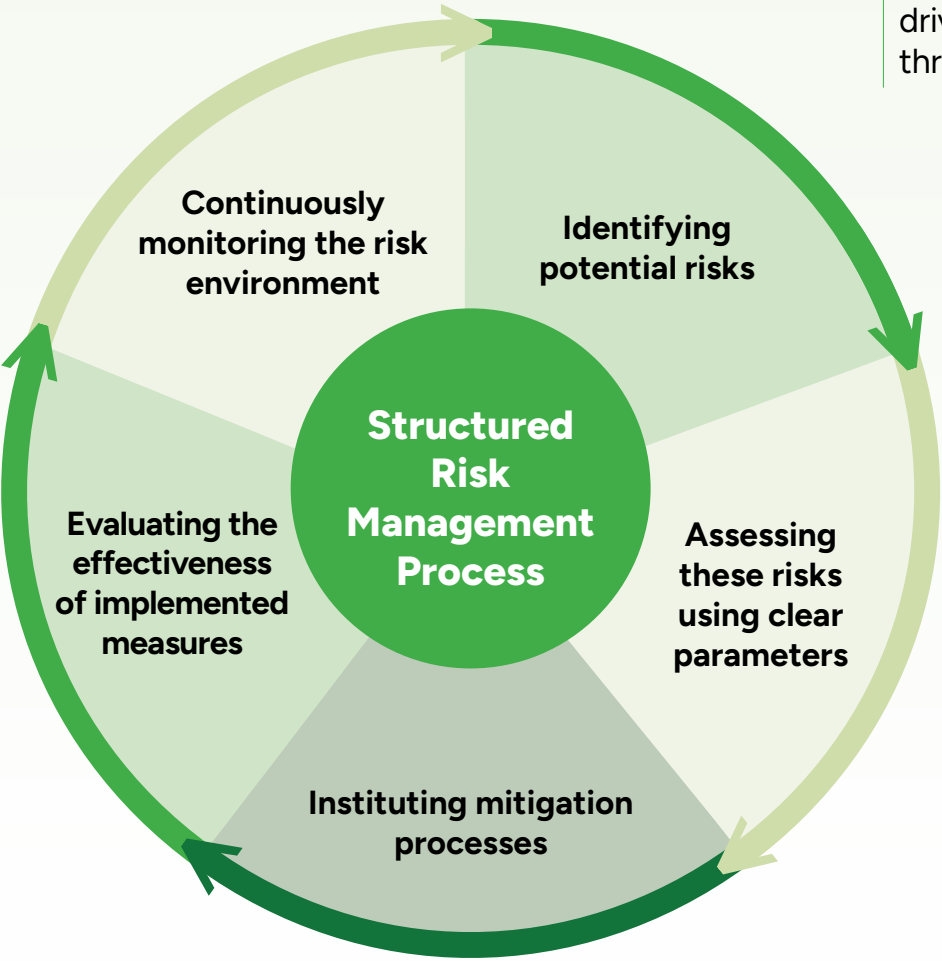
Through these diverse and impactful CSR programs, Heranba Industries remains committed to fostering a more equitable and sustainable society.

RISK MANAGEMENT FRAMEWORK

Safeguarding Through Robust Risk Management

Given the broad reach of our global operations and varied business verticals, we recognise the wide range of risks inherent to our business. In response, we have established a comprehensive risk management framework to systematically identify, assess, and mitigate these risks. This structured methodology empowers us to tackle an extensive spectrum of challenges proactively.

Our commitment to rigorous risk protocols allows us to foresee and directly address potential obstacles in our operations. Instead of considering risk as a barrier, we treat it as a catalyst for innovation and progress. Ongoing monitoring and regular assessments reinforce our culture of proactive risk management, helping to secure our interests and drive sustainable success throughout our business.



Risk type		Mitigation measures	
	Business Operations	Challenges in planning, monitoring, and reporting daily tasks.	We maintain an efficient organisational structure for seamless communication. Adequate raw material inventory and backup power generation guarantee steady production. Our HR function ensures the hiring and retention of skilled personnel and implements cost-control measures.
	Liquidity	Exposure to cash flow limitations, financial constraints, and solvency issues.	Robust financial planning through annual and quarterly budgeting, daily cash flow forecasting, and variance analysis. We use bank cash management services to avoid interest loss and support transactions with guarantees and hedging strategies.
	Credit	Uncertainties surrounding the recovery of outstanding dues.	Established systems evaluate customer creditworthiness and credit control procedures are consistently enforced.
	Logistics	Dependence on third-party transport & logistics solutions.	Partnership with reliable logistics providers, use of multimodal transport (road, rail, sea, air), and comprehensive transit risk insurance for shipments.
	Market & Industry	Fluctuations in demand-supply equation, product quality and quantity, pricing, supplier reliability, and raw material costs.	Multi-source raw material procurement for cost efficiency, utilising experience for production planning, maintaining strong supplier relationships, and active inventory management.
	Human Resource	Workforce turnover, need for ongoing training, potential skill discrepancies.	Strategic recruitment, performance-driven appraisals, regular staff training, and dynamic employee engagement initiatives.
	Disaster	Exposure to natural disasters and unforeseen crises.	Comprehensive property insurance, installation of fire safety systems, regular emergency drills, first-aid training for staff, and coverage under ESI, EPF, and similar schemes.
	System	IT vulnerabilities, data security, and system interoperability.	Continuous IT system monitoring and upgrading, enforced password protocols, use of licensed software, and stringent access controls protect our information assets.

Management Discussion and Analysis

ECONOMIC OVERVIEW

Global Economy

In 2025, the global economy confronts a highly challenging and uncertain environment, driven largely by an abrupt shift in international trade policy. Following a period of relatively stable but modest growth in 2024, the landscape changed markedly at the start of 2025 as governments reprioritized their economic agendas. The United States led the way, implementing wide-ranging new tariffs from January through April, with subsequent policies broadening tariff coverage to near-universal levels and driving effective tariff rates to their highest point in a century. These sweeping measures triggered retaliatory actions from major trading partners, intensifying global trade tensions and amplifying uncertainty in economic forecasts.

This volatility has cast a heavy shadow over the global outlook. According to the IMF's April 2025 reference forecast, which incorporates all major policy moves through early April, world GDP growth is now projected at 2.8% for 2025 and 3.0% for 2026. These figures mark a significant downgrade of 0.8% points cumulatively compared with January estimates, and remain well below the 2000–2019 average of 3.7%. Growth in advanced economies is expected to slow markedly to 1.4% in 2025, with the United States decelerating to 1.8% and the euro area to just 0.8%. Emerging and developing economies are forecast to expand by 3.7% in 2025, rising slightly to 3.9% in 2026, though countries most impacted by new trade measures, such as China, face the deepest downgrades. Meanwhile, global inflation is projected to ease more gradually than previously anticipated, reaching 4.3% in 2025 and 3.6% in

2026, with inflation forecasts revised up for advanced economies but down modestly for developing ones.

Risks to the outlook have tilted decisively to the downside. The escalating risk of a prolonged trade war, coupled with exceptionally high policy uncertainty, threatens both short and long-term growth prospects. Vulnerable economies, especially those with high debt levels, now face growing risks related to asset repricing, sharp exchange rate moves, and capital flow volatility. Demographic pressures, including aging populations and diminishing foreign labour forces, further weigh on economic potential and jeopardize fiscal sustainability. For many developing and low-income nations, waning international support may exacerbate debt distress, compelling abrupt fiscal tightening that would undermine growth and living standards.

Central banks must remain focused on safeguarding price and financial stability, fine-tuning policies amid increasingly complex trade-offs. Managing volatility may require targeted foreign exchange interventions and macroprudential tools to prevent new vulnerabilities. In addition, credible fiscal consolidation and structural reforms will be vital to rebuild fiscal space, reduce inequality, and restore medium-term global growth momentum.

Ultimately, the global economy stands at a pivotal moment. Progress will depend on stronger policy coordination and clear domestic action to bolster confidence and resilience against heightened adversity.

Source: IMF World Economic Outlook, April 2025

Indian Economy

India's economy in 2025 stands out as a model of resilience and dynamism amid a turbulent global landscape. As the world's fastest-growing major economy, India has maintained robust momentum, with real GDP growth for FY2024–25 estimated at 6.4% and forecasts for FY2025–26 ranging from 6.3% to 6.8%. This strong growth keeps India well ahead of its global peers and closely aligned with its decade-long trend, despite significant challenges from international trade disruptions, geopolitical uncertainties, and supply chain constraints.

Growth remains broad-based, fuelled by positive contributions across agriculture, industry, and services. The agricultural sector has rebounded convincingly, registering an expected growth of 3.8%, driven by record Kharif production and rising rural consumption. The industrial sector is projected to expand by 6.2%, underpinned by solid performance in construction, utilities, and a resilient manufacturing base that has weathered external demand headwinds. The services sector continues to be the economy's main driver, growing at a healthy 7.2%. Now accounting for more than 55% of total Gross Value Added, services have seen buoyant gains in IT, financial services, and hospitality,



particularly on the back of surging export demand. Industrial output, especially in steel, automobiles, and electronics, has also strengthened, with electronics seeing especially rapid expansion as global demand for digital infrastructure rises.

Inflation management stands out as a key policy success. Headline retail inflation eased from 5.4% in FY24 to 4.9% by the end of 2024, supported by improved food supply chains and timely government action. The Reserve Bank of India remains confident that inflation will approach its medium-term target of 4% by FY26, establishing a stable environment for both consumers and investors. This macroeconomic stability is bolstered by the government's commitment to fiscal discipline, featuring higher capital expenditures, especially in infrastructure, with enduring multiplier effects. The financial sector has also recorded major progress, as gross non-performing assets fell to a historic low of 2.6%, the credit-to-GDP gap narrowed, and the insurance industry expanded significantly, highlighting a more robust and efficient banking system.

Several persistent growth drivers continue to support India's strong outlook. Domestic consumption remains vibrant, driven by recovering rural demand and steady urban spending. Public investment in infrastructure and manufacturing, along with increased credit availability and banking sector improvements, have further strengthened demand and job creation. The digital economy, in particular, is expanding rapidly and is set to surpass \$1 trillion in value by the end of 2025, positioning India as a critical player in global digital transformation and deepening its integration with the world economy.

Nonetheless, challenges remain. Persistent global uncertainties, including ongoing trade disputes, geopolitical tensions, and volatile commodity prices, pose notable risks. Inflationary pressures, especially from food price swings and potential supply disruptions, require ongoing vigilance. Structurally, further reforms in taxation, labour laws, and governance are essential for sustaining high growth and boosting economic efficiency.

Looking ahead to 2025–26, India's economic outlook remains broadly positive. Growth forecasts reflect confidence in underlying momentum, and continued government emphasis on fiscal consolidation, productive capital spending, and overdue structural reforms should help sustain progress. As India moves toward its longer-term goal of becoming a developed economy by 2047, key policy priorities will include managing inflation, improving workforce productivity, and nurturing a culture of innovation and enterprise. In short, India's economic story in 2025 is defined by its ability to weather global shocks, leverage its intrinsic strengths, and pursue a forward-looking reform agenda, reinforcing its status as a leading force in the global economy.

Source: Economic Survey of India 2024–25, RBI

MANAGEMENT DISCUSSION AND ANALYSIS



INDUSTRY OVERVIEW

Global Crop Protection & Agrochemical Industry

The global crop protection and nutrition industry represents a critical component of modern agriculture, encompassing bio-fertilizers, pesticides, and bio-stimulants that are essential for maintaining global food security. This industry has demonstrated resilience and steady growth, despite facing various challenges including supply chain disruptions, regulatory changes, and geopolitical tensions.

Market Size and Growth Trajectory

During 2019-2024, the global crop protection and nutrition market experienced substantial growth at a compound annual growth rate (CAGR) of 6.2%, expanding from approximately \$75.7 billion in 2019 to \$102.2 billion in 2024. The industry encountered a temporary setback in 2023 with a 2.4% decline due to factors including slowed global demand, elevated energy prices, and erratic monsoon patterns. However, the market recovered in 2024 with

2.2% year-over-year growth, driven by continuous product upgrades and technological advancements.

Looking ahead, the industry is projected to maintain robust growth at a CAGR of approximately 6.3% during the forecast period 2024-2029, potentially reaching \$138.7 billion by 2029. This optimistic outlook is supported by shifting consumption patterns, evolving agricultural practices, increased fertilizer and chemical usage for crop yield enhancement, and growing consumer concerns about food safety.

Regional Market Dynamics

The Asia-Pacific (APAC) region dominates the global crop protection market with a commanding 42% market share in 2024, followed by Europe and South America, each holding 18% of the market. North America accounts for 17% of global consumption, while Africa and the Middle East represent smaller but growing segments at 4% and 1% respectively.

Asia-Pacific Leadership: The APAC region's dominance stems from major agricultural economies including

China, India, Japan, Australia, Indonesia, and Vietnam, which are expanding their use of crop protection chemicals to boost overall production and yield. China stands out as both the largest producer and consumer of crop protection chemicals globally, while India represents one of the largest producers with diverse crops and agro-climatic zones.

Regional Growth Patterns: The APAC region is projected to grow at a CAGR of 5.9% during 2024-2029, while Europe is expected to grow at 5.6%, and South America at an impressive 7.2%. North America, though mature, is anticipated to grow at 4.5% during the same period.

Product Segmentation and Market Structure

The global crop protection industry exhibits interesting dynamics between volume and value across different product categories. Pesticides, despite representing only 12% of total volume consumed, contribute a substantial 68% of total industry revenue, highlighting their premium positioning and value density. In contrast, bio-fertilizers account for 87% of total volume but generate

30% of revenue, reflecting their bulk nature and lower unit prices. Bio-stimulants represent a smaller but growing segment at 2% of revenue.

The pesticide segment includes herbicides, fungicides, and insecticides, with herbicides dominating approximately half of the global crop protection market. This segment is expected to grow at a CAGR of 3.3% during 2024-2029, driven by benefits including increased crop productivity and protection from various pests.

Application Areas and Drivers

The industry serves diverse agricultural applications, with fruits and vegetables commanding the largest market share at 29% of revenue, followed by cereals and grains at 27%. Oilseeds and pulses contribute 22% of total revenue, while other crops account for the remaining 22%.

Several key factors drive industry growth: rising global population necessitating increased food production, shrinking arable land requiring enhanced productivity per hectare, growing awareness of sustainable farming practices, technological innovations in crop protection formulations, and increasing adoption of precision agriculture techniques.

Outlook and Sustainability Trends

The industry is witnessing a significant shift toward sustainable and environmentally friendly solutions. Bio-fertilizers are expected to experience accelerated growth due to increasing environmental awareness and soil contamination concerns. Similarly, bio-stimulants are projected to grow at 5.5% CAGR in value terms during 2024-2029, driven by the rising demand for organic food and sustainable farming methods.

The global crop protection and agrochemical industry stands at a pivotal juncture, balancing the imperative of food security with environmental sustainability,

positioning itself as an essential enabler of modern agriculture's evolution toward more efficient and responsible practices.

Source: CareEdge Research

Indian Crop Protection & Agrochemical Industry

The Indian agrochemical industry has witnessed remarkable growth over the past decade, reinforcing its pivotal role in the global market. Between FY14 and FY23, the domestic pesticide market expanded from ₹368 billion to ₹655 billion, translating to a Compound Annual Growth Rate (CAGR) of 6.6% in INR terms and 3.0% in USD terms, reaching an estimated USD 7.9 billion by FY23. This upward trajectory is expected to continue, with projections indicating a CAGR of 6.0%–6.5% through FY28, driven by increasing domestic consumption and a surge in global demand for Indian agrochemical products.

A major factor fuelling this momentum has been the steady rise in pesticide production. Covering 42 technical grades, India's total pesticide output increased from 217 thousand tonnes in FY19 to 280 thousand tonnes in FY24, reflecting a CAGR of 4.5%. In FY24 alone, production climbed by 9% year-on-year, supported by stable pricing trends and the clearance of excess inventory, which allowed for higher capacity utilization.

However, the industry continues to face certain structural challenges, particularly in terms of raw material dependencies. A significant portion of India's pesticide intermediates,

especially technical-grade insecticides, is imported from China. Supply chain disruptions arising from environmental compliance-related shutdowns in China have highlighted this vulnerability. To mitigate such risks, the Indian government is actively considering expanding the scope of the Production Linked Incentive (PLI) scheme to cover agrochemical manufacturing, thereby promoting backward integration, and reducing reliance on imports. Additionally, the global "China-plus-one" strategy, aimed at diversifying supply chains away from China, positions India, currently the fourth-largest producer and 13th-largest exporter of agrochemicals, as a compelling alternative sourcing hub.

India's export performance underscores this potential. The country is a net exporter of agrochemicals, with export volumes of technical-grade and formulated pesticides rising from 461 thousand tonnes in FY19 to 630 thousand tonnes in FY24, registering an impressive 8.1% CAGR — significantly outpacing production growth. Export value grew even faster, at a CAGR of 18.2%, increasing from ₹23,71,993 million in FY20 to ₹34,70,745 million in FY24. These gains highlight not only robust global demand but also the growing value addition and pricing power of Indian manufacturers. Key competitive advantages such as cost-efficient labour, well-developed chemical manufacturing clusters, and proactive government policies aimed at boosting domestic production further reinforce India's standing in the global agrochemical landscape.



MANAGEMENT DISCUSSION AND ANALYSIS

KEY GROWTH DRIVERS

1 Agriculture’s Central Role

- Agriculture supports the livelihood of ~58% of India’s population and contributed 15.1% to the country’s Gross Value Added (GVA) in FY23.
- Expansion in allied sectors such as livestock, dairy, and fisheries has complemented agricultural growth.
- Government initiatives including improved credit access, food processing incentives, and food subsidies have strengthened agricultural output.
- Rising agricultural productivity directly drives higher agrochemical consumption for yield improvement and crop protection.

2 Government Support

- Policy measures and budget allocations are focused on rural income enhancement and farm productivity.
- Easier access to credit and low-interest loans encourage pesticide use.
- Increases in Minimum Support Prices (MSPs) for key crops stimulate demand for agrochemicals.
- Initiatives promoting natural and organic farming create new markets for eco-friendly crop protection products.

3 Rising Food Demand

- Population growth, coupled with stagnant cultivable land, is increasing pressure on yields.
- Per-hectare pesticide usage in India remains one of the lowest globally, signaling substantial headroom for growth.

4 Expansion in Horticulture and Floriculture

- Fruits and vegetables account for nearly 90% of India’s horticultural production.
- Health-conscious consumers are driving demand for fresh produce.
- Greater focus on reducing post-harvest losses is expected to boost fungicide usage.

5 Growing Adoption of Biopesticides

- Awareness of sustainable farming practices and integrated pest management (IPM) is rising.
- The small but expanding biopesticide segment presents significant opportunities for innovation.

6 Opportunities from Off-Patent Molecules

- Approximately USD 5 billion worth of pesticide molecules are expected to go off-patent by FY27, opening avenues for Indian companies to develop cost-effective generics and strengthen exports.

7 Export-Led Growth

- Agrochemical exports grew at an 8.1% CAGR between FY19 and FY24.
- Exports are projected to reach ₹385 billion by FY2025, reinforcing India’s contribution to the broader chemical export sector and aligning with the USD 5 trillion economy target.



Source: CareEdge Research

COMPANY OVERVIEW

Heranba Industries Limited (HIL) is a leading agrochemical Company in India founded by technocrats Sadashiv Shetty and Raghuram Shetty. Heranba’s mission is to improve Crop Productivity and Public Health, reflecting a deep commitment to global wellness through innovative, science-driven solutions. The passion lies in delivering innovative solutions to farmers that boost farm efficiency.

The Company is a leading manufacturer of intermediates, technical-grade products, and formulations catering to farmers as well as institutional clients. The Company delivers a complete range of crop protection solutions to the farming community, from insecticides, fungicides, herbicides, and plant growth regulators, as a trusted one-stop partner for its customers’ agricultural needs worldwide.

HIL operates 7 advanced manufacturing and packaging facilities strategically located across the industrial hubs of Vapi, Saykha, and Sarigam in Gujarat and Boisar in Maharashtra. The Company’s operations are supported by 3 state-of-the-art Research and Development (R&D) centres, where a dedicated team focuses on new product commercialisation, process optimization, and continuous innovation. In addition, HIL’s strong product registration team plays a crucial role in expanding its global presence by ensuring timely approvals across international markets.

With a broad product portfolio, strong R&D expertise, and a disciplined growth strategy, Heranba Industries is well-positioned to strengthen its global footprint and emerge as a major player in the agrochemical sector. Its offerings span a wide range of crop protection solutions, including herbicides, insecticides, and fungicides, helping farmers protect their crops from weeds, pests, and diseases to enhance productivity and profitability.

Primarily operating in the off-patent segment, HIL focuses on delivering proven, cost-effective products while also developing proprietary formulations to meet evolving market needs. The Company is recognized as one of the largest domestic producers of synthetic pyrethroids and is actively diversifying into other agrochemical categories to expand its market reach. Its product range also includes an extensive portfolio of insecticides, herbicides, fungicides, and pest control products for public health applications.

Heranba Industries has established a strong international presence, exporting to key markets across the Middle East, Commonwealth of Independent States (CIS), Asia, Southeast Asia, and Africa. In addition, the Company is steadily advancing its expansion into developed regions such as the United States and Europe, leveraging its manufacturing expertise and innovative product pipeline to meet the growing global demand for effective and sustainable crop protection solutions.

RISKS AND CONCERNS

In FY25, Heranba Industries continued to navigate a challenging macroeconomic environment and persistent industry headwinds that first emerged in FY23. The agrochemical sector has been impacted by a variety of factors such as subdued demand driven by supply-chain destocking across key markets, a general slowdown in overall demand, and declining price realisations for agrochemical products. Additionally, heightened competition from Chinese manufacturers and elevated inventory levels within export market supply chains further intensified industry pressures.

Despite these challenges, the Company demonstrated resilience by maintaining its focus on strategic priorities, including new product commercialization, CAPEX projects execution at Saykha and Sarigam, and brand-building initiatives geared

towards strengthening the domestic branded formulations vertical. Heranba Industries remains confident in its ability to overcome these industry headwinds and is committed to delivering sustained value to its customers and shareholders.

Given that agrochemical demand is closely linked to the agricultural sector, it remains sensitive to weather-related factors, including extreme conditions such as droughts, floods, intermittent rainfalls, and other natural calamities. Prolonged adverse weather patterns in India or the Company’s international markets can significantly impact product demand and, in turn, affect operational and financial performance.

Furthermore, due to the nature of its product portfolio, Heranba Industries faces inherent risks related to contamination, adulteration, and tampering during manufacturing, transportation, and storage. Any such lapses could potentially result in product liability or recall claims if the goods fail to meet quality standards or are alleged to cause harm. While the Company adheres to stringent manufacturing protocols and rigorous quality testing to mitigate these risks, it cannot entirely eliminate them.

For a detailed overview of the Company’s Risks and Risk Management Framework, please refer to page number 36.

FY25 PERFORMANCE REVIEW & OUTLOOK

Revenue from Operations for FY25 stood at ₹1,495.90 crore, reflecting a YOY growth of 17% compared to ₹1,274.75 crore in FY24. While the Company recorded healthy volume growth during the year, industry-wide pricing pressures limited the full translation of this growth into top line performance.

EBITDA for FY25 was ₹128.81 crore, a marginal increase from ₹126.99 crore in FY24. EBITDA margins, however, declined to 8.4% from 9.7%

MANAGEMENT DISCUSSION AND ANALYSIS

in the previous year, primarily due to lower price realizations and the impact of higher operating costs associated with the ramp-up of recently commissioned capacity expansion projects.

As a result, Profit After Tax (PAT) for FY25 stood at ₹54.00 crore compared to ₹66.35 crore in FY24. The decline in profitability was further influenced by higher depreciation and finance costs during the year.

Despite these short-term challenges, Heranba Industries continues to maintain a strong balance sheet. With an expected recovery in product pricing, an improved demand outlook, and incremental capacities coming onstream, the Company remains optimistic about achieving a stronger financial performance in the coming years.

Financial Ratios & Remarks

Particulars	FY25	FY24	Change	Remarks
Current Ratio	1.21	1.56	-22.44%	-
Debt-Equity Ratio	0.26	0.16	62.68%	Fresh borrowings taken during the year
Debt Service Coverage Ratio	4.04	8.09	-49.99%	Fresh borrowings taken during the year
Return on Equity ratio (ROE)	5.99%	14.39%	-23.58%	-
Inventory Turnover Ratio	4.55	3.29	38.05%	Increase in cost of goods production
Trade Receivables Turnover Ratio	2.83	2.88	-1.79%	-
Trade Payables Turnover Ratio	3.67	4.65	-21.19%	-
Net Capital Turnover Ratio	6.75	3.22	109.61%	Increase in sales and decrease in working capital
Net Profit Ratio	3.61%	5.21%	-30.66%	Increase in cost of goods production
Return on Capital Employed (ROCE)	8.61%	10.04	-14.32%	-
Return on Investment (ROI)	0.43%	0.90%	-52.30%	-



HUMAN RESOURCE AND INDUSTRIAL RELATIONS

Heranba Industries regards its people as its greatest strength and the cornerstone of its sustained growth. The Company is committed to fostering both the professional and personal development of its employees, with the objective of unlocking their full potential and aligning individual growth with organisational goals.

To support this vision, Heranba places significant emphasis on training and upskilling programs designed to meet evolving business needs. By providing continuous learning opportunities, the Company empowers its workforce to remain agile, relevant, and capable of delivering high performance.

Employee motivation is further reinforced through performance-based compensation and recognition schemes that reward dedication, productivity, and exceptional contributions. This approach nurtures a culture of meritocracy, excellence, and continuous improvement across the organisation.

Heranba's management team represents a blend of experienced industry professionals and dynamic young talent. This balanced mix ensures a steady infusion of innovative ideas while leveraging deep industry expertise, creating a vibrant and collaborative work environment. The Company is committed to maintaining an equitable balance between employee satisfaction and organisational performance, recognising that an engaged workforce is critical to long-term success.

Heranba expresses its sincere appreciation to its employees for their dedication and invaluable contributions, which have been instrumental in driving the Company's growth and strengthening its competitive position in the agrochemical sector.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established a robust internal control framework to safeguard its assets, ensure operational efficiency, and maintain financial discipline. All business transactions are subject to strict approval protocols, systematically documented, and reported to management within defined timelines. Adherence to applicable accounting standards is ensured, thereby enabling the accurate and transparent presentation of financial statements.

The Audit Committee of the Board defines the scope, methodology, and frequency of internal audits. Internal auditors conduct detailed reviews of the Company's operations, evaluating the effectiveness of controls, compliance with policies and procedures, and adherence to sound accounting practices. Their findings are submitted in periodic reports to the Audit Committee, which in turn monitors the implementation of corrective measures by respective process owners.

Based on these reviews, internal auditors have confirmed that the Company's internal control

framework is strong, efficient, and effective, providing a high degree of operational assurance.

In addition, the Board has put in place a comprehensive legal compliance framework that ensures adherence to all applicable laws and regulations. This framework reinforces the Company's commitment to ethical governance, risk mitigation, and responsible business conduct.

CAUTIONARY STATEMENT

Some of the statements in this "Management Discussion and Analysis", describing the Company's objectives, projections, estimates, expectations, and predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company's operations are influenced by many external and internal factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, based on any subsequent developments, information, or events.



Corporate Information

CIN	L24231GJ1992PLC017315
REGISTERED OFFICE	Plot No. 1504/1505, 1506/1, at III Phase GIDC, Vapi, District – Valsad, Gujarat. Telephone: +91-260-240 1646
CORPORATE OFFICE	2 nd Floor, A Wing, Fortune Avirahi, Jain Derasar Road, Borivali (West), Mumbai-400092 Telephone: +91-22-2898 7912/5070 5050
PLANT	LOCATION
Unit-I	Plot No. 1504/1505, 1506/1, at III Phase GIDC, Vapi, District – Valsad, Gujarat-396 195.
Unit-II	Plot No. A-2/2214, A-2/2215, III Phase GIDC, Vapi, District – Valsad, Gujarat-396 195.
Sarigam Plant	Plot No.2817/1/1, Chemical Zone, GIDC Sarigam, Taluka – Umbergaon, District – Valsad, Gujarat-396155. Plot No.2817/1/2, Chemical Zone, GIDC Sarigam, Taluka – Umbergaon, District – Valsad, Gujarat-396155.
Unit-IV	Plot No.1409, GIDC, Phase-III, Vapi – 396 195
Saykha Plant	Plot No-C-195 & C-196, GIDC, Saykha, Ta-Vagra, Dist-Bahruch-392140
Tarapur Plant	E/4, M.I.D.C, Tarapur, Boisar-401506
WEBSITE	www.heranba.co.in
E-MAIL	compliance@heranba.com
NAME OF THE STOCK EXCHANGES	STOCK CODE NO.
BSE Limited (“BSE”)	543266
National Stock Exchange of India Limited (“NSE”)	HERANBA
ISIN NO.	INE694N01015

BOARD OF DIRECTORS

Chairman

Mr. Sadashiv K. Shetty

Managing Director

Mr. Raghuram K. Shetty

Executive Directors

Mr. Raunak R. Shetty

Mr. Shriraj S. Shetty

Independent Directors

Mr. Mulky V. Shetty

Mr. Anilkumar M. Marlecha

Mr. Ganesh N. Vanmali

Ms. Reshma D. Wadkar

KMP OTHER THAN DIRECTORS

*Mr. Rajkumar Bafna – Chief Financial Officer

(* Resigned w.e.f. June 30, 2025)

Mr. Abdul Latif – Company Secretary

BANKERS

Bank of Baroda

HDFC Bank Limited

CTBC Bank

REGISTRAR & SHARE TRANSFER AGENT

M/s. Bigshare Services Private Limited.,

Office No S6-2, 6th Floor, Pinnacle Business Park,

Next to Ahura Centre,

Mahakali Caves Road, Andheri (East)

Mumbai – 400093

STATUTORY AUDITOR

N V C & Associates LLP,

Chartered Accountants

SECRETARIAL AUDITOR

GMJ & Associates,

Company Secretaries

COST AUDITOR

M/s Tapan Gaitonde & Co.,

Cost Accountants

Notice

NOTICE is hereby given that the 33rd (**Thirty-Third**) Annual General Meeting of the members of Heranba Industries Limited ("**Company**") will be held on **Wednesday, September 24, 2025 at 03.00 p.m.** through Video Conferencing (VC)/Other Audio Visual Means (OAVM) facility to transact the following business:

ORDINARY BUSINESS:

1. **Adoption of Audited Financial Statements (Standalone and Consolidated) along with Reports of Board and Auditors for the Financial Year ended in March 31, 2025:**

To receive, consider and adopt the Audited Standalone and Consolidated financial statements, namely (i) the Audited Balance Sheet as at March 31, 2025, (ii) the Audited Profit and Loss Account for the financial year ended March 31, 2025, (iii) the Audited Cash Flow Statement for the financial year ended March 31, 2025, (iv) Statement of Changes in Equity as on March 31, 2025, (v) Notes annexed to, or forming part of, the documents referred to in (i) to (iv) above and the reports of the Board of Directors and the Auditors thereon.

2. **Confirmation and Declaration of final Dividend for the financial year ended March 31, 2025:**

To confirm and declare a final dividend @ ₹ 1/- (Rupees One Only) per equity share of the face value of ₹ 10.00 (Rupees Ten) each (i.e. 10 % of the face value) for the financial year ended March 31, 2025.

3. **Appointment of a director in place of Shri Raunak R Shetty (DIN: 08006529):**

To appoint a director in place of **Shri Raunak R Shetty (DIN: 08006529)**, Whole time director designated as Executive Director retired by rotation being eligible for the re-appointment, offers himself for re-appointment.

4. **Appointment of a director in place of Shri Shiraj S Shetty (DIN: 06609014):**

To appoint a director in place of **Shri Shiraj S Shetty (DIN: 06609014)**, Whole time director designated as Executive Director retired by rotation being eligible for the re-appointment, offers himself for re-appointment.

SPECIAL BUSINESS:

5. **Ratification of the remuneration payable to the Cost Auditors of the Company for the Financial Year 2025-26:**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time

being in force), and upon recommendation of the Audit Committee and as proposed by the Board of Directors, consent of the members of the Company be and is hereby accorded to pay remuneration of **₹ 2,00,000/- (Rupees Two Lakhs Only) plus GST thereon and reimbursement** of out of pocket expenses at actual to **M/s Tapan Gaitonde & Co., Cost Accountant, Mumbai (Firm Registration No. 104043)** who has been appointed by the Board as Cost Auditors of the Company for the financial year 2025-26;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is/are hereby authorised to finalise, sign, settle and execute such documents/deeds/writings/papers/agreements as may be required and to take from time to time all decisions and such steps as may be necessary and to do all acts, deeds, matters and things as may in its absolute discretion deem necessary, proper or desirable and to settle any question(s), difficulty(ies) or doubt(s) that may arise in this regards in the best interest of the Company."

6. **Appointment of the Secretarial Auditor of the Company:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Section 204(1) of the Companies Act, 2013 ("**Act**") read with the rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("**Rules**") and such other applicable provisions of the Act and Rules, (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Regulation 24A of the SEBI (LODR) Regulations, 2015 (including any amendment(s), modification(s) or re-enactment thereof ("**Listing Regulations**") and subject to such approvals, consents, sanctions and permissions as may be required and necessary, read with Regulation 24A of the SEBI (LODR) Regulations, 2015, M/s. **GMJ & Associates**, a firm of Company Secretaries in Practice bearing Peer Review No-: 6140/2024 be and are hereby appointed as the Secretarial Auditors of the Company for a period of 5 (five) years from FY 2025-26 till FY 2029-30 at a remuneration as may be mutually decided and agreed between Board of Directors/Audit Committee and Secretarial Auditor to conduct the secretarial audit of the Company as per the Acts, Rules and Listing Regulations;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is/are hereby authorised to finalise, sign, settle and execute such

documents/deeds/writings/papers/agreements as may be required and to take from time to time all decisions and such steps as may be necessary and to do all acts, deeds, matters and things as may in its absolute discretion deem necessary, proper or desirable and to settle any question(s), difficulty(ies) or doubt(s) that may arise in this regards in the best interest of the Company."

7. **Approval of the limits for the loans and investment under section 186 of the Companies Act, 2013:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 (**"Act"**) read with the Companies (Meetings of Board and its Powers) Rules, 2014 (**"Rules"**) and such other applicable provisions of the Act and Rules, (including any statutory modification(s) or re-enactment thereof for the time being in force), read with the Articles of Association of the Company and subject to such approvals, consents, sanctions and permissions as may be required and necessary, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company; and/or (d) to make investment by way of subscription, purchase, trading or otherwise, in the securities of any body-corporate (whether listed or not) from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding ₹ 1,000 Crores (Rupees One Thousand Crores Only), notwithstanding that such investments, outstanding loans given or to be given and guarantees and/or security provided may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is/are hereby authorised to finalise, sign, settle and execute such documents/deeds/writings/papers/agreements as may be required and to take from time to time all decisions

and such steps as may be necessary and to do all acts, deeds, matters and things as may in its absolute discretion deem necessary, proper or desirable and to settle any question(s), difficulty(ies) or doubt(s) that may arise in this regards in the best interest of the Company."

8. **Approval of advancing/providing the loans, guarantee, or security under section 185 of the companies act, 2013:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 185 of of the Companies Act, 2013 (**"Act"**) read with the Companies (Meetings of Board and its Powers) Rules, 2014 (**"Rules"**) and such other applicable provisions of the Act and Rules, (including any statutory modification(s) or re-enactment thereof for the time being in force), read with the Articles of Association of the Company and subject to such approvals, consents, sanctions and permissions as may be required and necessary, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) to advance any loan including any loan represented by book debts or give any guarantee or provide any security in connection with any loan taken by any entity or group entities being Holding Company, Subsidiary Company, Joint Venture, Associate Company or any Company in which Directors are deemed to be interested as specified in the explanation to sub-section 2 of section 185 of the Act (collectively referred to as the "Entities"), upto an outstanding amount of ₹ 1,000 Crores (Rupees One Thousand Crores only) in their absolute discretion deem beneficial and in the interest of the Company provided that the aforesaid Loan/Security/Guarantee shall be utilized by the borrowing Company for its principal business activities;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is/are hereby authorised to finalise, sign, settle and execute such documents/deeds/writings/papers/agreements as may be required and to take from time to time all decisions and such steps as may be necessary and to do all acts, deeds, matters and things as may in its absolute discretion deem necessary, proper or desirable and to settle any question(s), difficulty(ies) or doubt(s) that may arise in this regards in the best interest of the Company."

9. Approval of material related party transactions

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (**"Act"**) read with the Companies (Meetings of Board and its Powers) Rules, 2014 (**"Rules"**) and such other applicable provisions of the Act and Rules, (including any statutory modification(s) or re-enactment thereof for the time being in force), read with the Articles of Association of the Company and Regulation 23 (4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment(s), modification(s) or re-enactment thereof (**"Listing Regulations"**) and the Company's Related Party Transaction Policy (as amended from time to time) and pursuant to the approval of the Audit Committee and the Board of Directors of the Company and subject to such approvals, consents, sanctions and permissions as may be required and necessary, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) to continue and/or enter into contract(s)/ arrangement(s)/transaction(s) with Related Parties as

detailed in the Explanatory Statement annexed to this notice with respect to (i) Sale, purchase or supply of the goods or materials and/or (ii) Selling or otherwise disposing off, or buying, property of any kind and/or (iii) Leasing of the property of any kind and/or (iv) Availing or rendering services (v) the appointment to any office or place of profit at a monthly remuneration exceeding two and a half lakh rupees and/or (vi) providing and/or receiving of loan, guarantee and/or securities and/or (vii) making investment and/or (viii) any other transaction of whatever nature, notwithstanding that such transactions may exceed 10% of the Consolidated Turnover of the Company or such other threshold limits as may be specified by the Listing Regulations from time to time, up to such extent and on such terms and conditions as the Board of Directors may deem fit, in the normal course of business and on arm's length basis, within the aggregate limits and during the financial years as mentioned in the explanatory statement.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is/are hereby authorised to finalise, sign, settle and execute such documents/deeds/writings/papers/agreements as may be required and to take from time to time all decisions and such steps as may be necessary and to do all acts, deeds, matters and things as may in its absolute discretion deem necessary, proper or desirable and to settle any question(s), difficulty(ies) or doubt(s) that may arise in this regards in the best interest of the Company."

By order of the Board
For **Heranba Industries Limited**

Date: August 12, 2025
Place: Mumbai

Mr. Abdul Latif
Company Secretary,
ACS-17009

Registered Office:
Plot No. 1504/1505/1506/1,
GIDC, Phase-III,
Vapi, Valsad - 396195
Gujarat

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") read with SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meeting issued by Institute of Company Secretaries of India is annexed hereto.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulation (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022, December 28, 2022, September 25, 2023 and September 19, 2024 respectively ("MCA Circulars") has allowed conducting of Annual General Meeting ("AGM") by companies through Video Conferencing/Other Audio-Visual Means ("VC/OAVM") facility upto September 30, 2025, in accordance with the requirements provided in paragraph 3 and 4 of the MCA General Circular No. 20/2020. The Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/CFD/PoD/P/CIR/2023/4 dated January 5, 2023, Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 ("SEBI Circulars") has provided certain relaxations from compliance with certain provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has allowed companies:
 - (i) To send the annual reports to shareholders who have registered their email ID with the Company/Depositories only on email; and
 - (ii) To hold Annual General Meeting ("AGM") through VC or OAVM without the physical presence of members at a common venue.

Hence, in accordance with these Circulars, the 33rd AGM of the Members of the Company is being held through VC/OAVM. The venue of the Meeting shall be deemed to be the registered office of the Company. The detailed procedure for participating in the meeting through VC/OAVM is given below herewith and available at the Company's website www.heranba.co.in.
3. **Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**

However, in pursuance of Section 112 and 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-Voting.
4. In case of joint holders attending the Meeting, the member whose name appears as the first holder in the order of names as per Register of Members will be entitled to vote.
5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF/NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body resolution/authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-Voting. The said resolution/authorisation shall be sent to the Scrutiniser by email through its registered email address to cs@gmj.co.in at least 48 hours before the commencement of AGM.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. **September 24, 2025** on the website of the Company at www.heranba.com. Members seeking to inspect such documents can send an email to compliance@heranba.com
7. Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India, details of Directors seeking re-appointment and proposal for continuation of directorship of **Mr. Shriraj S Shetty (DIN: 06609014) and Mr. Raunak R Shetty (DIN: 08006529)** forms part of this notice and is appended to the notice.
8. Members are requested to address all correspondence in connection with shares held by them, to the Company's Registrar & Transfer Agent ("RTA") at viz., Bigshare Services Private Limited, Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, Telephone No-022-62638200/222, Email id-investor@bigshareonline.com by quoting their Folio number or their DPID and Client ID number, as the case may be.
9. In accordance with the provisions of the Income Tax Act, 1961 as amended from time to time, dividend declared and paid by the Company is taxable in the hands of its member and the Company is required to deduct Tax at Source (TDS) from dividend paid to the members at the applicable rates. As such, whenever dividend is declared an email will be sent to the registered email ID of the members intimating about detailed process to be followed for submission of documents/declarations. Sufficient time will be provided for submitting the

documents/declarations by the members who would desire to claim beneficial tax treatment.

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to RTA's email ID investor@bigshareonline.com. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to RTA's email ID investor@bigshareonline.com.

10. Members are requested to do following, if not done yet:
 - (i) Provide/update details of their bank accounts indicating the name of the bank, branch, account number and the nine-digit MICR code and IFSC code (as appearing on the cheque) along with photocopy of the cheque/cancelled cheque, self- attested identity proof and address proof, for remittance of dividend through ECS/NEFT and prevent fraudulent encashment of dividend warrants.
 - (ii) Dematerialise the shares held by them in physical form.
 - (iii) Update Permanent Account Number (PAN) against folio/demat account as also for deletion of name of deceased holder, transmission/transposition of shares.
 - (iv) Members holding shares in dematerialised form are requested to intimate/update all particulars of bank mandates, PAN, nominations, power of attorney, change of address, e-mail address, contact numbers etc. to their Depository Participants (DPs).
11. NRI Members are requested to inform the RTA immediately:
 - (i) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier; and
 - (ii) Change in their residential status and address in India on their return to India for permanent settlement.
12. In terms of Sections 124 of the Act, any dividend remaining unpaid for a period of seven years from the due date of payment and underlying shares thereon are required to be transferred to the Investor Education and Protection Fund (IEPF). Shareholders can visit the Company's website www.heranba.co.in to get the details of unclaimed dividend under the Investors' section and claim the same timely to avoid transfer of the same and underlying shares thereon to IEPF account- if any.
13. Pursuant to provisions of section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all the underlying shares on which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred to IEPF authority as notified by the Ministry of Corporate Affairs.
14. To support the green initiative and as per relaxation given by the Government, only electronic copy of the Annual report for the year ended March 31, 2025 and notice of the 33rd AGM are being sent to the members whose mail IDs are available with your Company/DP(s). Physical copy of the report is not sent to anyone. Annual Report and the notice of the 33rd Annual General Meeting are also posted on the website www.heranba.co.in for download. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of Bigshare Services Pvt. Ltd. (agency for providing the remote e-Voting facility and e-Voting system during the AGM) i.e. www.bigshareonline.com. However, in terms of Regulation 36 (1) (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the hard copy of full annual report will be sent to those shareholders who request for the same. Members seeking for hard copy of an annual report can send an email to the Company at compliance@heranba.com.
15. To disseminate all the communications promptly, members who have not registered their email IDs so far, are requested to register the same with DP/RTA for receiving all the communications including Annual Reports, Notices etc. electronically: (i) Registration of email ID for shareholders holding physical shares: Members holding Equity Shares of the Company in physical form and who have not registered their email addresses may get their email addresses registered with RTA, Bigshare Services Private Limited, by clicking the link: <https://www.bigshareonline.com/InvestorRegistration.aspx> on their website [https://www.bigshareonline.com/Index.aspx](http://www.bigshareonline.com/Index.aspx) at the Investor Services tab by choosing the email/bank registration heading and follow the registration process as guided therein. Members are requested to provide details such as Name, folio number, certificate number, PAN, mobile number and email ID and also upload the image of share certificate in PDF or JPEG format (upto 1 MB). On submission of the shareholders details a OTP will be received by the shareholder which needs to be entered in the link for verification. (ii) For temporary registration for Demat shareholders: Members of the Company holding Equity Shares of the Company in demat form and who have not registered their email addresses may temporarily get their email addresses registered with Bigshare Services Private Limited, by clicking the link: <https://www.bigshareonline.com/InvestorRegistration.aspx> on their website www.bigshareonline.com at the Investor Services tab by choosing the email registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID/Client ID, PAN, mobile number and email ID. This email ID will be used for sending annual report, notices for general meetings and other corporate communications as permitted.

16. Since the AGM will be held through VC/OAVM in accordance with the Circulars, the route map is not attached to this Notice.
17. The Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Bigshare Services Pvt. Ltd. for facilitating voting through electronic means, as the authorised e-Voting agency. The facility of casting votes by a member using remote e-Voting as well as the e-Voting system on the date of the AGM will be provided by Bigshare Services Pvt. Ltd.
18. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
19. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
20. The Company has fixed **September 17, 2025** as the Record Date for determining the eligibility and entitlement of the Members to the Final Dividend for the Financial Year ended March 31, 2025. Further the Registrar of Members and Share Transfer Books of the Company will remain closed **from September 18, 2025 to September 24, 2025** (both days inclusive) for the purpose of 33rd Annual General Meeting of the Company.
21. The Company has fixed **September 17, 2025** as the Cut-off date for the purpose of Remote e-Voting for ascertaining the name of the Shareholders holding shares both in physical form or dematerialization form who will be entitled to cast their votes electronically in respect of the business to be transacted at the 33rd AGM of the Company.
22. Instructions for Shareholders for Remote e-Voting and for Shareholders joining the AGM through VC/OAVM & e-Voting during Meeting are given as **Annexure-I**.
23. M/s. **GMJ & Associates**, a firm of Company Secretaries in Practice bearing Peer Review No-: 6140/2024 has been appointed as the Scrutiniser to scrutinise the voting and remote e-Voting process in a fair and transparent manner.
24. The Scrutiniser will submit his report to the Chairman of the Company or to any other person authorised by the Chairman after the completion of the scrutiny of the e-Voting (votes casted during the AGM and votes casted through remote e-Voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutiniser's report shall be communicated to the Stock Exchanges, and RTA and will also be displayed on your Company's website, <https://www.heranba.co.in>

By order of the Board
For **Heranba Industries Limited**

Date: August 12, 2025
Place: Mumbai

Mr. Abdul Latif
Company Secretary,
ACS-17009

Registered Office:
Plot No. 1504/1505/1506/1,
GIDC, Phase-III,
Vapi, Valsad - 396195
Gujarat

Annexure-I

Bigshare i-Vote E-Voting System

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- i. The voting period begins on September 20, 2025, 09:00 A.M. and ends on September 23, 2025, 5:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 17, 2025 may cast their vote electronically. The e-Voting module shall be disabled by Bigshare Services Pvt Ltd. for voting thereafter.
 - ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - iii. Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
 - iv. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
1. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest is https://web.cdslindia.com/myeasitoken/home/login or visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2) After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-Voting to **all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

1. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below: (Contd.)

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page with all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-vote (e-Voting website) for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free No. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022- 48867000.

2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on **"LOGIN"** button under the **'INVESTOR LOGIN'** section to Login on E-Voting Platform.
- Please enter you **'USER ID'** (User id description is given below) and **'PASSWORD'** which is shared separately on you register email id.
 - o Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
 - o Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
 - o Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

Note If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any Company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on **'LOGIN'** under **'INVESTOR LOGIN'** tab and then Click on **'Forgot your password?'**
- Enter **"User ID"** and **"Registered email ID"** Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on **'Reset'**.

(In case a shareholder is having valid email address, Password will be sent to his/her registered e-mail address).

Voting method for shareholders on i-Vote e-Voting portal:

- After successful login, **Bigshare e-Voting system** page will appear.
- Click on **"VIEW EVENT DETAILS (CURRENT)"** under **'EVENTS'** option on investor portal.
- Select event for which you are desire to vote under the dropdown option.

- Click on **"VOTE NOW"** option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option **"IN FAVOUR", "NOT IN FAVOUR"** or **"ABSTAIN"** and click on **"SUBMIT VOTE"**. A confirmation box will be displayed. Click **"OK"** to confirm, else **"CANCEL"** to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can **"CHANGE PASSWORD"** or **"VIEW/UPDATE PROFILE"** under **"PROFILE"** option on investor portal.

3. Custodian registration process for i-Vote e-Voting Website:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on **"REGISTER"** under **"CUSTODIAN LOGIN"**, to register yourself on Bigshare i-Vote e-Voting Platform.

- Enter all required details and submit.

- After Successful registration, message will be displayed with **"User id and password will be sent via email on your registered email id"**.

NOTE: If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any Company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on **'LOGIN'** under **'CUSTODIAN LOGIN'** tab and further Click on **'Forgot your password?'**
- Enter **"User ID"** and **"Registered email ID"** Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on **'RESET'**.

(In case a custodian is having valid email address, Password will be sent to his/her registered e-mail address).

Voting method for Custodian on i-Vote e-Voting portal:

- After successful login, **Bigshare e-Voting system** page will appear.

Investor Mapping:

- First you need to map the investor with your user ID under **"DOCUMENTS"** option on custodian portal.
 - o Click on **"DOCUMENT TYPE"** dropdown option and select document type power of attorney (POA).
 - o Click on upload document **"CHOOSE FILE"** and upload power of attorney (POA) or board resolution for respective investor and click on **"UPLOAD"**.
- Note:** The power of attorney (POA) or board resolution has to be named as the **"InvestorID.pdf"** (Mention Demat account number as Investor ID.)
- o Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select **"VOTE FILE UPLOAD"** option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on **"UPLOAD"**. Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can **"CHANGE PASSWORD"** or **"VIEW/UPDATE PROFILE"** under **"PROFILE"** option on custodian portal.

Helpdesk for queries regarding e-Voting:

Login type	Helpdesk details
Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/investor have any queries regarding e-Voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at https://ivote.bigshareonline.com , under download section or you can email us to ivote@bigshareonline.com or call us at: 022-62638338

4. Procedure for joining the AGM/EGM through VC/OAVM:**For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- The Members may attend the AGM through VC/OAVM at <https://ivote.bigshareonline.com> under Investor login by using the e-Voting credentials (i.e., User ID and Password).
- After successful login, **Bigshare e-Voting system** page will appear.
- Click on **"VIEW EVENT DETAILS (CURRENT)"** under **'EVENTS'** option on investor portal.
- Select event for which you are desire to attend the AGM/EGM under the dropdown option.
- For joining virtual meeting, you need to click on **"VC/OAVM"** link placed beside of **"VIDEO CONFERENCE LINK"** option.
- Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of

reckoning the quorum under Section 103 of the Companies Act, 2013.

The instructions for Members for e-Voting on the day of the AGM/EGM are as under:

- The Members can join the AGM/EGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-Voting on the day of the AGM/EGM is same as the instructions mentioned above for remote e-Voting.
- Only those members/shareholders, who will be present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM/EGM.
- Members who have voted through Remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the AGM/EGM.

Helpdesk for queries regarding virtual meeting:

In case shareholders/investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions ('FAQs') available at <https://ivote.bigshareonline.com>, under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22, 022-62638338

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) AND SECTION 110 OF COMPANIES ACT, 2013 READ WITH RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014.

Annexed to the Notice convening the **33rd (Thirty Third)** Annual General Meeting.

Item No. 05

Ratification of the Remuneration Payable to the Cost Auditors of the Company for the Financial Year 2025-26.

As per Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall, based on the recommendation of the Audit Committee appoint a cost accountant in practice, for auditing cost records of your Company and fix their remuneration.

The remuneration of Cost Auditors approved by the Board shall be subject to ratification by the shareholders.

In pursuance thereof, on the recommendation of Audit Committee, the Board has at its meeting held on **May 23, 2025** considered and approved appointment of **M/s Tapan Gaitonde & Co., Cost Accountant, Mumbai (Firm Registration No. 104043)**, for cost audit of the cost records maintained by the Company for the financial 2025-26, at a fees of **₹ 2,00,000/- (Rupees Two lakhs Only)** plus GST as applicable and reimbursement of actual travel and out-of-pocket expenses, subject to ratification by the members.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 05.

The Board recommends the Ordinary Resolution at Item No. 5 of the accompanying Notice for approval of the Members of the Company.

Item No. 6

Appointment of the Secretarial Auditor of the Company.

The member may please note that pursuant to provision of section 204(1) of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of the SEBI (LODR) Regulations, 2015 as amended, with effect from April 01, 2025, the Company is required to appoint a Secretarial Auditor of the Company for a period of five years with the approval of the Shareholders of the Company.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended and sought the approval of the Members for the appointment of **M/s. GMJ & Associates**, a firm of Company Secretaries in Practice bearing Peer Review No:- 6140/2024 as a Secretarial Auditor of the Company for a period of 5(Five) years from F.Y. 2025-26 till F.Y. 2029-30.

The remuneration to be paid to **M/s. GMJ & Associates** shall be mutually decided between Board of Directors/Audit Committee and **M/s. GMJ & Associates** from time to time.

The proposed remuneration to be paid to **M/s. GMJ & Associates** for secretarial audit services for the financial year ending March 31, 2026, is Rs.7 lakh (Rupees seven lakh) plus applicable taxes and out-of-pocket expenses. Besides the secretarial audit services, the Company may also obtain certifications from **M/s. GMJ & Associates** under various statutory regulations and certifications required by banks, statutory authorities, audit related services and other permissible non-secretarial audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation with the Audit Committee. The above fee excludes the proposed remuneration to be paid for the purpose of secretarial audit of subsidiaries, if any.

The Board of Directors and the Audit Committee is/are authorised to revise the remuneration of **M/s. GMJ & Associates** for the remaining part of the tenure.

The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with GMJ.

The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found **M/s. GMJ & Associates** to be best suited to handle the scale, diversity and complexity associated with the secretarial audit of the Company.

M/s. GMJ & Associates, a firm of Company Secretaries in Practice bearing Peer Review No:- 6140/2024 has been identified for the Secretarial Auditor and GMJ & Associates had given their consent and eligibility certificate for the Secretarial Auditor. **M/s. GMJ & Associates** offers consulting and advisory services in corporate law, with specialization in various areas viz., Corporate Secretarial Services, Secretarial Audit, SEBI compliances, IPO, FDI & ODI under FEMA, Merger & Amalgamations, Business Set up, Compliance relating to Fund Raise etc. **M/s. GMJ & Associates** has clients spread across Listed corporates including Multinational Companies, Start-ups and many others. **M/s. GMJ & Associates** is well supported by its team size of 30 individuals including partners.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 06.

The Board recommends the Ordinary Resolution at Item No. 06 of the accompanying Notice for approval of the Members of the Company.

Item No. 07

Approval of the Limits for the Loans and Investment Under Section 186 of the Companies Act, 2013.

As per Section 186 of the Companies Act, 2013, a Company that proposes to give loan(s), and/or guarantee(s) or provide any security(ies) in connection with loan(s) made and/or acquire by way of subscription, purchase or otherwise, the securities of any other body corporate in excess of 60% of the paid up Share Capital and Free Reserves and Securities Premium of the Company or 100% of Free Reserves and Securities Premium of the Company whichever is more, is required to obtain the approval of the shareholders by way of Special Resolution.

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other bodies corporate as and when required.

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of ₹ 1,000 Crores, as proposed in the Notice.

The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No.07 for approval by the members of the Company as Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company, if any

Item No. 08

Approval of Advancing/Providing the Loans, Guarantee, or Security Under Section 185 of the Companies Act, 2013.

Pursuant to Section 185 of the Companies Act, 2013 ("the Act"), a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity (said entity(ies) covered under the category of 'a person in whom any of the director of the Company is interested' as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013, after passing a Special Resolution in the general meeting.

It is proposed to make loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan taken/to be taken by the Subsidiary Companies or Associate or Joint Venture or group entity or any other person in whom any of the Director of the Company is deemed to be interested as specified in the explanation to Section 185(2)(b) of the

Act (collectively referred to as the "Entities"), from time to time, for the purpose of capital expenditure of the projects and/or working capital requirements including purchase of fixed assets as may be required from time to time for its principal business activities and other matters connected and incidental thereto, within the limits as mentioned in the Item no.08 of the notice.

The Members may note that the proposed resolution is an enabling resolution empowering the Board of Directors of the Company to evaluate each proposals and your Board will carefully evaluate the proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, and the proposed loan shall be at such rate of interest as agreed by the parties in the best interest of the Company and shall be used by the borrowing Company for its principal business activities only.

It is pertinent to note here the followings that:

- The aforesaid Loan shall be subject to provision of the Income Tax Act, 1961.
- The Company will not advance any Loan to Directors directly or indirectly, including any loan represented by a book debt to, or give any guarantee or provide any security in connection with any loan taken by (a) any director of Company, or of a Company which is its holding Company or any partner or relative of any such director; or (b) any firm in which any such director or relative is a partner.

The Board of Directors recommend the resolution set forth in Item no.08 of the notice for your approval as a Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the said resolution except to the extent of their shareholding and/or Directorship in the Company, if any.

Item No. 09

Approval of Material Related Party Transactions

Pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 ("Rules"), the Related Party Transactions as mentioned in the said section requires a Company to obtain approval of the Board of Directors and subsequently the Shareholders of the Company by way of ordinary resolution in case the value of the Related Party Transactions exceed the stipulated thresholds prescribed in Rule 15 of the said Rules.

Further, Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") also stipulates that all material Related Party Transactions entered by the Company or its Subsidiary with the related parties shall require prior approval of the shareholders through ordinary resolution whether the Company is a Party(ies) to the said material related transactions/contracts/arrangements or not.

The Member may please note that Heranba Industries Limited ("**Heranba/Company**") is the flagship Company of the Heranba Group which comprises (a) Heranba, (b) its Wholly Owned Subsidiary Companies namely Heranba Organics Private Limited ("**HOPL**") and Mikusu India Private Limited ("**Mikusu**") and (c) Daikaffil Chemicals India Limited ("**Daikaffil**") a subsidiary Company of Mikusu and a step down subsidiary Company of Heranba. HOPL, Mikusu, Daikaffil and Heranba are collectively referred to as "**Heranba Group**"

Mr. Sadashiv K. Shetty ("**S K Shetty**") is the Chairman and Promoter of the Company. S K Shetty is also on the Board of HOPL, Mikusu and Daikaffil.

Mr. Raghuram K. Shetty ("**R K Shetty**") is the Managing Director and also Promoter of the Company. R K Shetty is also on the Board of HOPL, Mikusu and Daikaffil.

S K Shetty and R K Shetty are the real brothers.

Mr. Raunak R Shetty ("**Raunak**") is Whole Time Director and belongs to the Promoter Group of the Company. Raunak is also on the Board of HOPL and CFO of Daikaffil. He is the son of R K Shetty.

Mr. Shiraj S Shetty ("**Shriraj**") is Whole Time Director and belongs to the Promoter Group of the Company. Shiraj is also on the Board of HOPL. He is the son of S K Shetty.

In the light of the above relationship, Heranba, HOPL, Mikusu, Daikaffil, S K Shetty, R K Shetty, Raunak and Shiraj and their relatives are Related Parties as per the provision of the Companies Act, 2013 read with Listing Regulations

Heranba Group as a whole is in expansion mode and during this period, the Company/its Subsidiary(ies) may need to enter into the various kinds of transactions/contracts/arrangements with aforesaid Related Party(ies). These transactions/contracts/arrangements entered into by and between Company/its Subsidiary(ies) with the Related Party(ies) will be treated as Related Party Transactions ("RPT") for the Company whether Company is a Party to such transactions/contracts/arrangements or not as per the provision of the Companies Act, 2013 read with Listing Regulations.

The Company requires prior approval of its Members in compliance with the provisions of Section 188 of the Companies Act, 2013 read together with Regulation 23 of SEBI (LODR) Regulations, 2015 as amended from time to time for entering into the below mentioned transactions/contracts/arrangements entered into by the Company/its subsidiary(ies) with other Related Party(ies) whether Heranba is a Party to the below mentioned transactions/contracts/arrangements or not as estimated value of such transactions/contracts/arrangements may exceed the materiality threshold as stated above under Companies Act, 2013 and/or Listing Regulations.

As stated earlier HOPL and Mikusu are the Wholly owned subsidiary companies of Heranba and accounts of HOPL and Mikusu are consolidated with accounts of Heranba and placed before the shareholders of Heranba at the general meeting for approval therefore no separate approval of Shareholder are required by the Company for transactions/contracts/arrangements entered into by and between Heranba, HOPL and/or Mikusu because the transactions/contracts/arrangements by and between Heranba, HOPL and/or Mikusu will be either (a) the transaction between Holding Company and its Wholly Owned subsidiary Company/ies or (b) between two wholly owned Subsidiary companies for which no Separate approval of Shareholder is required under the provision of Section 188 of the Companies Act, 2013 and Listing Regulations even though value of transactions/contracts/arrangements entered into by and between Heranba, HOPL and/or Mikusu exceed the threshold limit. Hence approval of the Shareholders are not being sought for the transactions/contracts/arrangements entered into by and between Heranba, HOPL and/or Mikusu under this resolutions.

Accordingly, the below Related Party Transactions as recommended by the Audit Committee and approved by the Board of Directors at their respective meetings are hereby placed before the shareholders for their approval by way of ordinary resolution to enable the Company/its Subsidiary(ies) to enter into the below mentioned Related Party Transactions in one or more tranches. The transactions under consideration, are proposed to be entered into by the Company/its Subsidiary(ies) with the Related Party(ies) in the ordinary course of business and at arms' length basis.

THE NECESSARY DETAILS AS REQUIRED UNDER COMPANIES (MEETING AND ITS POWER) RULES, 2014 AND SEBI CIRCULAR NO. SEBI/HO/CFD/CMD1/CIR/P/2021/662 DATED NOVEMBER 22, 2021 ARE MENTIONED BELOW:

(A) Contracts/arrangements/transaction entered into by Heranba Industries Limited ("Heranba") with Counter Related Party(ies).

Sr. No.	Name of Counter Related Party(ies).	Nature of Relationship with Heranba	Nature and material terms of Transaction	Value of contract/arrangement/ transactions during the three Financial Year 2025-26, 2026-27 and 2027-28
1	Daikaffil	Step Down Subsidiary Company	Business Transactions*	Up to ₹ 100.00 Crore in one Financial Year.
			Take/Give Inter Corporate Deposit ("ICD")	Up to ₹ 200.00 Crore in one Financial Year.
			Taking/providing the Corporate Guarantee(s)/security(ies) in connection with any Loan from Banks/Financial Institutions/ NBFC etc.	Subject to the Borrowing limit of the borrowing Company as specified under Section 180(1)(c) of the Act.
2	S K Shetty R K Shetty Raunak Shriraj and/or their relative(s)	Directors and their Relatives	To borrow monies from directors by way of loan.	Not more than ₹ 50.00 Crore from each director in one Financial Year.
			Taking personal guarantees/ securities in connection with any Loan from Banks/Financial Institutions/NBFC etc	Subject to the Borrowing limit of the borrowing Company as specified under Section 180(1)(c) of the Act.
			Appointment to any office or place of profit in Heranba/HOPL/Mikusu/ Daikaffil	At a monthly remuneration not exceeding ₹ 5 Lakh individually from Heranba/HOPL/ Mikusu/Daikaffil.

***Business Transactions means and includes:**

1. Sale, Purchase or supply of Goods and materials;
2. Selling or otherwise disposing off, or buying, property of any kind; and/or
3. Leasing of the property of any kind; and/or
4. Availing or rendering services.

(B) Contracts/arrangements/transactions entered into by Mikusu India Private Limited ("Mikusu" a WOS of Heranba) with Counter Related Party(ies)

Sr. No.	Name of Counter Related Party(ies).	Nature of Relationship with Mikusu	Nature and material terms of Transaction	Value of contract/arrangement/ transactions during the three Financial Year 2025-26, 2026-27 and 2027-28
1	Daikaffil	Subsidiary Company	Business Transactions*	Up to ₹ 100.00 Crore in one Financial Year.
			Take/Give Inter Corporate Deposit ("ICD")	Up to ₹ 200.00 Crore in one Financial Year.
			Taking/providing the Corporate Guarantee(s)/security(ies) in connection with any Loan from Banks/Financial Institutions/NBFC etc	Subject to the Borrowing limit of the borrowing Company as specified under Section 180(1)(c) of the Act.
2	S K Shetty R K Shetty and/or their relatives	Directors and Relatives	To borrow monies from directors by way of loan.	Not more than ₹ 50.00 Crore from each director in one Financial Year.
			Taking personal guarantees/ securities in connection with any Loan from Banks/Financial Institutions/NBFC etc	Subject to the Borrowing limit of the borrowing Company as specified under Section 180(1)(c) of the Act.
			Appointment to any office or place of profit in Mikusu/Daikaffil	At a monthly remuneration not exceeding ₹ 5 Lakh.

***Business Transactions means and includes:**

1. Sale, Purchase or supply of Goods and materials;
2. Selling or otherwise disposing off, or buying, property of any kind; and/or
3. Leasing of the property of any kind; and/or
4. Availing or rendering services.

(C) Contracts/arrangements/transactions entered into by Heranba Organics Private Limited ("HOPL" a WOS of Heranba) with Counter Related Party(ies).

Sr. No.	Name of Counter Related Party(ies).	Nature of Relationship with HOPL	Nature and material terms of Transaction	Value of contract/arrangement/ transactions during the three Financial Year 2025-26, 2026-27 and 2027-28
1	Daikaffil	Fellow Subsidiary	Business Transactions*	Up to ₹ 100.00 Crore in one Financial Year.
			Take/Give Inter Corporate Deposit ("ICD")	Up to ₹ 200.00 Crore in one Financial Year.
			Taking/providing the Corporate Guarantee(s)/security(ies) in connection with any Loan from Banks/Financial Institutions/NBFC etc	Subject to the Borrowing limit of the borrowing Company as specified under Section 180(1)(c) of the Act.
2	S K Shetty R K Shetty Raunak Shriraj and/or their relatives	Directors and Relatives	To borrow monies from directors by way of loan.	Up to ₹ 50.00 Crore per director in one Financial Year.
			Taking personal guarantees/securities in connection with any Loan from Banks/Financial Institutions/NBFC etc.	Subject to the Borrowing limit of the borrowing Company as specified under Section 180(1)(c) of the Act.
			Appointment to any office or place of profit in HOPL	At a monthly remuneration not exceeding ₹ 5 Lakh.

***Business Transactions means and includes:**

1. Sale, Purchase or supply of Goods and materials
2. Selling or otherwise disposing off, or buying, property of any kind and/or
3. Leasing of the property of any kind and/or
4. Availing or rendering services

(D) Contracts/arrangements/transactions entered into by Daikaffil Chemicals India Limited ("Daikaffil") with Counter Related Party(ies)

Sr. No.	Name of Counter Related Party(ies).	Nature of Relationship with Daikaffil	Nature and material terms of Transaction	Value of contract/arrangement/ transactions during the three Financial Year 2025-26, 2026-27 and 2027-28
1	S K Shetty R K Shetty Raunak Shriraj and/or their relatives	Directors and Relatives	To borrow monies from directors by way of loan.	Up to ₹ 50.00 Crores in one Financial Year.
			Taking personal guarantees/ securities in connection with any Loan from Banks/Financial Institutions/NBFC etc	Subject to the Borrowing limit of the borrowing Company as specified under Section 180(1)(c) of the Act.
			Appointment to any office or place of profit in Daikaffil.	At a monthly remuneration not exceeding ₹ 5 Lakh.

During the next three Financial year 2025-26, 2026-27 and 2027- 28, your board foresee the aforesaid transactions/ contracts/arrangements may be entered into by Company/its Subsidiary(ies) with Related Parties, the details of which are given in the table above and it is pertinent to note here that the transactions/contracts/arrangements mentioned in the table above is in addition to the transactions/contracts/arrangements entered into by and between Heranba and/or HOPL and/or Mikusu.

The necessary additional details as required in connection with the aforesaid contracts/transactions/arrangements are mentioned below:

Particulars	Details
Details of the source of funds in connection with the proposed ICD/ Loan	The proposed Loan/ICD proposed to be advanced shall be out of surplus funds/ internal accruals.
Whether any financial indebtedness is incurred to make or give loans, inter corporate deposits, advances or investments	No Financial indebtedness will be incurred to make or give loans, inter corporate deposits, advances or investments. However Financial indebtedness will be incurred to borrow the fund in the hand of borrowing companies.
Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured	The proposed Loan/ICD to be advanced will be unsecured with repayment period of not exceeding 5(five) years; however, the borrowing Company will have the right to make pre-payment, without any pre-payment penalty during the tenure of the said ICD/Loan. The interest charged on the Loan/ICD advanced/borrowed will not be less than 9.00% p.a.
Purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	The Loan/ICDs will be utilized for the principal business activities of the borrowing Company/ies.
Rationale/Justification as to why this Related Party(ies) Transaction is in the interest of the Company	Heranba Group is in its growth phase and is exploring various opportunities for expansion of its business. Heranba Group may need the ICD/Loan from Related Party(ies). It is also working towards improving its infrastructure facility by setting up/revamping/renovation of its factories, up gradation of plant & machinery/equipment, renovation of office space etc. For funding of these requirements, ICD/Loan may either to be advanced to Heranba Group as well Guarantee may be made and/or Security may be provided in connection with any loan availed/to be availed by Heranba Group. The terms and conditions of the said ICD/Loan including interest rate will be on an arm's length basis. During this period, Heranba Group may enter into various Business Transactions as stated above. These Business transactions are in the best interest of Heranba Group as they promote efficiency, cost savings, strategic alignment, and financial flexibility. These transactions help optimize the use of internal resources, enhance synergies within the corporate group, and ensure that the Heranba Group can access favourable terms and risk-mitigation strategies. Given the internal alignment of interests, the Related Party Transactions also adhere to corporate governance standards, ensuring fairness and transparency throughout the process. Therefore, these transactions serve to support the overall business strategy, operational needs, and long-term value creation to Heranba Group.
Whether ordinary course of business and at arm's length Basis	The proposed transaction will be in the ordinary course of business and on arms' length basis.
Any other information that may be relevant	All relevant information setting out material facts forms part of this Notice.

The aforesaid transactions/contracts/arrangements would be in the ordinary course of the business of the Company and at Arm's Length Basis. However the estimated value of such Business Transaction may exceed the materiality threshold as stated above under SEBI (LODR) Regulations read with Companies Act, 2013, hence the prior approval of the members of the Company is being sought as per applicable provision of the SEBI (LODR) Regulations read with Companies Act, 2013.

It is pertinent to note here the followings that:

- In addition to the aforesaid material Related Party Transaction, the Company and/or its subsidiary companies is also paying remuneration (fixed and variable), dividend, professional fees, sitting Fees to the Directors and/or their relatives within the limit as prescribed under and in compliance of the Companies Act, 2013 read with Listing Regulations and with the approval of Board of Directors and/or Shareholders, as the case may be, of the respective Company or its subsidiary companies Hence approval of the Shareholders are not being sought separately under this Resolution for the transactions/contracts/arrangements entered into by Company/its subsidiaries for paying remuneration (fixed and variable), dividend, professional fees, sitting Fees to the Directors and/or their relatives.
- The Company is seeking the approval of its shareholder under this resolution because the Board expect that the total estimated value of the transactions/contract/arrangement entered into by Company/its subsidiary with the aforesaid single Related Party exceed the threshold limit.

- c. Borrowing of Loan/ICD as mentioned above shall be subject to the Borrowing Power of the respective borrowing Company(ies) as specified under Section 180(1)(c) of the Act.
- d. Similarly Lending of Loan/ICD as mentioned above shall be subject to the Lending Power of the respective lending Company(ies) as specified under Section 186 read with Section 185 of the Act.
- e. The Company and/or its Subsidiary(ies) may borrow the loan/ICD from aforesaid their Directors for business purposes only but the Company and/or its Subsidiary Company(ies) will not borrow any loan/ICD from relatives of Directors.
- f. The Company and/or its Subsidiary(ies) may take security(ies)/guarantee(s) from Related Party(ies) including relatives of Directors in connection with the Loan obtained/to be obtained from Banks, Financial Institutions, NBFC and/or any entity(ies) in which Directors are deemed to be interested and/or any other person(s).
- g. The Company/its Subsidiary(ies) will not, directly or indirectly, advance any loan, including any loan represented by a book debt to, or give any guarantee or provide any security in connection with any loan taken by (a) any director of Company, or of a Company which is its holding Company or any partner or relative of any such director; or (b) any firm in which any such director or relative is a partner.
- h. The aforesaid transactions/contracts/arrangements shall be subject to provision of the Income Tax Act, 1961.

Members may please note that in terms of the provisions of the SEBI (LODR) Regulations read with Companies Act, 2013, Related Parties as defined thereunder (whether such related Party(ies) is a Party(ies) to the aforesaid transactions or not), shall not vote to approve the resolution under Item No. 09 of this Notice.

The Members may note that the proposed resolution is an enabling resolution empowering the Board of Directors of the Company/its Subsidiary (ies) to evaluate each proposals and your Board will carefully evaluate the proposals for entering into the aforesaid contracts/arrangement/transactions with Related Parties on such terms and conditions as in the best interest of the Company/its Subsidiary.

The Board recommends passing of the Ordinary Resolution as set out in Item no.09 of this Notice, for approval by the Members of the Company.

Directors, Key Managerial Personnel and their relatives have any conflict of interest with the aforesaid proposal for which approval of Members is sought.

None of these transactions has the effect of passing any direct/indirect benefit, personally to Directors, Key Managerial Personnel in any manner.

All Executive Directors namely S K Shetty, R K Shetty, Raunak and Shriraj and their relatives are interested/concerned in the Ordinary Resolution as set out in Item no. 09 of this Notice.

Except Executive Directors, None of the other Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 09 of this Notice.

By order of the Board
For **Heranba Industries Limited**

Date: August 12, 2025
Place: Mumbai

Registered Office:
Plot No. 1504/1505/1506/1,
GIDC, Phase-III,
Vapi, Valsad - 396195
Gujarat

Mr. Abdul Latif
Company Secretary,
ACS-17009

Annexure to the Notice

Details of the Director seeking appointment/re-appointment at this Annual General Meeting (pursuant to Regulation 36 of the Listing Regulations and Clause 1.2.5 of Secretarial Standard on General Meetings)

Name of Director	Shriraj S Shetty	Raunak R Shetty
Date of Birth	May 01, 1989	September 02, 1992
DIN No.	06609014	08006529
Date of Appointment	November 11, 2021	April 01, 2019, reappointed w.e.f. April 01, 2024
Qualifications:	M.Tech in Chemical Engineering Bachelors in Chemical Engineering	1. Holds a bachelor's degree in commerce 2. Associate member of Institute of Chartered Accountant of India
Experience in years	More than 12 (Twelve) Years in the field of Agro Chemicals*	More than 11 years in the field of Agro Chemicals*
No. of equity shares held in your Company	842500	6,36,250
No. of Board meetings attended during F.Y. 2024-25	5 (100%)	3 (60%)
Relationship with other Directors and Key Managerial Personnel:	Son of Mr.Sadashiv K Shetty, Chairman	Son of Mr. Raghuram K Shetty, Managing Director
Terms and conditions of appointment	5 (Five) Years w.e.f November 11, 2021 Liable to retire by rotation	5 (Five) Years w.e.f April 01, 2024 Liable to retire by rotation
Other Directorships in Companies:	1. Heranba Crop Care Limited 2. Chemino Pharma Limited 3. Heranba Organics Pvt Ltd	1. Sams Industries Limited, 2. Heranba Agro Science Limited 3. Heranba Organics Pvt Ltd
Details of remuneration paid	₹ 0.33 Cr	₹ 0.33 Cr

* For additional details on skills, expertise, knowledge and competencies of Directors, please refer to Corporate Governance Report forming part of the Annual Report.

Board's Report

To,
The Members,

Your Directors have pleasure in submitting their 33rd Annual Report of the Company together with the Audited Statements of Accounts for the year ended March 31, 2025.

1. FINANCIAL RESULTS:

The summarized standalone results of your Company are given in the table below:

(₹ in crore except per share)

Particulars	Financial Year Ended	
	31/03/2025	31/03/2024
Revenue from Business Operations	1495.90	1274.75
Other Income	45.58	30.39
Total Income	1541.48	1305.14
Total Expenses	1467.20	1214.75
Profit/(loss) before Tax	74.28	90.39
Less: Tax Expenses		
(including for earlier years)	20.28	24.04
Net Profit/(Loss) After Tax	54.00	66.35
Paid Up Equity Share Capital (Face Value ₹ 10 each fully paid up)	40.01	40.01
Other Equity	886.07	837.45
Earning Per Share		
(Basic/Diluted)	13.50	16.58

2. DIVIDEND:

The Board of Directors has recommended a final dividend @ ₹ 1.00 (Rupees One) per equity share of the face value of ₹ 10.00 (Rupees Ten) each (i.e. 10% of the face value) for the financial year ended March 31, 2025, subject to approval of the shareholders at the ensuing 33rd Annual General Meeting (AGM). Dividend, if approved by the Shareholders at the ensuing Annual General Meeting will absorb ₹ **4.00 crore (approx)**. The Final Dividend shall be paid within 30 days of its declaration at the 33rd AGM.

3. FINANCIAL PERFORMANCE AND OPERATIONAL REVIEW:

Revenue from Operations stood at ₹ 1,495.90 crore in FY25 as compared to ₹ 1,274.75 crore in FY24. EBITDA stood at ₹ 128.8 crore during the year with EBITDA margin at 8.61% in FY25. Profit After Tax stood at ₹ 54.00 crore in FY25 as compared to ₹ 66.35 crore in FY24.

The Company revenues stood at ₹ 1495.90 crore. in FY25 driven by strong performance in domestic markets navigating

uneven monsoon distribution. Our export business was affected by the weak export demands & falling prices.

We are dedicated to accelerating revenue growth and productivity efforts in order to achieve significant margin expansion and we continue to view FY26 as crucial acceleration point in Heranba's trajectory.

4. RESERVES:

During the Financial Year under review, the Board of Directors have not recommended transfer of any amount of profit to any reserves. Hence, the amount of profit for the financial year under review has been carried forward to the Statement of Profit and Loss.

5. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (LODR) Regulations is given separately and forms part of this 33rd Annual Report of the Company.

6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company does not have any funds as contemplated under Section 125 of the Act lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF). However, the Company has unclaimed dividend pertaining to financial years 2020-21, 2021-22, 2022-23 and 2023-24 as mentioned below:

Sr No.	Dividend pertaining to Financial Years	Type	Date of Declaration	Amount (In ₹)	Last date for claiming unpaid dividend	Due Date of Transfer to IEPF
1.	2020-21	Final Dividend	September 14, 2021	₹ 28,015/-	October 14, 2028	November 13, 2028
2.	2021-22	Final Dividend	July 27, 2022	₹ 39,725/-	August 27, 2029	September 26, 2029
3.	2022-23	Final Dividend	August 24, 2023	₹ 33,272/-	September 24, 2030	October 29, 2030
4.	2023-24	Final Dividend	September 12, 2024	₹ 26,483/-	October 12, 2031	November 11, 2031
Total				₹ 127,495/-		

The Company is in process to intimate all the shareholders who have not claimed dividend on shares.

7. DIVIDEND DISTRIBUTION POLICY:

Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') requires the top 1000 listed entities, based on market capitalization calculated as on March 31 of every Financial Year, to formulate a Dividend Distribution Policy and disclose the same in the Annual Report and on the website of the Company.

The Board of Directors of the Company has adopted a Dividend Distribution Policy, which aims to ensure fairness, sustainability and consistency in distributing profits to the Shareholders. The Policy is attached as "Annexure I" and is also available on the website of the Company i.e., www.heranba.co.in under the Investors Relations-section.

However the Company is out of purview of top 1000 listed entities based on market capitalization calculated as on March 31, 2025.

8. SHARE CAPITAL:

Authorised Capital

As on March 31, 2025, the Authorized share capital of the Company stood at ₹ 45,00,00,000/- (**Rupees Forty Five crore Only**) divided into 4,50,00,000 (Four crore and fifty lakh) equity shares of ₹ 10/- (Rupees Ten only) Each.

Paid up Capital

As on March 31, 2025, the issued, subscribed and paid up Equity share capital of your Company stood at ₹ 40,01,34,670/- (**Rupees Forty crore One Lakh Thirty Four Thousand Six Hundred Seventy Only**) divided into 4,00,13,467 (Four crore Thirteen Thousand Four Hundred And Sixty Seven) Equity shares of ₹ 10/- (Rupees Ten only) each.

As on March 31, 2025, the entire share capital of the Company has been dematerialized.

There is no changes in the capital structure of the Company during the year.

9. FINANCE:

During the year under review, the Company has availed the working capital credit facilities from the Bankers as per the business requirements. Your Company has been regular in paying interest and in repayment of the principal amount of the aforesaid facilities.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All contracts/arrangements/transactions entered into with Related Parties during the Financial Year were in the ordinary course of business and on an arm's length basis. Except the transactions entered into with Wholly Owned Subsidiary Company (ies), There were no Materially Related Party Transactions i.e. transactions exceeding 10% of the annual turnover as per the last audited financial statements. The Company has not entered into any transaction with its Promoters, Directors, Key Managerial Personnel or other designated person which may have potential conflict with the interest of the Company at large.

All Related Party Transactions are placed on a quarterly basis before the Audit Committee for approval/ratification/ noting etc.

The Audit Committee has reviewed the related party transactions as mandatorily required under relevant provisions of the Listing Regulations.

The said transactions are in the ordinary course of business and at arm's length basis. The Company had taken omnibus approvals for indicative transactions proposed during the financial year ended March 31, 2025.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website may be accessed on the Company's website <https://www.heranba.co.in/policies/>.

All the particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 are attached herewith in **Annexure-II in Form No. AOC -2**.

Further suitable Disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements in the Annual Report.

11. INTERNAL FINANCIAL CONTROLS:

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. Further Directors have personally overviewed the adequacy of internal controls and also appointed Mr. Kamal Dharewa, Chartered Accountant of M/s KD Practice Consulting Pvt Ltd. as the Internal Auditors to manage the internal controls of the Company. The Internal Auditors of the Company conduct Audit of various departments to ensure that internal controls are in place and submit Reports to the Audit Committee. The Audit Committee regularly reviews these Reports and the Company when needed takes corrective actions. The Statutory Auditors also audit the effectiveness of the Company's internal financial control system. No major inefficiencies were reported.

In addition to Internal Audit, the Company has implemented well established internal financial practices, tool for mitigating risk in order to ensure adequate internal financial control commensurate with the size of the Company.

12. FINANCIAL LIQUIDITY:

Cash and Cash Equivalent as at March 31, 2025 was ₹ **38.97 crores**. The Company's working capital management is based on a well-organized process of continuous monitoring and control on Receivables, Inventories and other parameters.

13. INSURANCE:

All properties and insurable interests of the Company including buildings, plant and machinery and stocks have been fully insured. The Company has obtained the Director & Officer (D&O) policy for its Directors and Officers.

14. CREDIT RATING:

As on the date of this report, the Credit Rating as provided by CRISIL Rating Limited (A Credit Rating Agency "CRISIL") on the Total Bank Loan Facilities of Heranba Industries Limited are as under:

Long -Term Rating	CRISIL A/Stable (Reaffirmed)
Short-Term Rating	CRISIL A1 (Reaffirmed)

15. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has a Vigil Mechanism/Whistle Policy under which it established a Whistle Blower Policy/Vigil Mechanism.

This policy seeks the support of employees, channel partners and vendors to report Significant deviations from key management policies and report any non-compliance and wrong practices, e.g., unethical behavior, fraud, violation of law, inappropriate behavior/conduct etc.

The Vigil Mechanism/Whistle Blower policy cover serious concerns that could have grave impact on the operations and performance of the business of Heranba Industries Limited. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns ethical behavior, actual or suspected fraud or violation of the code of conduct mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and provide for direct access to the Chairman of the Audit Committee in exceptional cases.

The policy neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and/or colleagues in general.

The detailed Vigil Mechanism/Whistle Blower Policy of the Company is uploaded on the Company's website may be accessed on the Company's website <https://www.heranba.co.in/wp-content/uploads/2023/03/05-Vigil-Mechanism-Policy-1.pdf>.

16. CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all senior management Personnel in the course of day to day business operations of the Company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings/behaviours of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of conduct for Board of Directors and Senior Management Personnel". The Code has been posted on the Company's website www.heranba.com.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard. A Certificate from the Managing Director to this effect form part of this report and annexed as **Annexure-III**.

17. PREVENTION OF INSIDER TRADING:

Pursuant to the SEBI (Prohibition of insider trading) Regulations, 2015, the Company has formulated and adopted a Code for Prevention of Insider Trading.

During the year under review, the Company has amended the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) and a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

The Company is maintaining the Structural Digital Database (SDD) internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database in compliance with SEBI (PIT) Regulations, 2015.

18. CORPORATE GOVERNANCE REPORT:

Your Company maintains the highest level of transparency, accountability and good management practices through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities.

The Board has also evolved and adopted a Code of Conduct as per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 based on the principles of good Corporate Governance and Best Management Practices. The Code is available on the Company's website i.e. www.heranba.co.in under "Investors Relation- Corporate Governance" Section.

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate Report on Corporate Governance along with the Practising Company Secretary's Certificate confirming compliance with Corporate Governance norms is annexed to this Report.

19. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT ("BRSR"):

The Business Responsibility & Sustainability Report ("BRSR") for the year under review, as stipulated under SEBI (LODR) Regulations, 2015 is given separately and forms part of this 33rd Annual Report of the Company. However the Company is out of purview of top 1000 listed entities based on market capitalization calculated as on March 31, 2025.

20. CEO/CFO CERTIFICATION:

In terms of SEBI (LODR) Regulations, 2015 the Certificate signed by Mr. Raghuram K Shetty, Managing Director and Mr. Rajkumar Bafna, Chief Financial Officer of the Company

was placed before the Board of Directors along with Annual Financial Statement for the financial year ended March 31, 2025 at its meeting.

21. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

Heranba Industries Limited is exposed to risks such as Natural Disaster, Occupational health & safety hazards, Supply Chain Risk, Quality of Products, Business dynamics Risks, Business Operations Risks, liquidity risk, Interest rate risk, Credit Risks, Logistic Risks, Pollution Free Environment Risk, Market Risks/Industry Risks, Human Resource Risks, Disaster Risks, System Risks and Legal Risks, Data Protection Risk, Credit risk and Operational risk that are inherent in the agrochemical Industry.

The Company has adopted the systematic approach to mitigate the risk associated with the objectives, operations, revenues and regulations.

By strictly following the regulatory norms and Guidelines, the Company effectively manages the risks and has a focused Risk Management monitoring in place.

The Company has a Risk Management Committee to monitor the risk associated with the Company. The said Committee from time to time discussed risk and mitigation measure adopted to mitigate the risk. The Committee recommend from time to time Board the necessary measures to mitigate the risk.

A detailed Risk Management Policy is available on the Company's website <https://www.heranba.co.in/wp-content/uploads/2022/05/Risk-Assessment-and-Minimisation-Policy.pdf>.

22. INDUSTRIAL RELATIONS:

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

23. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY:

During the Year under review the Board has made the total expenditure under CSR of ₹ **3.35 crore**. for F.Y. 2024-25 whereas the total Amount required to be spent was ₹ **3.35 crore**. for the financial year 2024-25. The detailed Report on CSR Activities as per **Annexure-IV**.

24. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

As on March 31, 2025, the Company has two 100% Wholly Owned Subsidiaries namely Mikusu India Private Limited and Heranba Organics Private Limited. The Company has one Step-Down Subsidiary Company namely Daikaffil Chemicals India Limited.

A Statement containing the basic financial details of the aforesaid subsidiaries in Form AOC-I is annexed as **Annexure-V**.

Considering the criteria mentioned in Regulation 16 of the Listing Regulations, the subsidiary of the Company is not a Material Subsidiary. The Board of Directors of the Company has approved a Policy for determining material subsidiaries which is in line with the requirements of Listing Regulations. The Policy has been uploaded on the website of the Company and the same can be accessed at https://www.heranba.co.in/wp-content/uploads/2022/08/Heranba-Materiality-Subsidiary_policy.pdf.

25. DIRECTORS & KEY MANAGERIAL PERSONNEL:

(a) Appointment/Re-appointment/Resignation of Directors

In terms with the requirements of the Listing Regulations, the Board has identified core skills, expertise and competencies of the Directors in the context of the Company's businesses, which are detailed in the Report on Corporate Governance.

All the Directors have affirmed that they have complied with the Company's Code of Conduct & Ethics.

At the ensuing Annual General Meeting, **Mr. Shiraj S Shetty (DIN:06609014) and Mr. Raunak R Shetty (DIN:08006529)**, would retire by rotation and being eligible for the re-appointment, offers themselves for re-appointment.

During the year under review, the non-executive Directors of the Company had no material pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

Details of the Directors seeking appointment/re-appointment including a profile of these Directors, are given in the Notice convening the 33rd Annual General Meeting of the Company.

(b) Key Managerial Personnel (KMP):

Pursuant to Section 2(51) read with Section 203 of the Companies Act, 2013 read with Rules made thereunder, the following person has been designated as Key Managerial Personnel of the Company under the Companies Act, 2013.

1. Mr. Sadashiv K Shetty, Chairman & Wholetime Director
2. Mr. Raghuram K Shetty, Managing Director
3. Mr. Shiraj S. Shetty, Wholetime Director
4. Mr. Raunak R. Shetty, Wholetime Director.
5. *Mr. Rajkumar Bafna, Chief Financial Officer.
6. Mr. Abdul Latif, Company Secretary.

* Mr. Rajkumar Bafna has resigned from the position of CFO w.e.f. June 30, 2025.

There were no changes among the KMP during the year under review.

(c) Declaration by Independent Directors:

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 read with rules framed thereunder and SEBI (LODR) Regulation.

In the opinion of the Board, the independent Directors are, individually, person of integrity and possess relevant expertise and experience.

In terms of regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstances or situation which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the independent Directors, the Board has confirmed that they meet the criteria of independence as mentioned under regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

(d) Annual Evaluation:

The Company has the Evaluation Policy, Remuneration Policy and The criteria for determining qualifications, positive attributes and independence of a director. Based on the above policies and criteria, the Nomination and Remuneration Committee evaluated the performance of Individual Directors. The Independent Directors at their separate meeting, also reviewed the performance of the non independent Directors and Board as a whole and also review the performance of the Chairman and further assessed the quality of flow of the information between the Board and Management. In addition to the above evaluation, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of its Committees of the Board of Directors. The performance of Individual Director vis-à-vis Board and Committees found satisfactory.

(e) Remuneration Policy for the Directors, Key Managerial Personnel and other Employees:

In terms of the provisions of Section 178 (3) of the Act, the Nomination & Remuneration Committee is responsible for formulating the criteria for determining qualification, positive attributes and independence of a Director. The Nomination & Remuneration Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. In line with this requirement, the committee along with the approval of the board has revised the said policy.

(f) Non Disqualifications of Directors:

None of the Directors on the Board of the Company for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such

other Statutory Authority. Practising Company Secretary's Certificate confirming the above is annexed herewith as **Annexure-VI**.

26. AUDITORS:

(a) Statutory Auditor:

The Members of the Company at the 30th Annual General Meeting ('AGM') held on Wednesday, July 27, 2022 approved the appointment of M/s. Natvarlal Vepari & Co., Chartered Accountants (Registration No. 106971W), as the Statutory Auditor of the Company for a period of 5 (five) years from the conclusion of 30th Annual General Meeting ("AGM") till the conclusion of the 35th (Thirty Fifth) AGM. However, the name of the Firm of the Statutory Auditor is changed from M/s. Natvarlal Vepari & Co., Chartered Accountants (Registration No. 106971W) to **M/s. Natvarlal Vepari & Co. LLP**, Chartered Accountants (Registration No. 106971W) and to **"N V C & Associates LLP"** with effect from June 09, 2025.

(b) Cost Records & Cost Auditors:

Pursuant to the provision of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records & Audit) Rules, 2014, the Company maintains the cost records & accounts in respects of products manufactured by the Company which needs to be audited by the Cost Auditor.

In compliance to the above, the Board of Directors has appointed **Tapan Gaitonde & Co (FRN 104043)**, Cost Accountants, as the Cost Auditors of the Company for the financial year ended March 31, 2025. As required by the Act, the remuneration of the Cost Auditor has to be ratified by the Members and accordingly the resolution relating to the Cost Auditors is being placed before the Members for their ratification.

(c) Secretarial Auditors & Secretarial Audit Report:

In compliance of the provisions of Section 204 of the Companies Act, 2013 read with Regulation 24A of the Listing Regulations, your Directors have appointed M/s. **GMJ & Associates** (bearing Peer Review No-6140/2024), Practising Company Secretary, as Secretarial Auditor of the Company for the period of 5 years from F.Y. 2025-26 till F.Y. 2029-30. The appointment of the Secretarial Auditors is subject to the approval of the members and accordingly the resolution relating to the Secretarial Auditors is being placed before the Members for their appointment.

The Secretarial Audit Report issued in the Form MR-3 given by the Company secretary in practice is annexed with the report as **Annexure-VII**.

The Company has complied with the applicable secretarial standards issued by the Institute of Company Secretaries of India.

27. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS:

(a) Auditors Qualification:

There were no qualifications, reservations or adverse remarks made by the Auditors in their report made for the financial year under review.

(b) Secretarial Audit Report By Secretarial Auditor:

There were no qualifications, reservations or adverse remarks made by the Secretarial Auditor in his report made for the financial year under review.

(c) Details of Fraud reported by Auditors:

There were no frauds which are reported to have been committed by employees or officers of the Company. The statutory Auditors of the Company have vide their report of even date confirmed that no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

28. OTHER DISCLOSURE:

(a) Meetings:

The details of the various meetings of the Board and its committees are provided in the Corporate Governance Report.

(b) Committees of the Board:

The details of the various committees constituted by the Board are provided in the Corporate Governance Report.

(c) Change in the nature of business:

There has been no change in the Nature of Business during the year under review. Further no material changes or commitments have occurred between the end of the financial year and the date of this report which affect the financial statements of the Company.

(d) Material Changes and Commitments, if any, affecting the Financial Position of the Company:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report.

(e) Deposits:

The Company has neither accepted nor renewed any deposits from public during the year nor has any outstanding Deposits in terms of Section 73 of the Companies Act, 2013.

Further there were no Deposits which are not in compliance of the requirements of Chapter V of the Act.

(f) Loans, Guarantees and Investments:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

(g) Annual Return:

The extracts of Annual Return [MGT-9] Pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 has been placed on the website of the Company and can be accessed at www.heranba.co.in

(h) Particulars of employees:

The Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 read Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure-VIII**.

(i) Status of Listing Fees:

The Shares of the Company are continued to be listed on the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").

Listing Fees till date have been duly paid to BSE and NSE, where Company's shares are Listed.

(j) Disclosure Pursuant to Section 197(14) of the Companies Act, 2013 and rules made thereunder.

The Managing Director and Whole Times Directors except Mr. Raunak R Shetty of the Company are not in receipt of any remuneration and/or commission from any subsidiary Company, as the case may be.

Mr. Raunak R Shetty, Whole Time Director of the Company is in receipt of remuneration of ₹ 2 Lakhs Per month from Mikusu India Private Limited, a wholly owned subsidiary Company of your Company. The above remuneration is in accordance with the provision of the Companies Act, 2013.

(k) Registrar and Share Transfer Agent:

M/s Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp Vasant Oasis, Makwana Road, Andheri (East), Mumbai- 400 059 Tel No-+91 22 6263 8200 is the Registrar and Share Transfer Agent of the Company for the physical and Demat shares. The Members are requested to contact directly for any requirements.

(l) Disclosure with respect to Unclaimed Suspense Account:

In terms of Regulation 39 of the Listing Regulations, details of the equity shares lying in the Unclaimed Suspense Account are as follows:

Particulars	No. of shareholders	No. of equity shares
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on April 1, 2024	1	23
Less: Number of shareholders who approached the Company for transfer of shares	0	0
Add: Number of shareholders and aggregate number of shares transferred to the Unclaimed Suspense Account during the year	0	0
Less: Number of shares transferred to IEPF Authority during the year	0	0
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on March 31, 2025	1	23

The voting rights on the shares in the suspense account as on March 31, 2025 shall remain frozen till the rightful owner claims the shares.

(m) Complaints relating to Child Labour, Forced Labour, Involuntary Labour, Sexual Harassment:

The Company has adopted a policy on prevention, prohibition and Redressal of Sexual harassment at workplace and has duly constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. No case of child labour, forced labour, involuntary labour, sexual harassment and discriminatory employment was reported during the FY 2024-25. The Company has a policy on sexual harassment under which employees can register their complaints against sexual harassment. The policy ensures a free and fair enquiry with clear timelines.

(n) Material Orders passed by Regulators, Courts or Tribunal:

There were no significant or material orders passed by the Regulators, Courts or Tribunal which impact the going concern status of the Company and the Company's operations in future.

(o) Research and Development and Quality Control:

The activities of R & D consist of improvement in the process of existing products, decrease of effluent load and to develop new products and by-products.

The management is committed to maintain the quality control and it is the strength of the Company. All raw material and finished products and materials at various stages of process pass through stringent quality check for the better result and product.

(p) Proceeding under The Insolvency and Bankruptcy Code, 2016:

There were no proceedings, either filed by the Company or against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before the National Company Law Tribunal or other Courts as of March 31, 2025.

(q) Miscellaneous:

During the year, there were no transactions requiring disclosure or reporting in respect of matters relating to:

- i) issue of equity shares with differential voting rights as to dividend, voting or otherwise;
- ii) issue of shares (including sweat equity shares) to employees of the Company under any scheme;
- iii) raising of funds through preferential allotment or qualified institutional placement;
- iv) instance of one-time settlement with any bank or financial institution.

29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**(A) Conservation of Energy and Technology Absorption:****Power and fuel Consumption:**

The Companies (Disclosure of Particulars in Report of Board of Directors) Rules 1988 require the disclosure of Particulars regarding Conservation of Energy in Form-A and Technology Absorption in Form-B as prescribed by the Rules. The details are as follows:

Particulars	31/03/2025	31/03/2024
(1) Electricity		
Purchased units	3,00,68,445	2,90,51,047
Total Amount (₹ in crores)	27.00	28.85
Rate per Unit (in ₹)	8.98	9.93
(2) Own Generator		
Fuel (Diesel) units	55,60,025	55,84,488
Total Amount (₹ in crores)	35.53	36.47
Rate per Liter (in ₹)	63.90	65.30

(B) Technology Absorption:

The technology required for the Company is available indigenously.

(C) Foreign Exchange Earnings & Outgo:

(₹ in crore)

Particulars	31/03/2025	31/03/2024
Earnings	428.28	423.47
Outgo	136.71	58.30

30. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The Directors had prepared the annual accounts on a going concern basis; and

(e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. ACKNOWLEDGEMENTS:

Your Directors place on record their sincere thanks to Bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors deeply appreciate the committed efforts put in by employees at all levels, whose continued commitment and dedication contributed greatly to achieving the goals set by your Company. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For **Heranba Industries Limited**

Sadashiv.K.Shetty

Chairman

DIN: 00038681

Date: August 12, 2025

Place: Mumbai

Raghuram. K. Shetty

Managing Director

DIN: 00038703

Date: August 12, 2025

Place: Mumbai

Annexure-I

DIVIDEND DISTRIBUTION POLICY

1. Objective

The objective of this Policy document is to articulate HERANBA INDUSTRIES LIMITED'S Dividend Distribution Policy (DDP). This Policy applies to all types of Dividend declared or recommended by the Board of Directors of the Company and seeks to conform to the requirements of Section 123 of the Companies Act, 2013, the notified rules thereof and other such provisions.

2. Philosophy

At HERANBA INDUSTRIES LIMITED we respect, and are committed to, our role towards shareholders and meeting our obligations to the communities in which we do business. We believe that sustainable growth can be achieved by creating wealth and jobs, developing useful skills, and investing time and money in people. HERANBA INDUSTRIES LIMITED aims to share its prosperity with the shareholders by way of declaring dividend subject to liquidity and growth requirement.

3. The Regulatory Framework

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top 1000 Listed Companies in India as per Market Capitalization as on the preceding Financial Year shall formulate a dividend distribution policy.

4. Definitions

Unless repugnant to the context:

- 4.1 "Act" shall mean the Companies Act, 2013 including the Rules made thereunder.
- 4.2 "Company or HERANBA INDUSTRIES" shall mean Heranba Industries Limited.
- 4.3 "Chairman" shall mean the Chairman of the Board of Directors of the Company.
- 4.4 "Board" or "Board of Directors" shall mean Board of Directors of the Company.
- 4.5 "Dividend" shall mean Dividend as defined under Companies Act, 2013 or SEBI Regulations.
- 4.6 "SEBI Regulations" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued there under, including any statutory modifications or re-enactments thereof for the time being in force.

5. Policy

5.1 Frequency of payment of dividend:

- 5.1.1 Heranba Industries Limited believes in rewarding its shareholders as and when the funds are available for distribution as dividend and generally strive to

recommend Final Dividend to the Members at the Annual General Meeting of the Company.

5.2. Internal and external factors that would be considered for declaration of dividend:

- 5.2.1 Heranba Industries Limited considers several Internal and External Factors before deciding declaration or recommendation of dividend.
- 5.2.2 The Internal Factors are adequacy of profits for last three years and likely profits for next year, allocation of funds towards capital expenditure and working capital requirements.
- 5.2.3 The External Factors that would impact dividend payout are alternative investment opportunities, interest rate on surplus funds, taxation on distribution of dividend and dividend payout ratios of comparable companies.

5.3. The financial parameters that will be considered while declaring dividends:

- 5.3.1 In order to maximize corporate value over the long term, internal capital resources will be secured for measures that will increase corporate value. These measures include investments in R&D and Capital Investments, which are vital to future business expansion.
- 5.3.2 After taking into consideration the required investments for future growth and the level of free cash flow, surplus will be distributed to the shareholders to the maximum extent possible.

5.4. The circumstances under which the shareholders can or cannot expect dividend:

In an event where Company has undertaken a significant project requiring higher allocation of capital or in event where the Company's profits are inadequate or Company makes losses, the Company would like to use the Company's reserves judiciously and not declare dividend or declare dividend lower than its normal rate of dividend.

5.5 Policy as to how the retained earnings will be utilized:

- 5.5.1 The Company would like to retain the balances in Reserves and Surplus to give the required strength to the balance sheet for exploring leverage options for supporting growth.
- 5.5.2 The Company would be very cautious in declaring dividend out of past profits and reserves.

5.6. Transfer of Profits to Reserves:

The Company will not transfer any amount to reserves unless there is statutory requirement.

5.7. Provisions regarding class of shares:

Currently, the Company has issued only Equity Shares and this Policy shall be applicable to Equity Shares. As and when the Company issues other kind of shares, the Board shall amend this Policy along with Rationale at the time or before issue of other class of shares.

6. Procedure

- 6.1 The Board of Directors of the Company will analyze all the parameters and recommend appropriate dividend.
- 6.2 The Company Secretary & Compliance Officer of the Company shall ensure compliance of Insider Trading Rules of the Company and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 6.3 The Board of Directors shall approve the declaration or recommendation of Dividend after ensuring compliance of Act, SEBI Regulations and this Policy.
- 6.4 The Company shall ensure compliance of provisions of Act, SEBI Regulations and this Policy in relation to dividend.

7. Distribution of Dividend

A) Periodicity:

On Completion of Financial Year

The Board of Directors of the Company may recommend a Dividend for respective financial year and may be declared in the Annual General Meeting.

B) Dividend Entitlement:

The members, whose name appear in the register of members as on the record date/Book Closure, shall be entitled for the dividend.

C) Mode of Payment:

The payment of the dividend would be in cash:

- i) Through electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. for making payment of dividend. OR
- ii) Through issuance of 'payable-at-par' warrants/cheques/demand draft, in case where bank details are not available or the electronic payment instructions have failed or have been rejected by the bank,

Transfer to Unpaid Dividend Account:

- (1) Where a dividend has been declared by a Company but has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment of the dividend, the Company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called the Unpaid Dividend Account.
- (2) The Company shall, within a period of ninety days of making any transfer of an amount under sub-section (1) to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the web-site of the Company, if any, and also on any other web-site approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed.

D) Transfer to IEPF:

The dividend remained unpaid and unclaimed for a period of 7 years (as per the provisions of Sections 124(5) of the Companies Act, 2013) shall be transferred to Investors Education and Protection Fund set up by the Government in that regard.

8. General

- 8.1 This Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs and/or Securities Exchange Board of India from time to time, on the subject matter.
- 8.2 The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.
- 8.3 In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Annexure-II

FORM AOC-2

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

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

Details of material contracts or arrangement or transactions with related parties at arm's length basis during the Financial Year ended March 31, 2025:

1.	Name(s) of the related party	Mrs. Shreya M. Shetty	Mr. Roshan R Shetty
2.	Nature of Relationship	Relative of Director	Relative of Director
3.	Nature of contracts/arrangements/transactions	Professional Charges	Remuneration
4.	Duration of the contracts/arrangements/transactions	On going	On going
5.	Salient terms of the contracts or arrangements or transactions including the value, if any	Up to ₹ 30.00 Lakhs per annum	Up to ₹ 30.00 Lakhs per annum
6.	Date(s) of approval by the Board	May 27, 2024	May 27, 2024
7.	Date(s) of Approval by Shareholders(if any)	NA	NA
8.	Amount paid as advances, if any:	NIL	NIL

Details of material contracts or arrangement or transactions with related parties at arm's length basis during the Financial Year ended March 31, 2025:

1	Name(s) of the related party	Mikusu India Private Limited ("Mikusu")
2	Nature of Relationship	Wholly Owned Subsidiary and director of the Company is director in this Company
3	Nature of contracts/arrangements/transactions	Inter Corporate Deposit ("ICD") Sale of Goods & Service Purchase of Goods & Service Leasing of Property
4	Duration of the contracts/arrangements/transactions	ICD: 5 years Sale of Goods & Services: On going Purchase of Goods & Services: On going Leasing: 5 years
5	Salient terms of the contracts or arrangements or transactions including the value, if any	ICD: ₹ 50 crore @ 9% p.a. Sale of Goods & Services: ₹ 250 crore for one year Purchase of Goods & Services: ₹ 50 crore for one year Leasing: ₹ 50 Lakhs per year
6	Date(s) of approval by the Board	May 27, 2024
7	Date(s) of Approval by Shareholders(if any)	NA
8	Amount paid as advances, if any:	NIL

Details of material contracts or arrangement or transactions with related parties at arm's length basis during the Financial Year ended March 31, 2025:

1.	Name(s) of the related party	Heranba Organics Private Limited ("HOPL")
2.	Nature of Relationship	Wholly Owned Subsidiary and director of the Company is director in this Company
3.	Nature of contracts/arrangements/ transactions	Inter Corporate Deposit ("ICD") Sale of Goods & Service Purchase of Goods & Service Leasing of Property Sale of Fixed Assets
4.	Duration of the contracts/arrangements/ transactions	ICD: 5 years Sale of Goods & Services: On going Purchase of Goods & Services: On going Leasing: 5 years Sale of Fixed Assets: On going
5.	Salient terms of the contracts or arrangements or transactions including the value, if any	ICD: ₹ 500 crore @ 9% p.a. Sale of Goods & Services: ₹ 200 crore for one year Purchase of Goods & Services: ₹ 200 crore for one year Leasing: ₹ 3 crore per year Sale of Fixed Assets: Upto ₹ 40 crore
6.	Date(s) of approval by the Board	May 27, 2024
7.	Date(s) of Approval by Shareholders(if any)	NA
8.	Amount paid as advances, if any:	NIL

Details of material contracts or arrangement or transactions with related parties at arm's length basis during the Financial Year ended March 31, 2025:

1	Name(s) of the related party	Daikaffil Chemicals India Limited ("Daikaffil")
2	Nature of Relationship	Step Down Subsidiary and director of the Company is director in this Company
3	Nature of contracts/arrangements/ transactions	Sale of Goods & Service Purchase of Goods & Service Leasing of Property Sale of Plant & Machinery & other Assets Purchase of Plant & Machinery & other Assets
4	Duration of the contracts/arrangements/ transactions	Sale of Goods & Services: On going Purchase of Goods & Services: On going Leasing: 5 years Sale of Plant & Machinery & other Assets: On going Purchase of Plant & Machinery & other Assets: On Going
5	Salient terms of the contracts or arrangements or transactions including the value, if any	Sale of Goods & Services: ₹ 20 crore for one year Purchase of Goods & Services: ₹ 20 crore for one year Leasing: ₹ 10 Lakhs per year Sale of Plant & Machinery & other Assets: ₹ 10 crore for one financial year Purchase of Plant & Machinery & other Assets: ₹ 10 crore for one financial year
6	Date(s) of approval by the Board	May 27, 2024 August 12, 2024
7	Date(s) of Approval by Shareholders(if any)	NA
8	Amount paid as advances, if any:	NIL

Details of material contracts or arrangement or transactions of wholly owned subsidiary companies with related parties at arm's length basis during the Financial Year ended March 31, 2025:

1.	Name(s) of the party entering into transaction	Mikusu India Private Ltd., wholly owned subsidiary Company		
2.	Name of the counter related party	Raunak R. Shetty	Vanita R. Shetty	Sujata S. Shetty
3.	Nature of Relationship	Relative of Director	Relative of Director	Relative of Director
4.	Nature of contracts/arrangements/ transactions	Remuneration	Remuneration	Remuneration
5.	Duration of the contracts/ arrangements/transactions	On going	On going	On going
6.	Salient terms of the contracts or arrangements or transactions including the value, if any	Upto ₹ 2.00 Lakhs per month	Upto ₹ 2.00 Lakhs per month	Upto ₹ 2.00 Lakhs per month
7.	Date(s) of approval by the Board	May 27, 2024	May 27, 2024	May 27, 2024
8.	Date(s) of Approval by Shareholders(if any)	NA	NA	NA
9.	Amount paid as advances, if any:	NIL	NIL	NIL

Details of material contracts or arrangement or transactions of wholly owned subsidiary companies with related parties at arm's length basis during the Financial Year ended March 31, 2025:

1.	Name(s) of the party entering into transaction	Mikusu India Private Limited (" Mikusu ")
2.	Name of the counter related party	Daikaffil Chemicals India Limited (" Daikaffil ")
3.	Nature of Relationship	Daikaffil is subsidiary of Mikusu and step down subsidiary of Heranba and Mikusu is Wholly owned subsidiary of Heranba and directors are common
4.	Nature of contracts/arrangements/ transactions	Loan/ICD Any guarantee or security in connection any loan/ICD Sale and purchase of goods & materials Selling of or disposing off or buying property of any kind Leasing of property of any kind Availing or rendering of any services
5.	Duration of the contracts/arrangements/ transactions	Three years w.e.f. April 01, 2024
6.	Salient terms of the contracts or arrangements or transactions including the value, if any	Should not exceed 10% of the annual consolidated turnover of Heranba as per the last audited financial statement of Heranba
7.	Date(s) of approval by the Board	February 14, 2025
8.	Date(s) of Approval by Shareholders(if any)	N.A.
9.	Amount paid as advances, if any:	NIL

Details of material contracts or arrangement or transactions of wholly owned subsidiary companies with related parties at arm's length basis during the Financial Year ended March 31, 2025:

1	Name(s) of the party entering into transaction	Heranba Organics Private Limited (" HOPL ")
2	Name of the counter related party	Daikaffil Chemicals India Limited (" Daikaffil ")
3	Nature of Relationship	Daikaffil is step down subsidiary of Heranba and HOPL is wholly owned subsidiary of Heranba and directors are common

Details of material contracts or arrangement or transactions of wholly owned subsidiary companies with related parties at arm's length basis during the Financial Year ended March 31, 2025: (Contd.)

4	Nature of contracts/arrangements/ transactions	Loan/ICD Any guarantee or security in connection any loan/ICD Sale and purchase of Goods & materials Selling of or disposing off or buying property of any kind Leasing of property of any kind Availing or rendering of any services
5	Duration of the contracts/arrangements/ transactions	Three years w.e.f. April 01, 2024
6	Salient terms of the contracts or arrangements or transactions including the value, if any	Should not exceed 10% of the annual consolidated turnover of Heranba as per the last audited financial statement of Heranba
7	Date(s) of approval by the Board	February 14, 2025
8	Date(s) of Approval by Shareholders(if any)	N.A.
9	Amount paid as advances, if any:	NIL

Details of material contracts or arrangement or transactions of wholly owned subsidiary companies with related parties at arm's length basis during the Financial Year ended March 31, 2025:

1	Name(s) of the party entering into transaction	Daikaffil, HOPL and/or Mikusu
2	Name of the counter related party	Director and/or Relatives of Directors
3	Nature of Relationship	Related Parties
4	Nature of contracts/arrangements/ transactions	To borrow the Loan from its Directors To take any guarantee and/or any security from any directors and/or relative of directors in connection with any loan taken by Daikaffil, HOPL and/or Mikusu
5	Duration of the contracts/arrangements/ transactions	Three years w.e.f. April 01, 2024
6	Salient terms of the contracts or arrangements or transactions including the value, if any	Should not exceed 10% of the annual consolidated turnover of Heranba as per the last audited financial statement of Heranba
7	Date(s) of approval by the Board	February 14, 2025
8	Date(s) of Approval by Shareholders(if any)	N.A.
9	Amount paid as advances, if any:	NIL

Details of material contracts or arrangement or transactions of wholly owned subsidiary companies with related parties at arm's length basis during the Financial Year ended March 31, 2025:

i)	Name(s) of the party entering into transaction	Daikaffil, HOPL and/or Mikusu
ii)	Name of the counter related party	Director and/or Relatives of Directors
iii)	Nature of Relationship	Related Parties
iv)	Nature of contracts/arrangements/ transactions	Appointment to any office or place of profit in Daikaffil, HOPL and/or Mikusu at a monthly remuneration not exceeding ₹ 2.5 Lakhs
v)	Duration of the contracts/arrangements/ transactions	Three years w.e.f. April 01, 2024

Details of material contracts or arrangement or transactions of wholly owned subsidiary companies with related parties at arm's length basis during the Financial Year ended March 31, 2025: (Contd.)

vi)	Salient terms of the contracts or arrangements or transactions including the value, if any	A monthly remuneration not exceeding ₹ 2.5 Lakhs
vii)	Date(s) of approval by the Board	February 14, 2025
viii)	Date(s) of Approval by Shareholders(if any)	N.A.
ix)	Amount paid as advances, if any:	NIL

For **Heranba Industries Limited****Sadashiv.K.Shetty**

Chairman

DIN: 00038681

Date: August 12, 2025**Place:** Mumbai**Raghuram. K. Shetty**

Managing Director

DIN: 00038703

Date: August 12, 2025**Place:** Mumbai

Annexure-III

DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 26 OF SEBI (LODR) REGULATIONS, 2015 REGARDING COMPLIANCE WITH CODE OF CONDUCT

In accordance with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them for the Financial year ended on March 31, 2025.

For **Heranba Industries Limited**

Raghuram. K. Shetty

Managing Director

DIN: 00038703

Date: August 12, 2025

Place: Mumbai

Annexure-IV

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline of the Company CSR policy and projects or programs.

The Board of directors has formed the CSR Committee to look after CSR activities. The Company has framed the policy which is made available at the website of Company www.heranba.co.in. This CSR Policy outlines the Company's responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking activities for welfare & sustainable development of the community at large. It is Company's conscious strategy to design and implement CSR programs that encompass the disadvantaged sections of society. This Policy shall apply to all CSR initiatives and activities taken up by the Company, for the benefit of different segments of the society, specifically the deprived, under privileged and differently abled persons. During the year under review, the Company carried out the various programs or projects which are given herein below.

2. Composition of the CSR Committee:

Name of The Member	Designation/Nature of Directorship	No. Meetings of held	No. Meetings of Attended
Mulky V Shetty	Chairman/ID*	1	1
Sadashiv K Shetty	Member/WTD**	1	1
Ganesh N Vanmali	Member/ID*	1	1

* ID means Independent Director.

** WTD means Whole Time Director.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

www.heranba.co.in

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not applicable for the financial year under review.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in crore)	Amount required to be set-off for the financial year, if any (₹ in crore)
Not Applicable			

6. Average net profit of the Company for last three financial years as per section 135(5):

Particulars	Amount
Average net profit of the Company for last three financial years as per section 135(5)	₹ 163.32 crore

7.

Sl.No.	Particulars	Amount
(a)	Two percent of average net profit of the Company as per section 135(5)	₹ 3.35 crore
(b)	Surplus arising out of the CSR projects or programs or activities of the previous financial years	-----
(c)	Amount required to be set off for the financial year, if any	-----
(d)	Total CSR obligation for the financial year (7a+7b-7c)	₹ 3.35 crore

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in crore)	Amount Unspent (₹ in crore)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
	----	----	----	----	----

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

Not Applicable

(c) Details of CSR amount spent against other than ongoing projects for the financial year: March 31, 2025:

Sl. No.	Name of Project	Item from the list of activities in schedule VII of the Act	Local Area	Location of Project		Amount spent for the Project (₹ in cr)	Mode of implementation – Direct (yes/no)	Mode of Implementation through implementing agency	
				State	District			Name	CSR Registration Number
1	Educational Development	Cl.No.- (ii)	Yes	Maharashtra	Mumbai	0.110	No	CSR GANDHI EDUCATION TRUST	CSR00024940
2	Vocational Training to underprivileged students	Cl.No.- (ii)	Yes	Uttar Pradesh	Mathura	0.750	No	JAN JAGRATI SEVARTH SANSTHA	CSR00006903
3	Vocational Training to underprivileged students	Cl.No.- (ii)	Yes	Uttar Pradesh	Mathura	0.750	No	JAN JAGRATI SEVARTH SANSTHA	CSR00006903
4	Educational Development	Cl.No.- (ii)	Yes	Gujarat	Valsad	0.040	No	SHREE SAI SIDDHI SARVAJANIK TRUST	CSR00022265
5	Promoting health care	Cl.No.- (i)	Yes	Maharashtra	Mumbai	0.100	No	JANKALYAN FOUNDATION	CSR00026411
6	Green Community Toilet	Cl.No.- (i)	Yes	Gujarat	Vapi	0.001	No	Comfort At 60 Charitable Trust	CSR00051266
7	Educational Development	Cl.No.- (ii)	Yes	Rajasthan	Jaipur	0.500	No	GHOOMAR KALA AND SHIKSHA SEVA SAN	CSR00080591
8	Educational Development	Cl.No.- (ii)	Yes	Rajasthan	Jaipur	1.000	No	GHOOMAR KALA AND SHIKSHA SEVA SAN	CSR00080591
9	Rain Water Harvesting	Cl.No.- (iv)	Yes	Gujarat	Vapi	0.089	No	VAPI INDUSTRIES ASSOCIATION	CSR00020251
10	Green Community Toilet	Cl.No.- (i)	Yes	Gujarat	Vapi	0.003	No	Comfort At 60 Charitable Trust	CSR00051266
Total						₹ 3.35 crore			

(d) Amount spent in Administrative Overheads: Nil**(e) Amount spent on Impact Assessment, if applicable: Not Applicable****(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 3.35 crore****(g) Excess amount for set off, if any: Nil**

Sl. No.	Particulars	Amount
(i)	Two percent of average net profit of the Company as per section 135(5)	₹ 3.35 crore
(ii)	Total amount spent for the Financial Year	₹ 3.35 crore
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	----
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in crore)	Amount spent in the reporting Financial Year (₹ in crore)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹ in crore)
				Name of the Fund	Amount (₹ in crore)	Date of transfer	
Not Applicable							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹ in crore)	Amount spent on the project in the reporting Financial Year (₹ in crore)	Cumulative amount spent at the end of reporting Financial Year (₹ in crore)	Status of the project - Completed/ Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

Not Applicable

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

Not Applicable

Annexure-V

FORM AOC-1

[AS ON 31st March 2025]

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

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

Part-A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in INR in crore)

(1)

Sr. No	Particulars	Details
1	Name of the subsidiary	Mikusu India Private Ltd U24299MH2022PTC380276
2	The date since when subsidiary was acquired/incorporated:	April 09, 2022
3	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period:	N.A.
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries:	INR in crore
5	Share capital-(Paid Up)	0.05 (Rupees Five Lakh) divided into 50,000 Equity shares of ₹ 10/- each
6	Reserves and surplus	(15.17)
7	Total assets	116.37
8	Total Liabilities	116.37
9	Investments	6.98
10	Turnover	152.40
11	Profit before taxation	(1.51)
12	Provision for taxation/Deferred Tax Credit	(0.27)
13	Profit after taxation	(1.24)
14	Proposed Dividend	0.00
15	Extent of shareholding (in percentage)	100%

(2)

Sr. No	Particulars	Details
1	Name of the subsidiary	Heranba Organics Pvt Ltd U24110MH2022PTC389547
2	The date since when subsidiary was acquired/incorporated:	August 29, 2022
3	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period:	N.A.
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries:	INR in crore
5	Share capital: (Paid Up)	0.10 (Rupees Ten Lakhs) divided into 1,00,000 Equity shares of ₹ 10/- each
6	Reserves and surplus	(32.27)
7	Total assets	674.07
8	Total Liabilities	674.07

(2) (Contd.)

Sr. No	Particulars	Details
9	Investments	0.00
10	Turnover	220.58
11	Profit before taxation	(20.31)
12	Provision for taxation/Deferred Tax Credit	(3.90)
13	Profit after taxation	(16.41)
14	Proposed Dividend	0.00
15	Extent of shareholding (in percentage)	100%

(3)

Sr. No	Particulars	Details
1	Name of the step down subsidiary Company	Daikaffil Chemicals India Ltd L24114MH1992PLC067309
2	The date since when Step down subsidiary Company was acquired/ incorporated:	January 09, 2024
3	Reporting period for the Associates Company concerned, if different from the holding Company's reporting period:	N.A.
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign Associates Company:	INR in crore
5	Share capital: -(Paid Up)	6.00 (Rupees Six crore only) divided into 60,00,000 Equity shares of ₹ 10/- each
6	Reserves and surplus	2.85
7	Total assets	14.41
8	Total Liabilities	14.41
9	Investments	0.00
10	Turnover	7.50
11		
	Other Income	₹ 0.47
12	Profit before taxation	(1.60)
13	Provision for taxation/Deferred Tax	(0.01)
14	Profit after taxation	(1.59)
15	Proposed Dividend	0.00
16	Extent of shareholding (in percentage)	48.48%

Notes: The following information shall be furnished at end of the statement:

1. There is no subsidiaries which have been liquidated or sold during the year.

Annexure-VI

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
HERANBA INDUSTRIES LIMITED
Plot No 1504/1505/1506/1,
GIDC, Phase-III, Vapi,
Valsad - 396 195

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **HERANBA INDUSTRIES LIMITED** having **CIN: L24231GJ1992PLC017315** and having registered office at plot no 1504/1505/1506/1 GIDC, phase-III, valsad, vapi, Gujarat, India, 396 195 (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of the Director	DIN	Date of appointment in Company
1.	Mr. Anilkumar Mohanraj Marlecha	08193193	31/08/2018
2.	Mr. Ganesh Narayan Vanmali	07833853	31/08/2018
3.	Mr. Sadashiv Kanyana Shetty	00038681	01/06/2018
4.	Mr. Raghuram Kanyan Shetty	00038703	01/06/2018
5.	Ms. Reshma Dagdu Wadkar	09394615	11/11/2021
6.	Mr. Shiraj Sadashiv Shetty	06609014	27/07/2022
7.	Mr. Mulky Vishwanatha Shetty	08168960	09/07/2018
8.	Mr. Raunak Raghuram Shetty	08006529	04/12/2017

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

For GMJ & ASSOCIATES

Company Secretaries

[CS PRABHAT MAHESHWARI]

PARTNER

M. No.: FCS 2405

COP No.: 1432

UDIN:F002405G000991591

PEER REVIEW CERTIFICATE NO.: 6140/2024

Place: Mumbai

Date: August 12, 2025

Annexure-VII

FORM NO. MR - 3

Secretarial Audit Report

For the financial year ended 31st march, 2025

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

To,
The Members,
HERANBA INDUSTRIES LIMITED
Plot No 1504/1505/1506/1,
GIDC, Phase-III, Vapi,
Valsad - 396 195

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HERANBA INDUSTRIES LIMITED** (hereinafter called "**the Company**") bearing CIN: L24231GJ1992PLC017315. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

- i. The Companies Act, 2013 ("the Act") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **[Not applicable during the period of audit]**.
- iii. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable. The provisions of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the review period; **[Not applicable during the period of audit]**.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") viz:
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not applicable during the period of audit]**.
 - f) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **[Not applicable during the period of audit]**.
 - g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable during the period of audit)**;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **[Not applicable during the period of audit]**.
 - i) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; **[Not applicable during the period of audit]**.

- vi. We have relied on the representation made by the Company and its Officers for systems and mechanisms formed by the Company for compliances under other applicable Acts, Laws and Regulations which are mentioned as under:

1. Financial and Other Laws applicable to the Company:

- a) The Income Tax Act, 1961;
- b) The Goods and Service Tax Act ("GST");
- c) Trade Marks Act, 1999;
- d) The Export (Quality Control And Inspection) Act, 1963;
- e) Consumer Protection Act, 2019;
- f) Bureau of Indian Standards Act, 2016;
- g) The MSME Act;
- h) Foreign Trade (Development and Regulation) Act, 1992.

2. Industry Specific Laws and Regulations applicable to the Company:

- a) The Insecticides Act, 1968
- b) The Insecticides Rules, 1971
- c) The Draft Pesticides Management Bill, 2017
- d) The Legal Metrology Act, 2009;
- e) The Legal Metrology (Packaged Commodities) Rules, 2011;
- f) The Petroleum Act, 1934
- g) The Solvent, Raffinate and slop (Acquisition, Sale, Storage and Prevention of Use In Automobile), Order, 2000;
- h) The Indian Explosives Act, 1884;
- i) The Poisons Act, 1919;
- j) The Indian Boilers Act, 1923;
- k) Manufacture, Storage and Import of Hazardous Chemical Rules, 1989;
- l) The Chemical Accident (Emergency Planning, Preparedness and Response) Rules, 1996;
- m) Public Liability Insurance Act, 1991;
- n) Prevention of Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013;
- o) Industrial (Development and Regulation) Act, 1951.

- a) The Factories Act, 1948;
- b) Contract Labour (Regulation & Abolition) Act, 1970;
- c) Industrial Employment (standing orders) Act, 1946;
- d) POSH Act: prevention of sexual harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013;
- e) Industrial (Development and Regulation) Act, 1951;
- f) Minimum wages Act, 1948; g) The payment of wages Act, 1936;
- g) Employees' provident funds Act, 1952;
- h) Employees State Insurance Act, 1948;
- i) Payment of Bonus Act, 1965;
- j) Payment of Gratuity Act, 1976;
- k) Equal Remuneration Act, 1976;
- l) Professional tax Act;
- m) Labour Welfare Fund;
- n) National and festival holidays Act;
- o) Maternity Benefit Act, 1961;
- p) The Child and Adolescent Labour (prohibition & regulation) Act, 1986;
- q) The Employees' Compensation Act, 1923;
- r) Inter State Migrant Workmen Act, 1979;
- s) Labour Laws (simplification of procedure for furnishing returns & maintaining registers by certain establishments) Act, 1988;
- t) Industrial Disputes Act, 1947.

- vii. The Company has complied with the applicable rules, regulation and guidelines issued by the regulatory bodies from time to time with respect to Import And Export of goods and materials

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

3. Labour Law and Regulations applicable on the Company:

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors that took place during the period under review. The retirement by rotation in the office of the directors were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that based on the information provided and the representation made by the Chief Financial Officer/ Company Secretary and taken on record by the Board of Directors of the Company, in our opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period under review, the Company has not undertaken any event/ action(s) having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

For GMJ & ASSOCIATES

Company Secretaries

[CS PRABHAT MAHESHWARI]

PARTNER

M. No.: FCS 2405

COP No.: 1432

UDIN:F002405G000991558

PEER REVIEW CERTIFICATE NO.: 6140/2024

Place: Mumbai

Date: August 12, 2025

Note: This report is to be read with our letter of even date that is annexed as **Annexure I** and forms an integral part of this report.

'ANNEXURE I'**to Secretarial Audit Report**

To,
The Members,
HERANBA INDUSTRIES LIMITED
Plot No 1504/1505/1506/1,
GIDC, Phase-III, Vapi,
Valsad - 396 195

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

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

For GMJ & ASSOCIATES

Company Secretaries

[CS PRABHAT MAHESHWARI]

PARTNER
M. No.: FCS 2405
COP No.: 1432
UDIN:F002405G000991558
PEER REVIEW CERTIFICATE NO.: 6140/2024

Place: Mumbai

Date: August 12, 2025

Annexure-VIII

DISCLOSURE REQUIRED UNDER SECTION 197(2) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year ended March 31, 2025.

Name of Director	Nature of Directorship	Ratio to median* remuneration of employees
Sadashiv K Shetty	Chairman	32.70
Raghuram K Shetty**	Managing Director	63.52
Raunak R Shetty	Whole Time Director	6.92
Shriraj S Shetty	Whole Time Director	6.92

* Median salary of employees during

FY 2024-25- ₹ 4.77 Lakh p.a

FY 2023-24: ₹ 4.67 Lakh p.a

FY 2022-24: ₹ 4.31 Lakh p.a

All the Non-executive Independent Directors were paid only sitting fees for attending the Board and Committee meetings. The Sitting fees was paid in accordance with the Companies Act.

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year 2024-25

Name of Director	Nature of Directorship	% Increase (decrease) in the remuneration
Sadashiv K Shetty	Chairman	10%
Raghuram K Shetty**	Managing Director	10%
Raunak R Shetty	Whole Time Director	10%
Shriraj S Shetty	Whole Time Director	10%
Rajkumar Bafna	Chief Financial Officer	21%
Abdul Latif	Company Secretary	8.0%

All the Non-Executive Independent Directors were paid only sitting fees for attending the Board and Committee meetings. The Sitting fees was paid in accordance with the Companies Act.

3. The percentage increase in the median remuneration of employees in the Financial Year 2024-25: 2.15%

4. The number of permanent employees on the rolls of Company as on March 31, 2025: 816

Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last Financial Year i.e. FY 2024-25 and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:

Average percentile increase in salaries of employees other than Managerial Personnel is higher than average percentile increase in the managerial remuneration.

5. The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

6. As per rule 5(3) of the Companies (Appointment and Remuneration) Rules, 2014, employees who draw salary exceeding the limit of ₹ 1.02 crore is as follows:

There were no employees other than the followings who were in receipt of remuneration in excess of above specified limit during the year 2024-25.

Name & Age	Designation	Remuneration p.a. (₹ in crores)	Qualification/ Experience	Date of Joining	Previous Employment & Designation	Percentage of shares held	Relation to any Director or Manager
Sadashiv K. Shetty (71 Years)	Chairman	1.56	Bachelor's (physics and chemistry) and Master's (chemistry) degree Having experience of more than three (3) decades in agrochemicals industry	Since September, 1994	Previously associated with Sudarshan Chemical Limited, Gharda Chemical Limited, Hoechst Pharmaceuticals and Nirlon Limited.	18%	Brother: Raghuram K Shetty Son: Shriraj S Shetty
Raghuram K. Shetty (66 Years)	Managing Director	3.03	Bachelor's degree in economics, Diploma in export and import management Having experience of more than three (3) decades in agrochemicals industry	Since September, 1994	Own Business	29.77%	Brother: Sadashiv K Shetty Son: Raunak R Shetty

**Remuneration of Raghuram K Shetty includes the commission. The Commission was paid in accordance with the Companies Act.

Report on Corporate Governance

CHAPTER-I

Philosophy

The Company's philosophy on Corporate Governance has been developed with a tradition of fair and transparent governance even before they were mandated by the legislation. Transparency, integrity, professionalism and accountability - based values form the basis of the Company's philosophy for Corporate Governance. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

Corporate governance is about commitment to values and about the ethical business conduct. The commitment starts with the Board of Directors, which executes its corporate governance responsibilities by focusing on the Company's strategic and operational excellence in the best interest of all its stakeholders.

Our endeavor is to adopt the best governance and disclosure practice by providing the timely and accurate information regarding the financial situation, performance, ownership and governance of the Company. We believe that the good corporate governance practices, is a key driver to sustainable corporate growth and long-term value creation for the shareholders/stakeholders.

Your Company has fulfilled all the existing guidelines prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015.

CHAPTER-II

Board of Directors

A) Composition, Category of Directors and their other Directorship as on March 31, 2025:

The Board has an optimum combination of Executive Directors and Non-Executive Directors including Woman Directors. As on March 31, 2025, the Board comprises 8 (Eight) Directors, out of which 4 (Four) are Non- Executive Directors and 4 (Four) are Executive Directors. All 4 (Four) Non Executive Directors are Independent Directors (including one Woman Independent Director). Out of the 4 (Four) Executive Directors, 1 (one) is the Executive Chairman, and 1 (one) is the Managing Director. All the 4 (Four) Independent Directors are free from any business or other relationship that could materially influence their judgment. All the Independent Directors satisfy the criteria of Independence as defined under the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the Directors on the Company's Board is a Director in more than 10 (Ten) Public Limited Companies (including "Heranba Industries Limited") or is a Member of more than 10 (Ten) Board Committees (Committees being the Audit Committee and Stakeholders' Relationship Committee) or Chairman of more than 5 Board Committees as on March 31, 2025.

Composition of Board as on March 31, 2025:

Sr. No.	Category	Name of Director	Designation
1	Promoter & Promoter Group	Sadashiv K Shetty	Whole Time Director designated as Executive Chairman
		Raghuram K Shetty	Managing Director
		Raunak R Shetty	Whole Time Director designated as Executive Director
		Shriraj S Shetty	Whole Time Director designated as Executive Director
2	Non Promoter (Independent)	Mulky V Shetty	Independent Director
		Anilkumar M Marlecha	Independent Director
		Ganesh N Vanmali	Independent Director
		Reshma D Wadkar	Independent Director (Woman Director)

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

Name of Directors	No. of Directorship in Unlisted Companies	No. of Directorship in Listed Companies	No. of Membership position in Committees of Listed Companies	No. of Chairmanship position in Committees of Listed Companies
Sadashiv K Shetty	4(Four)	2 (Two)	Nil	Nil
Raghuram k shetty	4 (Four)	2 (Two)	3 (Three)	Nil
Raunak R shetty	3 (Three)	1 (One)	Nil	Nil
Shriraj S Shetty	3 (Three)	1 (One)	Nil	Nil

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

Name of Directors	No. of Directorship in Unlisted Companies	No. of Directorship in Listed Companies	No. of Membership position in Committees of Listed Companies	No. of Chairmanship position in Committees of Listed Companies
Mulky V Shetty	NIL	1 (One)	1 (One)	Nil
Anilkumar M Marlecha	1(One)	2 (Two)	3 (Three)	2 (Two)
Ganesh N Vanmali	1(One)	1 (One)	2 (Two)	1 (One)
Reshma D Wadkar	NIL	2 (Two)	3 (Three)	1 (One)

Note:

1. Directorship, Committee Membership/Chairmanship is inclusive of Heranba Industries Limited.
2. Only Audit Committee and Stakeholders' Relationship Committees are considered.

No. of Shares and convertible instruments held by Directors as on March 31, 2025:

Name of Directors	Designation	No. of Equity Shares held
Sadashiv K Shetty	Executive Chairman	72,01,796
Raghuram k shetty	Managing Director	1,19,11,446
Raunak R shetty	Executive Director	6,36,250
Shriraj S Shetty	Executive Director	8,42,500
Mulky V Shetty	Independent Director	1
Anilkumar M Marlecha	Independent Director	NIL
Ganesh N Vanmali	Independent Director	NIL
Reshma D Wadkar	Independent Director	NIL

B) Key Skill/Expertise/Competence of the Board:

Given below are the key skills/expertise/competence identified by the Board of Directors which are required by them in the context of the business and sector of the Company to function effectively:

Skills/Expertise/Competence	Description
Business Leadership & Operations	Deep knowledge of the Agrochemical Industry to provide important insights and perspectives to the Board on the Company's commercial, strategic, manufacturing, legal and other functions. Leadership experience resulting in a practical understanding of the Company's processes, developing talent, succession planning and driving the long term growth strategy of the Company
Risk Management & Governance	In depth knowledge and understanding of business risks to provide insights and perspective to the Board on Enterprise risk. Develop highest levels of governance practices, provide insights about maintaining Board and management accountability and to protect stakeholder's interest.
Finance & Accounting	Provide financial expertise to the Board, including an understanding and analysis of financial statements, corporate finance, accounting and capital markets.
Business Expertise	In depth understanding of the Agrochemical operating and business environment, market access and healthcare solutions. Respond to change with agility, optimism and innovation. Sound knowledge of Business Technology, Digital Marketing, Strategic Development, Public Affairs, etc.

C) Skills/Expertise/Competence of Directors:

Name and Designation of the Directors	Qualification	Experience	Skills/Expertise/Competence
Sadashiv K Shetty (Chairman & Executive Director)	Bachelor's degree (Physics and Chemistry) Master's Degree (Chemistry)	More than 3 decades	Business Leadership & Operations, Risk Management & Governance, Business Expertise, Strategic Planning, General Management, Functional & Managerial Experience Chemical Industry Expert, Manufacturing, Research & Development etc.
Raghuram K Shetty (Managing Director)	Bachelor's degree in Economics Diploma in Export and Import Management Commercial Diploma from Department of Education, Bureau of Government Examination.	More than 3 decades	Business Leadership & Operations, Risk Management & Governance, Business Expertise, Finance & Accounting, Functional & Managerial Experience, Strategic Planning, Procurement, Sales & Marketing, International Trade, Export Business Management, Banking, Product Development, Plant Setup, Investor Relation, Supply Chain, Business Development and new Project, Human Resource, Administrative Reforms, Decision Making, Litigation Management, Supply Chain, Intellectual Property Rights etc.
Raunak R Shetty (Executive Director)	Bachelor's degree in Commerce Chartered Accountant	12 years	Business Leadership & Operations, Business Expertise, Finance & Banking, Standardization of system and process, Procurement, & Marketing, Investor Relation, Business Development and new Project & New Products. New Technology & Innovation etc
Shriraj S Shetty (Executive Director)	Bachelors in Chemical Engineering M Tech in Chemical Engineering	13 years	Business Leadership & Operations, Risk Management & Governance, Business Expertise, Technical process improvement, Process implementation, Technical innovation expertise, Team management, production improvements, Conflict resolution, Product Quality and Safety Function, Procurement, Sales & Marketing, Functional & Managerial Experience etc
Mulky V Shetty (Independent Director)	Bachelor's degree in Science (Physics and Chemistry)	More than 2 decades	Business Expertise, Finance & Accounting, Product Development, Plant Setup, Manufacturing Operation, etc
Anilkumar M Marlecha (Independent Director)	Bachelor's degree in Commerce LL.B	10 years	Risk Management & Governance, Contract Drafting and Negotiations, Litigation Matters, Litigation Management Dispute Resolution, Statutory Compliance, Social Reforms etc
Ganesh N Vanmali (Independent Director)	Bachelor's degree in Commerce General Law from University of Mumbai CAIIB	More than 4 decades	Finance & Accounting, Banking, Taxation, Finance & allied activities, Statutory Compliance etc
Reshma D Wadkar (Independent Woman Director)	Bachelor's degree in Commerce	22years	Finance & Accounting, Taxation, Banking etc

D) Disclosure of Relationship Inter-Se:

1. Mr. Sadashiv K Shetty, Chairman and Mr. Raghuram K Shetty, Managing Director are brothers.
2. Mr. Shriraj S Shetty, Executive Director is the son of Mr. Sadashiv K Shetty, Chairman
3. Mr. Raunak R Shetty, Executive Director is the son of Mr. Raghuram K Shetty, Managing Director
4. No other Directors has any relationship inter-se

E) Board Meetings:

During the year ended **March 31, 2025, 6 (Six)** Meetings were held on below mentioned date:

Sr. No.	Date of Board Meeting
1	27.05.2024
2	12.08.2024
3	13-11-2024
4	14-02-2025
5	13-03-2025*
6	25-03-2025

F) Directors' Attendance Record:

Name of Directors	No. of Board Meetings Attended During the year	Whether attended Last AGM held on September 12, 2024
Sadashiv K Shetty	5(100%)	Yes
Raghuram k shetty	5(100%)	Yes
Raunak R shetty	3 (60%)	Yes
Shriraj S Shetty	5(100%)	Yes
Mulky V Shetty	6(100%)	Yes
Anilkumar M Marlecha	6(100%)	Yes
Ganesh N Vanmali	6(100%)	Yes
Reshma D Wadkar	6(100%)	Yes

G) Functioning of the Board and its Meetings:

The Board and its Committees meet at regular interval for discussion on the Agenda circulated well in advance by the Company. All material information is incorporated in the Agenda for facilitating meaningful and focused discussion and to discharge its responsibilities effectively and take informed decisions.

Where it is not practical to attach or send the relevant information as a part of agenda papers, the same are tabled at the Meeting. The Board periodically review Compliance Reports of all laws applicable to the Company, and steps taken by the Company to rectify instances of non-compliances.

The Board has the complete and unrestricted access to any information required by them to perform its supervisory duties and make decisions on the matters reserved for the Board of Directors. The Board generally meets once in a quarter to review among other things, quarterly performance of the Company and financial results.

The information as specified in regulation 17(7) of the Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) is regularly made available to the Board, whenever applicable, for discussion and consideration.

H) Independent Directors Meeting:

- During the year under review, the Independent Directors met on **March 13, 2025**, interalia, to discuss the followings:
 1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
 2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
 3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- All the independent Directors were present at the meeting.

I) Familiarization Programme:

The Company, from time to time organize the Familiarization Program for its Independent Directors. The objective of the familiarization program is to familiarize Company's Independent Directors inter-alia on the following:

- a. Nature of the Industry in which the Company operates
 - b. Business environment and operational model of various business divisions of the Company
 - c. Roles, Rights and Responsibilities of Directors
 - d. Important changes in the Regulatory framework having impact on the Company
 - e. Manufacturing facilities of the Company at various location
- In addition, the Company also undertakes initiatives to update the Independent Directors about:
- f. On-going events and developments relating to the Company and significant changes in the Regulatory environment by way of presentations
 - g. Operations and financial performance of the Company.
- It is pertinent to mention here that the review of the operations and financial performance of the Company is one of the key agenda in each Board Meeting.

The brief details of the specific Familiarization Programs held during the financial year 2024-25 are given below:

- Program was organized for the independent directors where a detailed Presentation and discussion was made about the following:
 - a. Overview Of The Company Including History of The Company, Promoters, Management Expertise, Mission of the Company, Awards and recognitions given to the Company, milestone, journey of the Company
 - b. Performance of the Company during F.Y. 2024-25
 - c. Manufacturing process of the Company including details about factories, value chain, formulation and packing capabilities, Research and Development centres and quality control lab that Company has in-house
 - d. Intermediaries and other products that the Company deals with

- e. Roles, Rights and Responsibilities of Independent Directors
 - f. The market that the Company has covered in the past and the prospective countries that Company is approaching
 - g. Top clients of the Company
 - h. Financial performance of the Company.
- Regularly updates the Independent Director about Roles, Rights and Responsibilities of Directors.

Details of such familiarisation programmes for the Independent Directors are available on the website of the Company at www.heranba.com.

J) Independence of Independent Director:

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under the law and that he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgement and without any external influence. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

The details of the attendance record of the members at the meeting were as follows:

Name of The Member	Designation	No. Meetings of held	No. Meetings of Attended
Ganesh N Vanmali	Chairman	4	4
Mulky V Shetty	Member	4	4
Reshma D Wadkar	Member	4	4

The terms of reference of Audit Committee includes of the matters specified all the matters provided in regulation 18 read with Schedule II of SEBI (LODR) Regulation, 2015 as well as Section 177 of the Companies Act 2013.

Apart from all the matters provided in regulation 18 read with Schedule II of SEBI (LODR) Regulation, 2015 as well as Section 177 of the Companies Act 2013, the Audit committee reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the Company.

B) Nomination & Remuneration Committee:

Presently the Nomination & Remuneration Committee presently consists of three independent Directors viz. Mr. Ganesh N Vanmali, Mr. Mulky V Shetty and Mr. Anil Kumar M Marlecha. Mr. Ganesh N Vanmali has been designated as a Chairman of the Committee. The Company Secretary of the Company, acts as the Secretary to the Committee.

The committee met **1 (One)** times during the financial year ended March 31, 2025. These Meetings were held on February 14, 2025.

The Minutes of the Nomination and Remuneration Committee Meeting were noted at the Board Meeting.

The details of the attendance record of the members at the meeting were as follows:

Name of The Member	Designation	No. Meetings of held	No. Meetings of Attended
Ganesh N Vanmali	Chairman	1	1
Mulky V Shetty	Member	1	1
Anil Kumar M Marlecha	Member	1	1

CHAPTER-III

Committees of the Board

Presently there are five Board Committees viz-(i) Audit Committee, (ii) Nomination and Remuneration Committee, (iii) Stakeholders' Relationship Committee, (iv) Corporate Social Responsibility Committee and (v) Risk Management Committee. The Board stipulated the terms of reference of these committees and the assignment of its member thereof.

A) Audit Committee:

Presently the Audit Committee comprises of three independent directors, Mr. Ganesh N Vanmali, Mr. Mulky V Shetty and Mrs. Reshma D Wadkar. Mr. Ganesh N Vanmali has been designated as chairman of the committee. Mr. Ganesh N Vanmali is Ex-Banker and holder of CAIIB degree. All the members of the Audit Committee are financially literate within the meaning of SEBI (LODR) Regulations, 2015. The Company Secretary of the Company, acts as the Secretary to the Committee. The Chief Financial Officer ("CFO") and Statutory Auditor are invitees of the Meeting.

The committee met **4 (Four)** times during the financial year ended March 31, 2025. These Meetings were held on May 27, 2024, August 12, 2024, November 13, 2024 and February 14, 2025.

The Minutes of the Audit Committee Meeting were noted at the Board Meeting.

The terms of reference of Nomination and Remuneration Committee includes of the matters specified in Schedule II of SEBI (LODR) Regulation, 2015 as well as Section 178 of the Companies Act 2013.

C) Stakeholder's Relationship Committee:

Presently the Stakeholders' Relationship Committee consists of three Directors viz. Mr. Anil Kumar M Marlecha (Independent Director), Mr. Ganesh N Vanmali (Independent Director) and Mr. Raghuram K Shetty (Managing Director). Mr. Anilkumar M Marlecha has been designated as a Chairman of the Committee. The Company Secretary of the Company, acts as the Secretary to the Committee.

The committee met **1 (One)** times during the financial year ended March 31, 2025. These Meeting was held on March 25, 2025.

The Minutes of the Stakeholders' Relationship Committee Meeting were noted at the Board Meeting.

The details of the attendance record of the members at the meeting were as follows:

Name of The Member	Designation	No. Meetings of held	No. Meetings of Attended
Anil Kumar M Marlecha	Chairman	1	1
Ganesh N Vanmali	Member	1	1
Raghuram K Shetty	Member	1	1

The terms of reference of Stakeholder Relationship Committee includes of the matters specified in Schedule II of SEBI (LODR) Regulation, 2015 as well as Section 178 of the Companies Act 2013.

During the year 2024-25, All Complaints has been resolved till March 31, 2025. As on the date of this Report, no complaints are pending. All the complaints have generally been resolved to the satisfaction of the complainants except for disputed cases and sub-judice matters, if any, which would be solved on final disposal by the courts/forums where they are pending.

D) Corporate Social Responsibility (CSR) Committee:

Presently Corporate Social Responsibility ("CSR") Committee presently consists of three Directors viz. Mr. Mulky V Shetty (Independent Director), Mr. Ganesh N Vanmali (Independent Director) and Mr. Sadashiv K Shetty (Executive Director). Mr. Mulky V Shetty has been designated as a Chairman of the Committee. The Company Secretary of the Company, acts as the Secretary to the Committee.

The committee met **1 (one)** time during the financial year ended March 31, 2025. These Meeting was held on March 25, 2025.

The Minutes of the CSR Committee Meeting were noted at the Board Meeting.

The details of the attendance record of the members at the meeting were as follows:

Name of The Member	Designation	No. Meetings of held	No. Meetings of Attended
Mulky V Shetty	Chairman	1	1
Sadashiv K Shetty	Member	1	1
Ganesh N Vanmali	Member	1	1

The terms of reference of Corporate Social Responsibility Committee includes of the matters specified in Section 135 of the Companies Act, 2013, Schedule VI of the Act and the Rules made thereunder.

The Company has a Policy on CSR which is displayed on the Company's website www.heranba.co.in. A Report on the Corporate Social Responsibility activities carried out by the Company during the year under review are given in the Board's Report.

E) Risk Management Committee:

Presently Risk Management Committee presently consists of four Directors viz. Mr. Sadashiv K Shetty (Chairman & Executive Director), Mr. Raghuram K Shetty (Managing Director), Mr. Raunak R Shetty (Executive Director), and Ganesh N Vanmali (Independent Director). Mr. Sadashiv K Shetty has been designated as a Chairman of the Committee. The Company Secretary of the Company, acts as the Secretary to the Committee. The Chief Financial Officer of the Company would be invitee of the Committee.

The committee met **2 (Two)** times during the financial year ended March 31, 2025. These Meetings were held on August 12, 2024 and February 01, 2025.

The Minutes of the Risk Management Committee Meeting were noted at the Board Meeting.

The details of the attendance record of the members at the meeting were as follows:

Name of The Member	Designation	No. Meetings of held	No. Meetings of Attended
Sadashiv K Shetty	Chairman	2	2
Raghuram K Shetty	Member	2	2
Raunak R Shetty	Member	2	2
Ganesh N Vanmali	Member	2	2

The terms of reference of Risk Management Committee includes of the matters specified in Regulation 21 of the SEBI (LODR) Regulations, 2015 read with Schedule II of SEBI (LODR) Regulation, 2015.

The Risk Management Committee is responsible for oversight on overall risk management, process of the Company and shall ensure that key strategic and business risk are identified and necessary steps are taken for mitigation/redressal of the said risks.

F) Remuneration to Directors:

The details of remuneration for the year ended March 31, 2025 to the Executive Directors are as follows:

Name	Designation	Remuneration (₹ in Cr.)
Sadashiv K Shetty	Chairman & Executive Director	1.56
Raghuram K Shetty	Managing Director	3.03
Raunak R Shetty	Executive Director	0.33
Shriraj S Shetty	Executive Director	0.33

The Company has paid sitting fees of ₹ 20,000/- per board meeting and ₹ 10,000/- per committee meeting to Non-Executive Independent Directors during the financial year 2024-25.

G) Policy for Selection and Appointment of Directors and their Remuneration:

The Company has Policy for the selection and appointment of Directors and their remuneration. The Nomination and Remuneration (N&R) Committee has followed that policy which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration.

Criteria of selection of Non-Executive Directors

The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, operation, accounts, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

The N&R Committee shall consider the following attributes/criteria, whilst recommending to the Board the candidature for appointment as Director.

- Qualification, expertise and experience of the Directors in their respective fields;

- Personal, Professional or business standing;
- Diversity of the Board.

In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees for participation in the Board meetings.

A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

CEO & Managing Director - Criteria for selection/appointment

For the purpose of selection of the CEO & MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the CEO & Managing Director

At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may

be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.

The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the CEO & Managing Director comprises fixed component and commission. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits.

Remuneration Policy for the Senior Management Employees

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the N&R Committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the N&R Committee for its review and approval.

CHAPTER-IV

Shareholders

A. Means of Communication:

- A) The Quarterly Un-Audited (Provisional) Results and the Annual Audited Financial results of the Company are sent to the stock exchanges immediately after they are approved by the Board and are also published in one vernacular newspaper viz. "Financial Express and

Mumbai Lakshadweep" and in English newspaper viz. "Financial Express Mumbai and Ahmadabad edition". Also they are uploaded on the Company's website www.heranba.co.in. The results are published in accordance with the guidelines of the Stock Exchanges.

- b) In line with the exiting provisions of the Listing Regulations, the Company has created a separate e-mail address viz.compliance@heranba.com to receive complaints and grievances of the investors.
- c) From time to time, Institutional Investor/Analysts meets were held, information regarding such meets were sent to exchange and available on the Company's website www.heranba.co.in
- d) Apart from the aforesaid institutional meets, Earning call were also regularly held after publication of financial result. The details of which were sent to Exchange and available on the Company's website www.heranba.co.in

B. Share Transfers Agents:

M/s. Bigshare Services Private Limited,

Office No S6-2,
6th Floor, Pinnacle Business Park,
Next to Ahura Centre,
Mahakali Caves Road, Andheri (East)
Mumbai – 400093
Email: ipo@bigshareonline.com
Telephone No- +91 22 6263 8200

C. Share Transfer System:

Entire Share Capital of the Company are dematerialized and No shares are held in Physical mode.

D. General Body Meetings:

Details of last three Annual General Meetings ("AGM") are as under:

AGM No.	Financial Year	Date	Time	Venue
32 nd	2023-24	September 12, 2024	04.00 P.M.	Through Video Conferencing(VC)/Other Audio Visuals Means (OVAM)
31 st	2022-23	August 24, 2023	03.30 P.M.	Through Video Conferencing(VC)/Other Audio Visuals Means (OVAM)
30 th	2021-22	July 27, 2022	03.30 P.M.	Through Video Conferencing(VC)/Other Audio Visuals Means (OVAM)
29 th	2020-21	September 14, 2021	03.00 P.M.	Through Video Conferencing(VC)/Other Audio Visuals Means (OVAM)

Special business transacted at the last three AGM:

Meeting	Subject Matter of Resolution (Special Business)	Remarks
2023-24 (32 nd AGM)	1. Ratification of the remuneration payable to the Cost Auditors of the Company for the Financial Year 2023-24 and 2024-25 2. Approval for increase in overall borrowing limits of the Company as per Section 180 (1) (c) of the Companies Act, 2013. 3. Creation of security on the properties of the Company, both present and future, in favour of lenders:	All resolutions were passed with requisite majority

Special business transacted at the last three AGM: (Contd.)

Meeting	Subject Matter of Resolution (Special Business)	Remarks
2022-23 (31 st AGM)	- Re-appointment of Shri Sadashiv K Shetty (DIN: 00038681) as a Whole Time Director designated as Executive Chairman of the Company - Re-appointment of Shri Raghuram K Shetty (DIN: 00038703) as a Managing Director of the Company - Re-appointment of Shri Raunak R Shetty (DIN: DIN:08006529) as a Whole Time Director designated as Executive Director of the Company - Re-appointment of Mr. Mulky V Shetty (DIN: 08168960) as a Non-Executive Independent Director of the Company for a second term of five consecutive years - Re-appointment of Mr. Anilkumar M Marlecha (DIN: 08193193) as a Non-Executive Independent Director of the Company for a second term of five consecutive years - Re-appointment of Mr. Ganesh N Vanmali (DIN: 07833853) as a Non-Executive Independent Director of the Company for a second term of five consecutive years - Ratification of the remuneration payable to the Cost Auditors of the Company for the Financial Year ending March 31, 2024.	All resolutions were passed with requisite majority
2021-22 (30 th AGM)	- To Appoint Statutory Auditor of the Company from the conclusion of this Annual General Meeting to hold such office for a period of five years i.e. till the conclusion of the 35th Annual General Meeting. - To appoint Mr. Shiraj S Shetty (DIN: 06609014) as a Whole Time Director designated as Executive Director of the Company - To appoint Ms. Reshma D Wadkar (DIN: 09394615) as an Independent Director of the Company. - To ratify the remuneration payable to the Cost Auditor of the Company for the Financial Year ending March 31, 2023. - To decide the place of keeping and inspection of the Registers and Annual Returns of the Company.	All resolutions were passed with requisite majority
2020-21 (29 th AGM)	- To increase in annual remuneration payable to Mr. Raunak R Shetty, Whole Time Director (DIN: 08006529) - To ratify the remuneration payable to Cost Auditor of the Company for the Financial Year ending March 31, 2022	All resolutions were passed with requisite majority

Extra-Ordinary General Meetings:

During the year under review, the Company has not convened any Extra Ordinary General Meeting.

E. Postal Ballot:

During the year ended March 31, 2025 there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot.

CHAPTER-V**General Shareholders Information****A. Date, Day, Time and Venue of this 33rd Annual General Meeting:**

Date	: September 24, 2025
Day	: Wednesday
Time	: 3.00 P.M.
Venue	: Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)

B. Date of Book Closure:

The Registrar of Members and Share Transfer Books of the Company will remain closed from **September 18, 2025**

to September 24, 2025 (both days inclusive) for the purpose of 33rd Annual General Meeting of the Company.

C. Record Date:

September 17, 2025 is fixed as the Record Date for determining the eligibility and entitlement of the Members to the Final Dividend for the Financial Year ended March 31, 2025. The dividend for the financial year 2024-25 as recommended by the Board of the Directors of the Company, if approved at the Annual General Meeting will be paid to those Shareholders whose name appear on the Register of Members on the close of the business hours of the Record Date.

D. Financial Calendar:

Financial Year: April 01 to March 31 for the financial year 2024-25, the tentative dates for declaration of Quarterly unaudited results will be, by July 31, 2025, October 31, 2025, January 31, 2026 and May 30, 2026.

E. Dividend Payment Date:

Dividend will be paid within 30 days of the approval of the same in the Annual General Meeting.

F. Listing in Stock Exchanges and Stock Codes:

The names of stock exchanges at which the equity shares are listed and respective stock codes are as under:

Name of the stock Exchanges	Stock Code No.
BSE Limited ("BSE")	543266
National Stock Exchange of India Limited ("NSE")	HERANBA

G. ISIN No.:

The ISIN number allotted to the Company for demat of shares are as under.

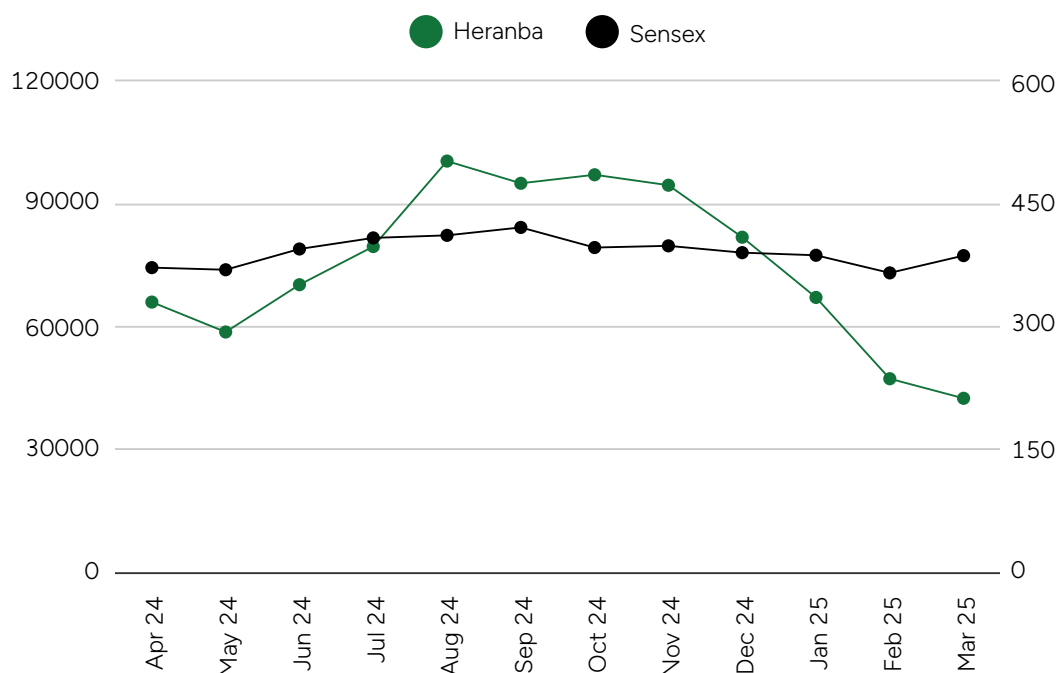
Name of the Depository	ISIN No.
National Securities Depository Limited (NSDL)	INE694N01015
Central Depository Services Limited (CDSL)	INE694N01015

H. Stock Data at BSE:

High/Low of Market price of Company's equity shares traded on the **BSE Limited** during the financial year ended on March 31, 2025 was as follows:

Month	High	Low
April, 2024	339.00	284.10
May, 2024	334.90	291.35
June, 2024	390.60	278.15
July, 2024	415.30	350.00
August, 2024	527.15	361.75
September, 2024	532.05	469.85
October, 2024	498.75	433.10
November, 2024	561.00	443.60
December, 2024	498.20	400.00
January, 2025	436.90	317.85
February, 2025	346.25	235.50
March, 2025	247.90	205.20

*Source: BSE.

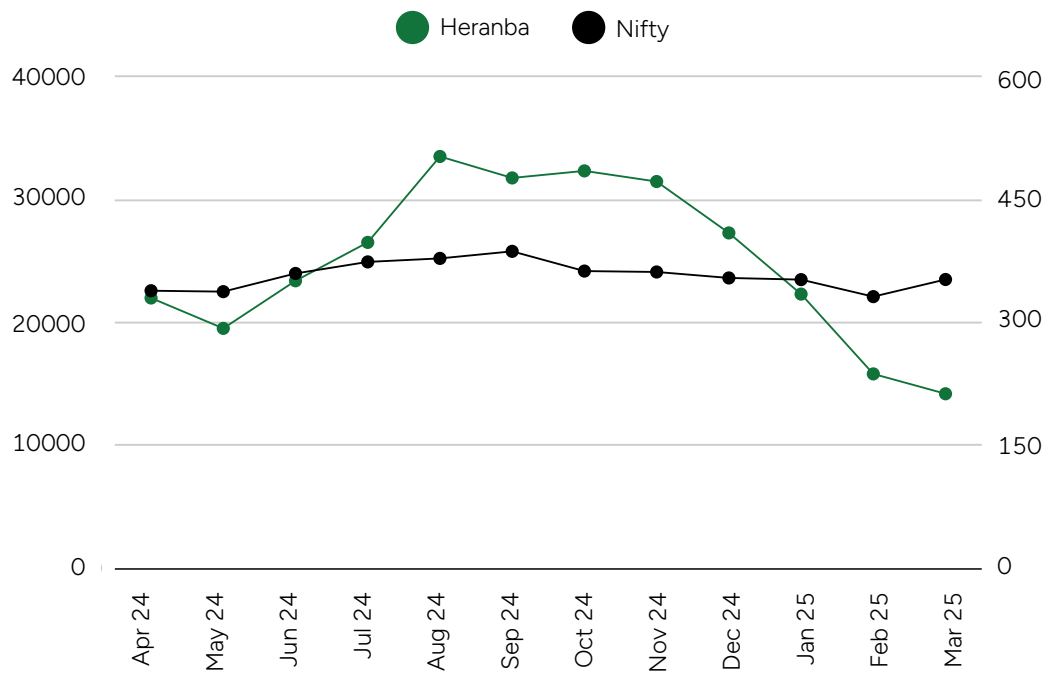


I. Stock Data at NSE:

High/Low of Market price of Company’s equity shares traded on **NSE** during the financial year ended on March 31, 2025 was as follows:

Month	High	Low
April, 2024	340.75	283.95
May, 2024	334.15	291.60
June, 2024	398.60	280.40
July, 2024	416.00	347.20
August, 2024	527.90	361.00
September, 2024	531.75	470.00
October, 2024	499.70	434.10
November, 2024	562.00	450.50
December, 2024	500.00	398.50
January, 2025	437.20	317.95
February, 2025	347.00	236.00
March, 2025	246.95	208.00

*Source: NSE.



J. Distribution of Shareholding as on March 31, 2025:

Size of holding	No. of Shareholders*	(%)	No. of Shares	(%)
1-500	72,496	96.85	3,802,382	9.50
501-1,000	1,285	1.72	973,113	2.43
1,001-2,000	567	0.76	829,459	2.07
2,001-3,000	207	0.28	523,920	1.31
3,001-4,000	73	0.10	258,842	0.65
4,001-5,000	61	0.08	283,447	0.71
5,001-10,000	82	0.11	593,463	1.48
10,001-& above	83	0.11	32,748,841	81.84
Total	74,854	100.00	40,013,467	100.00

*The list of shareholders is non PAN based.

K. Share Holding Pattern as on March 31, 2025:

Sr.No.	Category	No. of Shares	%
1	Promoters including Promoter Group	29,987,138	74.94
2	NBFCs registered with RBI	82,845	0.21
3	Foreign Portfolio Investors Category I	26,346	0.07
4	Foreign Portfolio Investors Category II	11,961	0.03
5	Key Managerial Personnel	600	0.00
6	Resident Individuals holding nominal share capital up to ₹ 2 lakhs	6,820,700	17.05
7	Resident Individuals holding nominal share capital in excess of ₹ 2 lakhs	1,744,477	4.36
8	Non Resident Indians (NRIs)	409,876	1.02
9	Bodies Corporate	579,613	1.45
10	Clearing Members	8,352	0.02
11	HUF	341,513	0.85
12	Trust	23	0.00
13	Unclaimed or Suspense or Escrow Account	23	0.00
	TOTAL	40,013,467	100.00

L. Shares Held in Physical and Dematerialized Form:

As on March 31, 2025, 100 % of shares were held in dematerialized form.

M. Outstanding GDR's/ADR's/Warrant's/Convertible Instruments and their Impact on Equity:

NIL

N. Plant Location:

UNIT-I	Plot No. 1504/1505,1506/1, at III Phase GIDC, Vapi, Taluka – Pardi, District – Valsad, Gujarat.
UNIT-II	Plot No. A-2/2214, A-2/2215, III Phase GIDC, Vapi, Taluka – Pardi, District – Valsad, Gujarat
SARIGAM PLANT	Plot No.2817/1, GIDC Sarigam, Taluka – Umbergaon, District – Valsad, Gujarat
	Plot No.2817/1/2, Chemical Zone, GIDC Sarigam, Taluka – Umbergaon, District – Valsad, Gujarat-396155
UNIT-IV	Plot No.1409, GIDC, Phase-III, Vapi – 396 195
SAYKHA PLANT	Plot No-C-195 & C-196, GIDC, Saykha, Ta-Vagra, Dist-Bahruch-392140
TARAPUR PLANT	E/4, M.I.D.C, Tarapur, Boisar-401506

O. Address for Correspondence:

Corporate Office	2 nd Floor, A Wing, Fortune Avirahi, Jain Derasar Lane, Boarivali (West), Mumbai-400092 Telephone: +91-22-2898 7912 Email: compliance@heranba.com Website: www.heranba.co.in
Registered Office	Plot No. 1504/1505,1506/1, at III Phase GIDC, Vapi, Taluka – Pardi, District – Valsad, Gujarat. Telephone: +91-260-240 1646 Email: compliance@heranba.com Website: www.heranba.co.in
Registrar & Share Transfer Agent	M/s. Bigshare Services Private Limited., Office No S6-2, 6 th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093 Telephone-+91 22 6263 8200 Email: ipo@bigshareonline.com Website: www.bigshareonline.com

P. Shares Held in Electronic Form:

Shareholders holding shares in the electronic form may furnish their bank details, which they wish to incorporate on their dividend warrants, to their depository participants. As per the regulations of NSDL and CDSL the Company is required to print the bank details on the dividend warrants, if required to be issued, as furnished by these depositories to the Company.

CHAPTER VI

Disclosure

A) Related Party Transactions:

The Company has not entered into any materially significant related party transactions with its Promoters, Directors or Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. The Company has disclosed details of related party transactions with related parties to the Exchange. The details of the related party transaction are provided in the Board's Report.

B) Compliance Relating to Capital Market:

The Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets except the below.

There were no penalties imposed nor any strictures issued on the Company by the Stock Exchanges, SEBI or any other statutory authority relating to the above.

C) Code of Conduct:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all senior management personnel in the course of day to day business operations of the Company. The details about Code of Conduct are provided in the Board's Report.

D) CEO and CFO Certification:

Certificate issued by Mr. Raghuram K Shetty, Managing Director and Mr. Rajkumar Bafna, Chief Financial Officer of

the Company for financial year under review, was placed before the Board of the Directors at its meeting held on May 27, 2024 in terms of Regulation 17(8) of SEBI (LODR) Regulations. Mr. Raghuram K Shetty, Managing Director and Mr. Rajkumar Bafna, Chief Financial Officer have also provided the quarterly certification on the financial result while placing the financial results before the Board in terms of Regulation 33(2)(a) of the SEBI(LODR) Regulations.

E) Compliance Certificate on Corporate Governance:

A Certificate from the Practicing Company Secretary, GMJ & Associates. confirming the compliance with the conditions of Corporate Governance as stipulated under Clause E of Schedule V of the SEBI (LODR) Regulations, is attached to this Report.

F) Management Discussion and Analysis Report:

Your Directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2025 which is attached separately along with this Report.

Cautionary Statement

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

G) Adherence to Indian Accounting Standards:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy in use.

H) Whistle Blower/Vigil Mechanism:

The Company has a Vigil Mechanism/Whistle Policy under which it established a Whistle Blower Policy/Vigil Mechanism. The details of the Whistle Blower/Vigil Mechanism are provided in the Board's Report.

I) Corporate Social Responsibility ("CSR"):

The Company has fully complied with the mandatory norms prescribed for contributions towards corporate social responsibility. The details about CSR are provided in the Board's Report.

J) Policy on Criteria for Determining Materiality of Events:

In terms of the Regulation 30 of the SEBI Listing Regulations, the policy on criteria for determining materiality of events and ensuring timely and accurate dissemination of the material event/information to the Stock Exchanges is available on the website of the Company at 'www.heranba.co.in

K) Commodity Price Risk

The Company does not deal in commodity(ies), hence disclosure relating to commodity price risk and commodity hedging activities does not apply to the Company.

L) Funds Raised during the year under Review

The Company has not raised any funds through preferential allotment or Qualified Institutional placement for the financial year ended March 31, 2025.

M) Material Developments in Human Resources/ Industrial Relations Front, including Number of People Employed:

As on March 31, 2025 the Company had 1300+ (approximately) permanent employees at its manufacturing plant and administrative office.

The Company recognizes the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them.

The Company enjoyed excellent relationship with workers and staff during the last year.

Compliance Certificate

I, Mr. Raghuram K Shetty, Managing Director of Heranba Industries Limited (**"The Company"**) do hereby certify as follows:

- A. We have reviewed financial statements and the cash flow statement for the year under review and that to the best of our knowledge and belief:
 - 1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and We have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which We are aware and the steps We have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
 - 1. significant changes in internal control over financial reporting during the year, if any;
 - 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3. instances of significant fraud of which We have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Heranba Industries Limited**

Mr Raghuram K Shetty

Managing Director
DIN:00038703

Date: August 12, 2025

Place: Mumbai



CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members of Heranba Industries Limited

We have examined the compliance of the conditions of Corporate Governance procedures implemented by **HERANBA INDUSTRIES LIMITED** (the “Company”) having CIN: **L24231GJ1992PLC017315** for the financial year ended on 31st March, 2025 as per Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) and pursuant to the Listing Agreement of the Company with the Stock Exchanges and we have examined the relevant records of the Company in accordance with the Guidance Note on Corporate Governance Certificate issued by The Institute of Company Secretaries of India (the “ICSI”).

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **GMJ & ASSOCIATES**
Company Secretaries

[CS PRABHAT MAHESHWARI]
PARTNER
M. No.: FCS 2405
COP No.: 1432
UDIN: F002405G000991602
PEER REVIEW CERTIFICATE NO.: 6140/2024

Place: Mumbai
Date: August 12, 2025

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURE

I. Details of the Listed Entity

1	Corporate Identity Number (CIN) of the Listed Entity	L24231GJ1992PLC017315
2	Name of the Listed Entity	Heranba Industries Limited
3	Date of Incorporation	17-03-1992
4	Registered office address	Plot No 1504/1505/1506/1 GIDC, Phase-III, Vapi-Valsad -396195 Gujarat
5	Corporate address	2 nd Floor, A Wing, Fortune Avirahi, Jain Derasar Lane, Borivali(W), Mumbai-400092
6	E-mail	compliance@heranba.com
7	Telephone	+91 22 5070 5050
8	Website	www.heranba.co.in
9	Financial year for which reporting is being done	Start date End date
	Current Financial Year	01-04-2024 31-03-2025
	Previous Financial Year	01-04-2023 31-03-2024
	Prior to Previous Financial year	01-04-2022 31-03-2023
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11	Paid-up Capital (In ₹)	₹ 400134670
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	
	Name	Abdul Latif
	Contact	022 5070 5014
	E mail	compliance@heranba.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis
14	Whether the Company has undertaken assessment or assurance of the BRSR Core?	NO
15	Name of assessment or assurance provider	NA
16	Type of assessment or assurance obtained	NA

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the Entity
1	Manufacturing	Engaged in the business of manufacturing, selling, distributing, purchasing and dealing of Insecticides, Fungicides, Herbicides, Weedicides and Public Health Service	100.00%

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

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Insecticides Herbicides, Fungicides, Public Health	20211	100.00%

III. Operations**19. Number of locations where plants and/or operations/offices of the entity are situated**

Location	Number of plants	Number of offices	Total
National	4	33	37
International	0	0	0

20. Markets served by the entity**A. Number of locations**

Locations	Number
National (No. of States)	18
International (No. of Countries)	75

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

29.12%

C. A brief on types of customers

The Company serves various customers including farmers, retailers, distributors, wholesaler through its domestic business stock depots and agrochemical companies and other distributors through the international business. The Company's products are consumed within India as well as across the globe.

IV. Employees**21. Details as at the end of Financial Year****A. Employees and workers (including differently abled)**

Sr. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (H)	% (H/A)
Employees								
1	Permanent (D)	556	537	96.58	19	3.42	0	0
2	Other than permanent (E)	2	2	100.00	0	-	0	0
3	Total employees (D + E)	558	539	96.59	19	3.41	0	0
Workers								
4	Permanent (F)	311	310	99.68	1	0.32	0	0
5	Other than permanent (G)	719	699	97.22	20	2.78	0	0
6	Total Workers (F + G)	1030	1009	97.96	21	2.04	0	0

B. Differently abled employees and workers

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

22. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	1	12.5%
Key Management Personnel	6	0	0.00%

23. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	Turnover rate in current FY (2024-25)				Turnover rate in previous FY (2023-24)				Turnover rate in the year prior to the previous FY (2022-23)			
	Male	Female	Other	Total	Male	Female	Other	Total	Male	Female	Other	Total
Permanent Employees	4%	7%	0	5.5%	3.15%	6.25%	0.00%	3.39%	5.31%	6.67%	0.00%	5.35%
Permanent Workers	1%	0	0	1%	0.62%	0.00%	0.00%	0.62%	0.32%	0.00%	0.00%	0.32%

V. Holding, Subsidiary and Associate Companies (including joint ventures)**24. (a) Names of holding/subsidiary/associate companies/joint ventures**

Sr. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Mikusu India Private Ltd	Subsidiary	100.00%	No
2	Heranba Organics Pvt. Ltd	Subsidiary	100.00%	No
3	Daikaffil Chemicals India Limited	Subsidiary	48.48%	No

VI. CSR Details

25.

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii) Turnover (₹ In Crores)	1,495.90
(iii) Net worth (₹ In Crores)	926.08

VII. Transparency and Disclosures Compliances

26. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No/NA)	(If Yes, then provide web-link for grievance redress policy)	FY (2024-25)			PY (2023-24)			
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	If NA, then provide the reason)
Communities	Yes	https://www.heranba.co.in/policies/	0	0	----	0	0	----	
Investors (other than shareholders)	Yes		0	0	----	0	0	----	
Shareholders	Yes		0	0	----	0	0	----	
Employees and workers	Yes		0	0	----	0	0	----	
Customers	Yes		0	0	----	0	0	----	
Value Chain Partners	Yes		0	0	----	0	0	----	
Other (please specify)	Yes		0	0	----	0	0	----	

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

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Customer Experience & Satisfaction	Opportunity	Our object is providing innovative products to our customer mainly farmers to maximize their farm output. Our mission is to improve Crop Productivity and Public Health.	-	Positive
2	Natural Disasters including Climate Change	Risk/ Opportunity	R: Business interruption due to natural risks like fire, cyclone, floods, war, drought, earthquakes, or any other nature-caused calamity, affects the regular operation of Company	- The property of the Company is adequately insured against various natural risks. - Fire Hydrants have been installed at all manufacturing locations.	Negative/Positive

27. Overview of the entity's material responsible business conduct issues (Contd.)

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			- O: The potential carbon routes for reducing GHG emissions offer distinct operational and energy supply opportunities - O: Clean energy integration in existing electric networks - O: Investment of capital in assets that will serve diversified electricity and fuel retrofitting on the energy supply system	- Other apparatus like extinguishers filled with chemical, foam etc. have been placed at fire sensitive locations and regular fire safety drills are carried out. - First aid training is given to watch and ward staff and safety personnel. - Engaging professional Risks Assessing Advisors who conduct periodical audit/ review and suggest risks improvement measures from time to time.	
3	Occupational health & safety hazards	Risk	Adverse incidents (loss of life, lost days, damage to assets, environment) due to safety gaps may impact business operations, reputation, Relationships, etc.	- Regular Medical Checkup from time to time. - Detailed SOPs for health and safety measure and adherence thereto followed strictly - Employee training to handle hazardous chemicals - Providing a safe and healthy workplace environment - To create a workplace free of injuries, fatalities, and illness (both chronic and acute, and physical and mental health) through trainings, appropriate personal protective equipment, incident tracking and reporting, etc. - Safety risk assessment and audit - Continuous improvement in responsible manufacturing and lead indicator tracking - Implementation of certain elements of Process Safety Management	Negative
4	Process and Product Development	Opportunity	- Faster business growth - Increase in profitability - Satisfaction of internal and external stakeholders - Optimal use of available resources	- Providing highest level of support in product research, development, and registration. - Constantly striving toward developing a cost-effective process for manufacturing Active Ingredients and Intermediates for Herbicides, Insecticides & Fungicides and to develop new formulations of Crop protection products.	Positive

27. Overview of the entity's material responsible business conduct issues (Contd.)

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				• A state-of-the-art R&D center and a pilot plant. • Formulation-Development Lab has been set up with Lab Scale pieces of equipment. The facility fulfills the requirement for Organic Synthesis as well as Formulation Development. • A well-qualified team of research personnel and scientists working on the continuous improvement of existing products and the development of new products. • Robust product and process studies conducted from early stage & frequently review of product pipeline development.	
5.	Supply Chain	Risk/ Opportunity	R: Use of outside transport services R: Business continuity R: Market reputation O: Commitment to customers	• Sourcing committed and dedicated service providers • Exploring possibility of an inhouse logistic mechanism if the situation demands • Possibilities to optimize the operations, by having a combination of transportation through road/rail and sea/air are explored • Comprehensive transit risk insurance coverage for all incoming and outgoing goods across the organization • Identify new sources and optimize procurement actions to ensure continued production • Our supplier and distribution network are widespread and inherently exposed to risks from disruption. We undertake detailed assessments of our suppliers and third-party contract manufacturers at the time of onboarding and periodically. These assessments cover a multitude of ESG topics like labor rights, fair wages, and regulatory compliances.	Positive/Negative

27. Overview of the entity's material responsible business conduct issues (Contd.)

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6.	Human Capital i.e. Talent Management, Attrition, Retention and Development	Opportunity/Risk	O: Human Capital is key to the success of business and employee engagement and competence plays a vital role in organizational development. O: Skilled employees and workers form an asset to the Company. The highly trained employees and worker perform their tasks more efficiently, in less time and with less chances of injury O: Providing a needs-based and innovative range of training courses, notably in forward thinking fields of expertise like digitalization O: Attracting and developing the right talent, ensuring professional development and personal well-being throughout their tenure with the Company O: Providing programmes that are specifically designed for roles which require upgraded skills R: Employee Turnover Risks, involving replacement risks, training risks, skill risks, etc. R: Unrest Risks due to Strikes and Lockouts	- Company has proper recruitment policy for recruitment of personnel at various level in the organization. - Proper appraisal system to give yearly increment is in place. - Employees are trained at regular intervals to upgrade their skills. - Labour problems are obviated by negotiations and conciliation. - Activities relating to the welfare of employees are undertaken	Positive/Negative
7.	Quality of Products	Opportunity	- The Company has its in-house quality control laboratories in three of its manufacturing units to ensure that it offers superior crop-protection and public health solutions. - Each of our laboratory is fully equipped and dedicated towards the quality of Input materials, In-Process materials, and finished goods. - Our laboratories are also equipped with advanced technologies that enables them to offer more precise standards of quality. - Our Quality Control Laboratories are accredited by NABL under ISO/IEC-17025:2017.	-	Positive

27. Overview of the entity's material responsible business conduct issues (Contd.)

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			- Additionally, our R&D efforts involves the inclusion of highly-qualified experts and scientists equipped with cutting-edge equipment and technology who consistently work on improving existing products and innovate newer ones. - Our teams proactively tracks regulatory and non-regulatory complaints and grievances and works towards redressing them in an effective manner.		
8.	Corporate Governance and Management of the Legal & Regulatory Environment	Risk	- Loss of reputation - Incurring or levying of penalties - Satisfaction of internal and external stakeholders - Long-term adverse direct or indirect environmental and social impact	- Digitally enabled regulatory compliance tracking and review of new requirements - Periodical assurance to the Board/Audit Committee/ Senior Management - Policy revision/up gradation/ Board review - The Company is governed by various laws and the Company has to do its business within four walls of law, where the Company is exposed to legal risk exposure. - To safeguard the Company engages professionals and advisors who focus on evaluating the risks involved in a contract, ascertaining our responsibilities under the applicable law of the contract, restricting our liabilities under the contract, and covering the risks involved, to meet the general and specific requirements so that they can ensure adherence to all contractual obligations and commitments	Negative
9.	Pollution Free Environment	Risk	Failure to provide a safe working environment exposes the Company to compensation liabilities, suboptimal productivity, loss of business reputation and other costs	- All the necessary pollution control norms for air, water a noise etc. are followed - Disposal of hazardous waste is monitored within permissible limits - All hazardous waste is disposed to Pollution Control Board approved Land Filling and Incineration Facilities.	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10.	Data Protection	Risk	- System capability & reliability - Data integrity risks including password management - Coordinating and interfacing risks - Risk of confidential data leakage via USB drives/flash drives, etc.	- Systems Administrator monitors and upgrades the systems on a continuous basis. - Password protection is provided at different levels to ensure data integrity. - Licensed software is being used in the systems. - The Company ensures "Data Security", by having access control/restrictions.	Negative

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	https://www.heranba.co.in/policies								
2.	Whether the entity has translated the policy into procedures. (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes
4.	Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Most of the policies are aligned to National Guidelines on Responsible Business Conduct (NGRBC) issued by Ministry of Corporate Affairs and some other standards such as Bureau of Indian Standard/Generally accepted standards., the guidelines, norms and directives of different State and Central Government. Company has obtained 17 Certification under national and international codes/certifications/labels/standards as follows: - Four Star Export House - ISO 9001:2015 Production and Dispatch of Agro Based Formulations such as Insecticides, Fungicides and Herbicides - ISO 9001:2015 Quality Management System for Manufacture and Supply of Technicals used in Formulations such as Insecticides, Herbicides, Fungicides and Animal Health - ISO 14001:2015 Environmental Management System for Manufacture and Supply of Deltamethrin, Lambda Cyhalothrin and Profenofos Technicals - ISO/IEC 17025: 2017-Certification of Accreditation - Quality Assurance Laboratory for General Requirements for the Competence of Testing & Calibration Laboratories in the field of Testing - Good Manufacturing Practice Certification - Certificate OF Registration - Good Manufacturing Practice for Manufacture and Supply of Technicals used in Formulations such as Insecticides, Herbicides, Fungicides and Animal Health - HACCP Principles Production and Distribution of Agro Based Formulations & Public Health Products such as Insecticides, Fungicides and Herbicides - WHO Approval - Heranba's Products, Deltamethrin & Alpha Cypermethrin has been incorporated in the WHO/FAO specifications and Evaluations								

[illegible]

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9									
9	Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No/NA).	Yes																	
	If yes, provide details	The Board from time to time oversee the implementation of respective policies. The Functional Heads are authorized to oversee the implementation thereof.																	
10	Details of Review of NGRBCs by the Company:																		
	Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/ Any other – please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Performance against above policies and follow up action	Policies wherever stated have been approved by Board/Committees of Board/Senior Management of the Company. Polices are reviewed at periodic intervals in all aspects including statutory requirements depending on the frequency stated in respective policies or on need basis whichever is earlier and necessary updates are made to the policies.																	
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company has necessary procedures in place to ensure the compliance with all relevant regulations.																	
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No).	P1	P2	P3	P4	P5	P6	P7	P8	P9									
	If Yes, Provide name of the agency	Yes																	
		Internal and external audits of the policies on quality, safety, health, and the environment are conducted as part of the ISO Systems certification process and ongoing periodic evaluations. Internal audit mechanisms are used to periodically assess the effectiveness of other policies.																	
		Pollucon Laboratory Pollution Control Sch-II Auditor conduct Environmental Audit & Naik Associates conduct Safety Audit and Prepare Onsite Emergency Plan.																	
12	If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:																		
	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9									
	The entity does not consider the Principles material to its business (Yes/No)																		
	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)																		
	The entity does not have the financial or/human and technical resources available for the task (Yes/No)																		
	It is planned to be done in the next financial year (Yes/No)																		
	Any other reason (please specify)																		
	Notes																		
		Not Applicable. All principles are covered by respective policies.																	

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	During the year, the Board of Directors and KMPs of the Company invested their time on various updates pertaining to the business regulatory updates including principles laid down in BRSR, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters.	100%
Key Managerial Personnel	4	During the year, the Board of Directors and KMPs of the Company invested their time on various updates pertaining to the business regulatory updates including principles laid down in BRSR, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters.	100%
Employees other than BoD and KMPs	225	More than 40 topics which includes • Health and Safety including Basic & General Safety in Chemical Industry, Emergency Chlorine Handling Kit, First-aid Training,, Manual Material Handling, Good Housing Keeping, Practical Fire Fighting With the Use Of Fire Extinguisher, Importance of PPE, SCBA Set Handling etc • Session on Code of Conduct for employees &workers • Prevention of Sexual Harassment • Stress Management • Business Communication Skills • Team Building	70%
Workers	193	• Health and Safety including Basic & General Safety in Chemical Industry, Emergency Chlorine Handling Kit, First-aid Training,, Manual Material Handling, Good Housing Keeping, Practical Fire Fighting With the Use Of Fire Extinguisher, Importance of PPE, SCBA Set Handling, Bromine Handling training, H2S gas detector operation, Unsafe Condition and unsafe act etc - Prevention of Sexual Harassment	75%

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

Monetary:

Details of penalty or fine					
Sr. No.	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Nil					
Details of settlement					
Sr. No.	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Nil					
Details of compounding fee					
Sr. No.	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Nil					

Non- Monetary

Details of imprisonment				
Sr. No.	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Nil				
Punishment				
Sr. No.	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Nil				

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

Not Applicable

4. Does the entity have anti-corruption or anti-bribery policy?

Yes

If Yes, provide details in brief	Anti-Corruption policy primarily covers risk assessment, third-party due diligence, training & awareness and audit and reporting. The Company has zero tolerance for any form of corruption or bribery, and it provides for strict actions against anyone caught engaging in such unethical behavior. The purpose of the policy is to inform Directors, Officers, Employees, and others who work for or on behalf of the organisation about what activities are appropriate and inappropriate. At the start of the Company's business involvement with each individual, they are all notified of the anti-corruption policy. As part of the prevention, identification, and detection of anti-corruption issues, training is provided across the Company. The Company upholds the highest standards and does not tolerate corruption wherever it conducts business. In addition to the aforementioned, the Vigil Mechanism Policy, which is applicable to every employee employed by the organisation, offers a platform for reporting dishonest behavior, fraud, and actual or suspected Code violations. No stakeholder complaints with respect to the Company's Code of Conduct and Whistle Blower Policy were received in the reporting year. The policy is accessible on the following web link: https://www.heranba.co.in/wp-content/uploads/2023/04/DOC230123-23012023160634.pdf
Provide a web-link if the entity has anti-corruption or anti-bribery policy	https://www.heranba.co.in/wp-content/uploads/2023/04/DOC230123-23012023160634.pdf

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

Particulars	FY (2024-25)	PY (2023-24)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

Particulars	FY (2024-25)		PY (2023-24)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

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

Not Applicable

8. Number of days of accounts payables

Particulars	FY (2024-25)	PY (2023-24)
i) Accounts payable x 365 days	159,918.52*	104,732.88*
ii) Cost of goods/services procured	1,131.51*	840.98*
iii) Number of days of accounts payables	141.33	124.54

* ₹ In crores

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

Parameter	Metrics	FY (2024-25)	PY (2023-24)
Concentration of Purchases	a. i) Purchases from trading houses	253.76*	16.82*
	ii) Total purchases	1,131.51*	840.98*
	iii) Purchases from trading houses as % of total purchases	22.43%	2.00%
	b. Number of trading houses where purchases are made	3	3
	c. i) Purchases from top 10 trading houses	253.76*	16.82*
	ii) Total purchases from trading houses	253.76*	16.82*
	iii) Purchases from top 10 trading houses as % of total purchases from trading houses	100.00%	100.00%
	a. i) Sales to dealer/distributors	408.25*	331.44*
	ii) Total Sales	1,495.90*	1,274.75*
Concentration of Sales	iii) Sales to dealer/distributors as % of total sales	27.29%	26.00%
	b. Number of dealers/distributors to whom sales are made	10000	9,200
	c. i) Sales to top 10 dealers/distributors	41.25*	38.24*
	ii) Total Sales to dealer/distributors	408.25*	331.44*
	iii) Sales to top 10 dealers/distributors as % of total sales to dealer/distributors	10.10%	11.54

9. Open-ness of business - Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format: (Contd.)

Parameter	Metrics	FY (2024-25)	PY (2023-24)
Share of RPTs in	a. i) Purchases (Purchases with related parties)	247.62*	2.95*
	ii) Total Purchases	1,131.51*	840.98*
	iii) Purchases (Purchases with related parties as % of Total Purchases)	21.88	0.35
	b. i) Sales (Sales to related parties)	211.23*	107.91*
	ii) Total Sales	1,495.90*	1,274.75*
	iii) Sales (Sales to related parties as % of Total Sales)	14.12	8.46
	c. i) Loans & advances given to related parties	493.81*	299.65
	ii) Total loans & advances	493.81*	299.65
	iii) Loans & advances given to related parties as % of Total loans & advances	100	100
	d. i) Investments in related parties	0.15*	0.15*
	ii) Total Investments made	3.39*	1.83*
	iii) Investments in related parties as % of Total Investments made	4.43	8.20

* ₹ In Crores

Leadership Indicators

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

Sr. No.	Total number of awareness programmes held	Topics/principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	435	- Good Business Practices - Effectiveness of Products on Crops and Pest - How to use the products to give better yields - Health & Safety Related usage of products - Launch of New Scheme - Launch of New Products - Distribution of Awards - Update and Future Plan of Company progress	100.00% The Company has a practice of regularly training farmers and dealers in various regions on various topics to create an awareness on good business practices. The Company will going forward maintain records to track the percentage of farmers and dealers covered in the trainings and would also conduct the sessions on the specific BRSR principles. Additionally, the Company will make an efforts to include the other value chain partners in these training initiatives.

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board?

If Yes, provide details of the same.	The Company has procedures in place to prevent/manage conflicts of interest affecting board members and they are in accordance with the terms of the board's appointment of directors. According to the Company's Code of Conduct, Board members and Senior Management of the Company are required to abstain from discussions, voting, or otherwise influencing a decision on any matter in which they have or may have a conflict of interest; restrict themselves from serving as a Director of any Company that is in direct competition with the Company. Additionally, the Board of Directors and senior management of the Company submit a yearly declaration of the entities in which they have an interest or whenever there is a change of interest as per the provisions of The Companies Act, 2013. The Company then confirms that the necessary legal approvals have been obtained before engaging in business with such interested entities.
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PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

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

Particulars	FY (2024-25)	PY (2023-24)	Details of improvements in environmental and social impacts
R&D	1.60%	6.00%	- Established and equipped a dedicated laboratory for improvement in process and technology of existing products. - Reduced consumption of bromine by 3.0% in Deltamethrin. Reduced aqueous effluent generation in Deltamethrin by 10%. - Reduced charging of water by 46% in Profenophos after experimenting and implementing extraction with ARDC. - Improved quality of Profenophos by experimenting with CSTR which also indicated potential of generating lesser organic waste.
Capex	0.00%	0.00%	NA

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

Heranba has not yet established specific protocols for sustainable sourcing; however, the Company is conscious of the significance of sustainability in its operations, hence, it screens every supplier based on social and environmental criteria, and every aspect of the Company's operations is regularly examined to ensure that the sourced materials are handled responsibly. The legal compliance status, health and safety policy, and ISO certification—which includes ISO 9001, ISO 14001, and ISO 18001—are all factors we consider when evaluating suppliers.

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

Not Applicable

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for:

(a) Plastics (including packaging)	Plastic waste is sent to GPCB Approved recycler.
(b) E-waste	E-waste records are maintained & it will be sent to GPCB Registered E-Waste supplier.
(c) Hazardous waste	All generated hazardous waste has been sent to a landfill or incinerator authorized by the GPCB.
(d) other waste	It is given to the local scrap vendor i.e. MS waste, SS waste.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). Yes

If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?	Waste Collection Plan as well as Data is regularly submitted to Pollution Control Boards.
If not, provide steps taken to address the same.	

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)?

No.

If yes, provide details

Not Applicable

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

Action taken to mitigate significant social or environmental concerns and/or risks arising from production or disposal of products/services

Sr. No.	Name of Product/Service	Description of the risk/concern	Action Taken
Nil			

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

Percentage of recycled or reused input material to total material (by value) used in production or providing services

Sr. No.	Indicate input material	Recycled or re-used input material to total material	
		FY (2024-25)	PY (2023-24)
	Nil		

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

Particulars	FY (2024-25)			PY (2023-24)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	25.175	-	3.50	-	16.46
E waste	-	-	-	-	-	-
Hazardous waste	-	-	320.41	-	-	2844.45
Other waste	-	-	-	-	-	-

Details of other waste

Sl. No.	Details of other waste	FY (2024-25)			PY (2023-24)		
		Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
1	Other waste	0	1.75	0	0.00	0.92	0.00

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

Sr. No.	Indicate product category	Reclaimed products and their packaging materials as Percentage of total products sold in respective category
Nil		

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

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	537	537	100%	218	40.60%	0	-	0	-	0	-
Female	19	19	100%	1	5.26%	19	100%	0	-	0	-
Other	0	0	-	0	-	0	-	0	-	0	-
Total	556	556	100%	219	39.39%	19	3.42%	0	-	0	-
Other than permanent employees											
Male	2	2	100%	0	-	0	-	0	-	0	-
Female	0	0	-	0	-	0	-	0	-	0	-
Other	0	0	-	0	-	0	-	0	-	0	-
Total	2	2	100%	0	-	0	-	0	-	0	-

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	310	310	100%	310	100%	0	-	0	-	0	-
Female	1	1	100%	1	100%	1	100%	0	-	0	-
Other	0	0	-	0	-	0	-	0	-	0	-
Total	311	311	100%	311	100%	1	0.32%	0	-	0	-
Other than permanent workers											
Male	699	699	100%	699	100%	0	-	0	-	0	-
Female	20	20	100%	20	100%	20	100%	0	-	0	-
Other	0	0	-	0	-	0	-	0	-	0	-
Total	719	719	100%	719	100%	20	2.78	0	-	0	-

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

Particulars	FY (2024-25)	PY (2023-24)
i) Cost incurred on wellbeing measures (well-being measures means well-being of employees and workers (including male, female, permanent and other than permanent employees and workers))	6.93*	6.84*
ii) Total revenue of the Company	1,495.90*	1,274.75*
iii) Cost incurred on wellbeing measures as a % of total revenue of the Company	0.46%	0.54%

* ₹ In Crores

2. Details of retirement benefits:

Benefits	FY (2024-25)			PY (2023-24)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes
Others – please specify	-	-	-	-	-	-

Details of other retirement benefits:

Sl.No.	Name of Benefits	FY (2024-25)			PY (2023-24)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?	Yes
If not, whether any steps are being taken by the entity in this regard.	The Company has put up ramps, lifts, and handrails for stairwells at all of its locations, including its offices and other premises, to make it easier for people with disabilities to go about. Thus, Company's premises has been made access friendly.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?

If so, provide a web-link to the policy.

Yes

Heranba provides equal job opportunities without regard to age, race, religion, nationality, disability, marital status, sex, or sexual orientation. Based on the aforementioned factors, the Company makes an effort to keep a harassment-free workplace. This equal opportunity policy is dependent on any applicable laws, a person's qualifications, and their worth. The policy can be access at <https://www.heranba.co.in/wp-content/uploads/2023/07/Anti-Discrimination-Policy.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0%	0%	0%	0%
Female	100%	100%	0%	100%
Other	-	-	-	-
Total	3.42%	3.42%	0.32%	0.32%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker?

	Yes/No	(If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes	The Company has a grievance policy so that employees have a way to convey issues related to their employment. The Policy makes sure that these complaints are resolved swiftly, fairly, and impartially in accordance with the Organization's policies. This comprises employee concerns about a supervisor's, another employee's, or Management's behaviour, inaction, or proposed action in relation to them. According to the policy's grievance redress mechanism, the first step in addressing any problem is to speak directly to the other party about the grievance. If consultation is unsatisfactory or impossible for whatever reason, the employee may speak to their next-level supervisor. If the grievance is still not resolved at the Department or Second Level, the HR Head of the Site will speak directly with the other party to try to address the situation. Even if the issue goes unresolved, the director will be involved to settle the complaints and will try every option at his command. The policy can be access at https://www.heranba.co.in/wp-content/uploads/2023/07/Grievance-REdrressal-Policy.pdf
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

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

Category	FY (2024-25)			PY (2023-24)		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	556	0	-	555	0	-
Male	537	0	-	539	0	-
Female	19	0	-	16	0	-
Other	0	0	-	0	0	-
Total Permanent Workers	311	0	-	320	0	-
Male	310	0	-	319	0	-
Female	1	0	-	1	0	-
Other	0	0	-	0	0	-

8. Details of training given to employees and workers:

Category	FY (2024-25)					PY (2023-24)				
	Total (A)	On Health and safety measures		On Skill up gradation		Total (D)	On Health and safety measures		On Skill up gradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	539	444	82.37%	85	15.77%	539	439	81.45%	75	13.91%
Female	19	1	5.26%	8	42.11%	16	1	6.25%	3	12.50%
Other	0					0	0	-		-
Total	558	445	79.75%	93	16.67%	555	440	79.28%	78	14.05%
Workers										
Male	1009	982	97.32%	-	-	1272	1126	88.52%	-	-
Female	21	6	28.57%	-	-	46	8	17.39%	-	-
Other	0	0		-	-	0	0	-	-	-
Total	1030	988	95.92 %	0	0	1318	1134	86.04%	0	0

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

Category	FY (2024-25)			PY (2023-24)		
	Total (A)	No. (B)	% (B/A)	Total (D)	No. (E)	% (E/D)
Employees						
Male	539	539	100%	539	439	100%
Female	19	19	100%	16	1	100%
Other	0	0	100%	0	0	100%
Total	558	558	100%	555	440	100%
Workers						
Male	1009	1009	100%	1272	1272	100%
Female	21	21	100%	46	46	100%
Other	0	0	100%	0	0	100%
Total	1030	1030	100%	1318	1318	100%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No/NA).

Yes

If yes, the coverage such system?

Heranba places a high priority on preserving and enhancing the health and safety of its employees. Employee workplace safety is the cornerstone of the Company's sustainability approach. The Company has put in place thorough compliance measures at all touch points to ensure everyone's safety.

All manufacturing facilities, offices are covered by the Safety & Health Management system, which also ensures

the protection of the environment, the health and safety of all employees, contractors, visitors, and other important stakeholders. The Company has also adopted a BRSR policy for environmental protection, health, and safety, which is available on <https://www.heranba.co.in/wp-content/uploads/2023/07/BRSR-Policy-Heranba.pdf>

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

Heranba has a risk management system to carry out the evaluation of work-related hazards and risks for all routine and non-routine operations carried out at any site. The management identify hazards and risks after consulting with safety specialists. To get rid of the risks and hazards identified, a mitigation strategy which involves evacuating

the employees and other occupants in the event of an emergency are offered.

The employees and workers also provided with protective gear wherever required. In case of any emergency, the following facilities are available:

- Well-equipped OHC with 24x7 male nurse available
- Well-equipped Ambulance with trained Driver cum mechanic 24X7 available.
- Appointed Factory Medical Officer (FMO).
- First Aid Treatment available in OHC
- First Aid Boxes provided & maintained
- Mutual Aid facility of Ambulance available with Local Association.
- Agreement with outside hospital for emergency treatment as Mutual Aid.
- Periodic medical check-up

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks?

Yes. Internal controls and processes are in place within the Company to report hazards at work immediately. Additionally, we have a safety observation and incidents reporting system to make sure that any work-related incidents, such as accidents, near-misses, unsafe conditions, and unsafe activities, are reported, followed by the closing of the incident after implementing the required corrective actions.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services?

Yes. Heranba recognizes that its employees' overall physical and mental health plays a vital role to Company success and long- term goals of expansion. We also think it's important to give workers a workplace where their needs for money are addressed in addition to their salary. All employees of the Company are eligible for a range of health and wellness perks, including accident and medical insurance for benefit in the case of an accident or serious sickness. In addition, Heranba provides routine check-ups and wellness programmes, as well as free, wholesome meals for the workers and employees in the Factory.

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

Safety Incident/Number	Category*	FY (2024-25)	PY (2023-24)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	1.31
	Workers	0	1.31
Total recordable work-related injuries	Employees	0	1
	Workers	1	4
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce

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

At Heranba, we believe that keeping everyone safe—including our employees, our guests, and the general public—is essential to our long-term success. We continue to believe that having a safe and healthy workplace is both a legal requirement and a basic human right. As part of our sustainability vision, we have set the aim of achieving "Zero Harm" and zero reportable injuries across all of our operations.

The following are some of the mitigating strategies to avoid or lessen severe consequences on occupational health and safety:

- Providing and maintaining up to date fire detection, alarm, and suppression systems;
- Providing a Safety training to all Company employees and contract workers.
- Conducting routine site reviews, inspections, and audits to gauge readiness for safety;
- Regular simulations of both fire and medical emergencies
- Regular training on occupational health & safety training to sensitize employees on occupational health & safety.
- Regular medical check-up facility available every week
- Mutual Aid facility of Ambulance is available through connection with Local association
- Oxygen cylinder kit available for emergency purpose

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

	FY (2024-25)			PY (2023-24)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

14. Assessments for the year:

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

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

In all of its locations, Heranba keeps track on accident rates. The strong commitment of management and employees to maintain a safe workplace by following the Company's established management approach and adopting a health and safety-first mentality in the performance of duties is credited with the overall reduction in health and safety incident

Leadership Indicators**1. Does the entity extend any life insurance or any compensatory package in the event of death of**

(A) Employees (Y/N)	Yes
(B) Workers (Y/N).	Yes

Heranba has a compensation policy in place for its employees and permanent workers and does provide aid in the event of a tragic incident, such as a death.

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

The Company monitors and tracks the compliance related to statutory dues by contractors supplying third party resources as a part of regular Checks while processing the invoices. Periodic audits are also conducted to ensure compliance.

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

Particulars	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY (2024-25)	PY (2023-24)	FY (2024-25)	PY (2023-24)
Employees	0	0	0	0
Workers	0	0	0	0

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

No

5. Details on assessment of value chain partners:

% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices
Working Conditions

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

The Company conducts EHS, system & regulatory audits of the third parties, their warehouses and of suppliers at regular intervals to ensure compliance of Various processes. Regular follow ups are being done to ensure implementation of suggested corrective/preventive actions.

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

Essential Indicators

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

In order to comprehend and meet stakeholders' expectations as well as build short-, medium-, and long-term Company strategies, the Company identifies and interacts with a variety of stakeholders. Employees, Shareholders, Customers, Communities, Suppliers, Government Authorities, Partners, and Vendors are among the internal and external groupings of important stakeholders defined based on their immediate impact on the operations and working of the Company.

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

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Shareholders	No	Annual General Meeting, Shareholder meets, email, Stock Exchange (SE) intimations, investor/analysts meet/conference calls, annual report, quarterly results, media releases and Company/SE website	Ongoing	To answer investor queries on financial performance To present business performance highlights to investors To discuss the business outlook
2	Customers	No	Website, distributor/retailer/direct customer/MD, senior leader-customer meets/visits, customer plant visits, Dealer's meet, group discussion, trade body membership, helpdesk, conferences, customer surveys	Ongoing	Product quality and availability, responsiveness to needs, after sales service, responsible guidelines/manufacturing, climate change disclosures, Safety awareness and safe use of Agrochemicals
3	Government and Regulatory Bodies	No	Websites, Emails, Meetings, Industry Forums, Submissions through online Regulatory portals or direct submissions to Regulatory office	Ongoing	Policy and Regulatory Matters, Filing of Returns, Grant and maintenance of licenses to import, manufacture and market Company's products in India, and other regulatory approvals

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

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
4	Suppliers	No	Supplier & vendor meets, Workshops, Dialogue, email, SMS, WhatsApp, joint events, presentations Supplier risk assessments	Ongoing	Supply of material & services. Adopting sustainable & environment friendly policies
5	Employees	No	Conferences, workshops, Publications, newsletters & reports, online portals, employee surveys, Idea management, internal communication One-on-one interactions Employee involvement in CSR activities.	Ongoing	Inform about important advances in the Company. Help the employees expand their knowledge in the industry. Getting employee feedback and resolving their issues.
6	Communities & NGO	No	Meets of community/ local authorities/location heads, community visits and projects, partnership with local charities, NGO volunteerism, seminars/ conferences, CSR Partner's meet	Ongoing	Farmer Safety Kit, Clean water, Green Bio Toilet, Tree Plantation, Distribution of appliances for Physically Impaired, Corrective Surgery - Cleft Lip/Cleft Palate, Natural Resource Management, community development, livelihood support, disaster relief, Education, Skill development etc

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The management of the Company regularly engages with important stakeholders, including customers, suppliers, employees, etc., in an effort to improve value generating methods.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics.

Yes

If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

In order to identify and manage environmental and social issues, stakeholders are consulted. We interact with our stakeholders to identify all facets of societal, environmental, and economic problems. We think that including stakeholders improves accountability, transparency, responsiveness, compliance, organizational learning, and sustainability. We interact with our stakeholders through a variety of methods of engagement to learn about their top environmental, social, and governance concerns.

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

The Company engages with vulnerable and marginalized communities through its CSR programmes which are targeted to benefit vulnerable and marginalized stakeholder groups. For more details, please refer to the CSR initiatives mentioned under Annual Report

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

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

Category	FY (2024-25)			PY (2023-24)		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	556	95	17.09	555	90	16.22%
Other than permanent	2	0	-	0	0	-
Total Employees	558	95	17.03	555	90	16.22%
Workers						
Permanent	311	200	64.31	320	190	59.38%
Other than permanent	719	100	13.91	998	90	9.02%
Total Workers	1030	300	29.13	1318	280	21.24%

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

Category	FY (2024-25)					PY (2023-24)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent:										
Male	537	0	-	537	100%	539	0	-	539	100%
Female	19	0	-	19	100%	16	0	-	16	100%
Other	0	0	-	0	100%	0	0	-	0	100%
Total	556	0	-	556	100%	555	0	-	555	100%
Other than Permanent:										
Male	2	0	-	2	100%	0	0	-	0	-
Female	0	0	-	0	-	0	0	-	0	-
Other	0	0	-	0	-	0	0	-	0	-
Total	2	0	-	2	100%	0	0	-	0	-
Workers										
Permanent:										
Male	310	0	-	310	100%	319			319	100%
Female	1	0	-	1	100%	1			1	100%
Other	0	0	-	0	100%	0			0	100%
Total	311	0	-	311	100%	320			320	100%
Other than Permanent:	100%					100%				
Male	699	0	-	699	100%	953			953	100%
Female	20	0	-	20	100%	45			45	100%
Other	0	0	-	0	100%	0			0	100%
Total	719	0	-	719	100%	998			998	100%

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

	Male		Female		Other	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)	4	3200000	0	0	0	0
Key Managerial Personnel	2	3400000	0	0	0	0
Employees other than BoD and KMP	525	540312	19	949296	0	0
Workers	1009	351000	21	297700	0	0

b. Gross wages paid to females:

Particulars	FY (2024-25)	PY (2023-24)
Gross wages paid to females	1.81*	1.36*
Total wages	73.39*	65.81*
Gross wages paid to females (Gross wages paid to females as % of total wages)	2.47	2.07

* ₹ In Crores

4. Do you have a focal point (Individual/Committee) responsible for addressing human right impacts or issues caused or contributed to by the business?

Yes

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

According to the Company's human rights policy, employees can address any complaints or grievances to line management. Any employee or an associate who expresses concerns in accordance with the policy is not subject to retribution or reprisals. To look into the issues that have been reported, a committee will be established or assigned by next financial year. The Committee will be in charge of assessing the reported problems and seeing to it that they are resolved. The Committee might also make a reasonable recommendation in conjunction with Line Management. Heranba is committed to upholding the human rights of its employees, communities, contractors, and suppliers in accordance with the Rights of Work described by the regulatory authorities. Heranba recognises the significant role that business can play in ensuring the long-term protection of human rights. To guarantee that complaints are handled quickly and effectively, the Company has created a human rights policy that works in tandem with the grievance policy. The policy can be access at <https://www.heranba.co.in/policies/>

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

	FY (2024-25)			PY (2023-24)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0		0	0	
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/ Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

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

Particulars	FY (2024-25)	PY (2023-24)
i) Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
ii) Average number of female employees/workers at the beginning of the year and as at end of the year	40	62
iii) Complaints on POSH as a % of female employees/workers	0	0
iv) Complaints on POSH upheld	0	0

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

Heranba is dedicated to granting equal opportunities to every individual and is intolerant of any form of harassment or discrimination, including those based on sexual orientation, age, handicap, nationality, or any other characteristic protected by the law. Our anti-discrimination, POSH, whistle-blower, and grievance redress guidelines make sure that our employees uphold our commitment.

Also, in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redress) Act, 2013 an internal committee (IC) has been established. They adhere to the procedures and rules outlined in the Act.

The Whistle-blower Policy guarantees that no Whistle-blower will be treated unfairly as a result of reporting a "Protected Disclosure" in accordance with the policy. The Company, as a matter of policy, strongly disapproves of any form of victimisation, discrimination, harassment, or any other unfair employment practise used against whistle-blowers. Therefore, whistle-blowers will be completely protected from any unfair practises such as retaliation, threats of termination or suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like, as well as any direct or indirect use of authority to obstruct the whistle-blower's right to continue performing his or her duties or functions, including making additional reports and safeguard disclosure.

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

No

10. Assessments for the year:

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

Details of other assessments of plant and office

Sr. No.	Name of other assessment	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Not Applicable		

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

Not Applicable

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

There have been zero complaints or grievances about human rights as of the publication date of the report.

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

At Heranba, adherence to the human rights policy is essential. Going forward in the near future, we want to make sure that our Company's operations and our suppliers uphold regulations pertaining to human rights.

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

Yes. There are ramps/lift at the Company's Registered Office, Corporate Office and other locations for visitors and employees with special needs.

4. Details on assessment of value chain partners:

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

Details of other assessments of value chain partner

Sr. No.	Name of other assessment	% of value chain partners (by value of business done with such partners) that were assessed
		Nil

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

Not applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment
Essential Indicators
1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Whether total energy consumption and energy intensity is applicable to the Company?

Particulars	FY (2024-25)	PY (2023-24)
Revenue from operations (in ₹)	14,958,984,398.35	12,747,473,470.50

Parameter	Units	FY (2024-25)	PY (2023-24)
From renewable sources			
Total electricity consumption (A)	Kilojoule (KJ)	512,172,000	640,800,000
Total fuel consumption (B)	Kilojoule (KJ)	-	-
Energy consumption through other sources (C)	Kilojoule (KJ)	-	-
Total energy consumed from renewable sources (A+B+C)	Kilojoule (KJ)	512,172,000	640,800,000
From non-renewable sources			
Total electricity consumption (D)	Kilojoule (KJ)	109,455,260,400	58,706,298,000
Total fuel consumption (E)	Kilojoule (KJ)	4,601,847,003	31,099,296,758
Energy consumption through other sources (F)	Kilojoule (KJ)	-	-
Total energy consumed from non-renewable sources (D+E+F)	Kilojoule (KJ)	114,057,107,403	89,805,594,758

(Contd.)

Parameter	Units	FY (2024-25)	PY (2023-24)
Total energy consumed (A+B+C+D+E+F)	Kilojoule (KJ)	114,569,279,403	90,446,394,758
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations)	Kilojoule (KJ)/₹	7.66	7.10
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)			
(Total energy consumed/Revenue from operations adjusted for PPP)	Kilojoule (KJ)/₹	156.10	155.74
Energy intensity in terms of physical Output	Kilojoule (KJ)/tonnes	3,401,701	2,656,658
Energy intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)?

Yes

If yes, name of the external agency.

Pollucon Laboratory Pollution Control Sch-II Environmental Auditor & Naik Associates, two approved external agencies, have performed environmental Audit & safety audits in accordance with requirements.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India?

No

If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable

3. Provide details of the following disclosures related to water, in the following format:

Particulars	FY (2024-25)	PY (2023-24)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	102,130	94,569
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	102,130	94,569
Total volume of water consumption (in kilolitres)	102,130	94,569
Water intensity per rupee of turnover (Total water consumption/Revenue from operations)	0.0000068	0.0000074
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)	0.000139	0.000163
Water intensity in terms of physical output	3.03	2.78
Water intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)?

Yes

If yes, name of the external agency.

Pollucon Laboratory Pollution Control Sch-II Environmental Auditor & Naik Associates, two approved external agencies, have performed environmental Audit & safety audits in accordance with requirements.

4. Provide the following details related to water discharged:

Parameter	FY (2024-25)	PY (2023-24)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0.00	0.00
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(ii) To Groundwater	0.00	0.00
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(iii) To Seawater	0.00	0.00
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(iv) Sent to third-parties	21424	17617.00
No treatment	0.0	0.00
With treatment – please specify level of treatment	21424	17617.00
(v) Others	0.00	0.00
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
Total water discharged (in kilolitres)	21424	17617.00

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)?

Yes

If yes, name of the external agency.

Pollucon Laboratory Pollution Control Sch-II Environmental Auditor & Naik Associates, two approved external agencies, have performed environmental Audit & safety audits in accordance with requirements.

5. Has the entity implemented a mechanism for Zero Liquid Discharge?

No

If yes, provide details of its coverage and implementation.

Not Applicable

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Whether air emissions (other than GHG emissions) by the entity is applicable to the Company? Yes

Parameter	Please specify unit	FY (2024-25)	PY (2023-24)
NOx	Parts Per Million (PPM)	12.00	9.00
SOx	Parts Per Million (PPM)	27.00	24.00
Particulate matter (PM)	mg/Nm3	83.00	89.00
Persistent organic pollutants (POP)	Kilotonne	0.00	0.00
Volatile organic compounds (VOC)	Parts Per Million (PPM)	6.3	7.80
Hazardous air pollutants (HAP)	Kilotonne	0.00	0.00
Others – please specify		Nil	

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)?

Yes

If yes, name of the external agency.

Pollucon Laboratory Pollution Control Sch-II Environmental Auditor & Naik Associates, two approved external agencies, have performed environmental Audit & safety audits in accordance with requirements.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Whether greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity is applicable to the Company?		Scope 1 emissions are applicable and details are given below.	
		Scope 2 emissions are not applicable.	
Parameter	Unit	FY (2024-25)	PY (2023-24)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MtCO ₂ e	1.68	0.00
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MtCO ₂ e	N/A	19233.97
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations)	MtCO ₂ e/₹	0.0000000001	0.0000015088
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	MtCO ₂ e/₹	0.0000000023	0.000033
Total Scope 1 and Scope 2 emission intensity in terms of physical output Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	MtCO ₂ e	0.000050	0.56

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)?

Yes

If yes, name of the external agency.

Pollucon Laboratory Pollution Control Sch-II Environmental Auditor & Naik Associates, two approved external agencies, have performed environmental Audit & safety audits in accordance with requirements.

8. Does the entity have any project related to reducing Green House Gas emission?

Yes

If Yes, then provide details.

The Company has streamlined its procedures to get closer to this unified goal by aligning its emissions management strategy with the global goals of reducing carbon footprint and managing climate change risks. In addition to being essential to the Company's future business operations, reducing GHG emissions is also a key component of its long-term environmental plan. The Company is dedicated to energy saving and makes sure that all of its operational facilities use energy efficiently. A key component of the Company's strategy for sustainable operations is energy management. Facilities are operated with the intention of reducing the amount of energy used in the processes, which directly affects carbon emissions. We've also added a waste reduction programme and installed solar power as part of our effort to lower GHG emissions.

9. Provide details related to waste management by the entity, in the following format:

Particulars	FY (2024-25)	PY (2023-24)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	25.18	16.46
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	1.75	0.92
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	26.93	17.38
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations)	0.0000000018	0.0000000014
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP)	0.0000000037	0.0000000030
Waste intensity in terms of physical output	0.000799	0.000510
Waste intensity (optional) – the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	1.75	0.92
(ii) Re-used	0.00	0.00
(iii) Other recovery operations	0.00	0.00
Total	1.75	0.92
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	183.71	273.207
(ii) Landfilling	166.11	112.38
(iii) Other disposal operations	0	0.00
Total	349.82	385.587

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)?

Yes

If yes, name of the external agency.

Pollucon Laboratory Pollution Control Sch-II Environmental Auditor & Naik Associates, two approved external agencies, have performed environmental Audit & safety audits in accordance with requirements.

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

The generation of waste is an unavoidable waste of industry, although efforts have been made to recover value from waste. The Company has adopted processes and procedures that

help recycle used material and reintroduce excess material into the production process in an effort to remove a sizable amount of waste from landfills. For waste management, the corporation employs the "3R" strategy of reduce, reuse, and recycle.

The Company follows legally prescribed procedures as under:

We are segregating Low COD & High COD effluent for treatment of effluent as per the Pollution Control Board Norms. And Low COD effluent treated in conventional ETP and High COD effluent treated in MEE followed by Stripper and ATFD.

We are handling & managing storage, transportation & disposal of Hazardous waste as per the Pollution Control Board Guidelines & Rules.

We have Installed Online Continuous Environmental Monitoring System & connected with State Pollution Control Board & Central Pollution Control Board.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with?	If no, the reasons thereof and corrective action taken, if any.
Nil				

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

Sr. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil						

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N/NA).

Yes

If not, provide details of all such non-compliances, in the following format:

Not Applicable

Leadership Indicators

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

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

Details For each facility/plant located in areas of water stress

Sr. No.	Particulars	FY (2024-25)	PY (2023-24)
1	Name of the area	Vapi & Sarigam	Vapi & Sarigam
2	Nature of operations	Manufacture of Agrochemical products & Formulations	Manufacture of Agrochemical products & Formulations
3	Water withdrawal, consumption and discharge in the following format:		
	Parameter		
	Water withdrawal by source (in kilolitres)		
	(i) Surface water	0.0	0.00
	(ii) Groundwater	0.0	0.00
	(iii) Third party water	102,130	94,569
	(iv) Seawater/desalinated water	0.0	0.00
	(v) Others	0.0	0.00
	Total volume of water withdrawal (in kilolitres)	102,130	94,569
	Total volume of water consumption (in kilolitres)	102,130	94,569
	Water intensity per rupee of turnover (Water consumed/turnover)	0.0000068	0.0000074

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

Sr. No.	Particulars	FY (2024-25)	PY (2023-24)
	Water intensity (optional) – the relevant metric may be selected by the entity	0.00	0.00
	Water discharge by destination and level of treatment (in kilolitres)		
	(i) Into Surface water		
	No treatment	0.0	0.00
	With treatment – please specify level of treatment	0.0	0.00
	(ii) Into Groundwater		
	No treatment	0.0	0.00
	With treatment – please specify level of treatment	0.0	0.00
	(iii) Into Seawater		
	No treatment	0.0	0.00
	With treatment – please specify level of treatment	0.0	0.00
	(iv) Sent to third-parties		
	No treatment	0.0	0.00
	With treatment – please specify level of treatment	21424	17617
	(v) Others		
	No treatment	0.0	0.00
	With treatment – please specify level of treatment	0.0	0.00
	Total water discharged (in kilolitres)	21424	17617

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)?

Yes

If yes, name of the external agency.

Pollucon Laboratory Pollution Control Sch-II Environmental Auditor & Naik Associates, two approved external agencies, have performed environmental Audit & safety audits in accordance with requirements.

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

Parameter	Units	FY (2024-25)	PY (2023-24)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MtCO ₂ e	0	0
Total Scope 3 emissions per rupee of turnover	MtCO ₂ e/₹	0	0
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	MtCO ₂ e	0	0

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)?

Yes

If yes, name of the external agency.

Pollucon Laboratory Pollution Control Sch-II Environmental Auditor & Naik Associates, two approved external agencies, have performed environmental Audit & safety audits in accordance with requirements.

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable as our units operate in GIDC.

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

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative	Corrective action taken, if any
Not Applicable				

5. Does the entity have a business continuity and disaster management plan?

Yes

Details of entity at which business continuity and disaster management plan is placed or weblink.

The Company has put in place policies to ensure that mission-critical operations continue in the event of a disruption as it recognizes the value of business continuity in its operations.

Hence, we have implemented the concept of emergency plan and following list represents the main elements of the emergency plan created for all plants:

- A detailed emergency response for each hazard scenario, including all likely dangers, their location, potential, damaging capacity, and in the event of accidents, dangerous occurrences, emergencies, and catastrophes occurring in or affecting the jurisdiction at any moment.
- An emergency response team including a site main controller, an incident controller, a first aid team, a firefighting team, a communications team, and teams for electricity and utilities is on the scene.
- The duties and responsibilities of the emergency response team's main members and their replacements.

- The emergency control center's bare minimal infrastructural requirements.
- A list of regulatory organizations along with contact information.
- A list of the phone numbers and addresses of nearby hospitals.
- On site emergency plan updating at regular interval.
- Safety audit conducting at regular interval and compliance of findings.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No such incident has being reported/informed to us. The Company provides awareness and training to the farmers to ensure proper and safe handling and uses of agrochemical products.

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

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

a	By the listed entity	Nil
b	By the top ten (in terms of value of purchases and sales, respectively) value chain partners	Nil

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

Essential Indicators

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

The Company is affiliated with six (6) trade and industry chambers/associations.

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to

Sr. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National/International)
1	Bombay Chamber of Commerce and Industry	State
2	Crop Care Federation of India	National

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to (Contd.)

Sr. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/ National/International)
3	Pesticides Manufacturers & Formulators Association of India	National
4	CHEMEXCIL – Basic Chemicals, Cosmetics & Dyes Export Promotion Council	National
5	Hindustan Pesticides Manufacturer's Association	National
6	Indian Bunts Chamber of Commerce & Industry	National

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

Sr. No.	Name of authority	Brief of the case	Corrective action taken
Not Applicable. Since we did not obtain any such unfavorable directives from regulatory bodies about any matter involving anti-competitive behaviour, no such corrective action was undertaken.			

Leadership Indicators

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

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

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

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

Sr. No.	Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency	Results communicated in public domain	Relevant Web link
Not Applicable. Currently the Company has not undertaken Social Impact Assessments (SIA) of the Project in the current financial year.						

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

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

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

The Grievance Redressal Mechanism (GRM), which gives us the social license to run and carry out programmes for community initiative, is an essential element of ensuring our solid relationship with the community. We have employed local staff members who frequently visit the neighborhood and engage with residents to learn about and address community problems as part of our grievance redress procedure. These interactions indicate that we are not currently aware of any particular community complaints.

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

Particulars	FY (2024-25)	PY (2023-24)
Directly sourced from MSMEs/small producers	14.33%	17.21%
Sourced directly from within the district and neighboring districts	72.75%	75.23%

5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost:

Particulars	FY (2024-25)	PY (2023-24)
1. Rural		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis)	-	-
ii) Total Wage Cost	73.39	65.81
iii) % of Job creation in Rural areas	-	-
2. Semi-urban		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis)	-	-
ii) Total Wage Cost	73.39	65.81
iii) % of Job creation in Semi-Urban areas	-	-
3. Urban		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis)	41.74	43.25
ii) Total Wage Cost	73.39	65.81
iii) % of Job creation in Urban areas	56.88%	65.72%
4. Metropolitan		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis)	31.65	22.56
ii) Total Wage Cost	73.39	65.81
iii) % of of Job creation in Metropolitan area	43.12	34.28%

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

Sr. No.	Details of negative social impact identified	Corrective action taken
	Not Applicable	

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

Sr.No.	State	Aspirational District	Amount spent (In ₹)
No CSR projects undertaken by the Company in designated aspirational districts as identified by government bodies			

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

No

b	From which marginalized/vulnerable groups do you procure?	Not Applicable
c	What percentage of total procurement (by value) does it constitute?	Not Applicable

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

Sr.No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Nil				

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

Sr.No.	Name of authority	Brief of the Case	Corrective action taken
Not Applicable			

6. Details of beneficiaries of CSR Projects:

Sr.No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Not Applicable as No CSR projects undertaken by the Company in designated aspirational districts as identified by government bodies			

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner**Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

We have a procedure in place to handle customer complaints based on the severity of complaints. Additionally, we have a feedback mechanism in place through which we continuously improve our system. Any customer having any complaints can email at sales@heranba.com

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	0%
Safe and responsible usage	100%
Recycling and/or safe disposal	0%

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

	FY (2024-25)			PY (2023-24)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	0	0		0	0	

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

	Number	Reasons for recall
Voluntary recalls	0	0
Forced recalls	0	0

5. Does the entity have a framework/policy on cyber security and risks related to data privacy?

We do not have any formal policy/framework. However we have Frontline fire work and data backup plan.

If available, provide a web-link of the policy

Not Applicable

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

There was no incidents during the fiscal year 2024-25

7. Provide the following information relating to data breaches:

a	Number of instances of data breaches along-with impact	0
b	Percentage of data breaches involving personally identifiable information of customers	0%
c	Impact, if any, of the data breaches	No impact

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

Information related to all the products and services provided by the organization are available on the www.heranba.co.in

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

The Usage and Safety Instructions are mentioned on the Product Packaging as per the prevailing Laws/Guideline issued by the Government.

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

Not Applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws?

No

If yes, provide details in brief

Not Applicable

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole?

Yes

Independent Auditor’s Report

To
The Members of
Heranba Industries Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying Standalone Financial Statements of Heranba Industries Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity the Statement of Cash Flows for the year then ended, and notes to the Standalone financial statements, including a summary of material accounting policy information and other explanatory information (hereinafter referred to as “the Standalone Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs

of the Company as at March 31, 2025, its profit (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr No	Key Audit Matter	Auditors’ Response
1	Revenue Recognition The timing of revenue recognition is relevant to the reported performance of the Company. We identified revenue recognition as a key audit matter because of the quantum of revenue and the time and audit effort involved in auditing the terms of the customers contract and the revenue recognized.	Our procedures included, amongst others: • We assessed the compliance of the revenue recognition accounting policies against the requirements of Indian Accounting Standards (“Ind AS”). • We evaluated the design and operating effectiveness of the relevant key financial controls with respect to revenue recognition on selected transactions. • Using statistical sampling, we tested the terms of the revenue contracts against the recognition of revenue based on the underlying documentation and records and evaluated accuracy and existence of the revenue being recognised in the correct accounting period. • We tested the accuracy and existence of revenue recognized at year end. On a sample basis, we evaluated the revenue being recognised in the correct accounting period. We have assessed the adequacy of disclosures in the standalone financial statements against the requirements of Ind AS 115, Revenue from contracts with customers

2	Inventory Valuation Inventory represents a significant portion of total assets as at March 31, 2025, with carrying value of ₹ 250.41 crore. Inventories are valued at lower of cost and net realizable value. The Company writes down inventories to net realizable value on account of obsolescence, expiry and non-moving inventory, based on management's assessment. Assessing net realizable value and identification of slow moving, expired and obsolete inventory are areas which require use of significant judgements and owing to the inherent complexities, this is considered to be a key audit matter.	Our procedures included, amongst others: • We understood and evaluated the process relating to determination of net realizable value of inventories and identification of slow moving, expired and obsolete inventories, • We attended stock counts to identify whether any inventory was obsolete, • We assessed the basis for the inventory valuation, the consistency in policy and the rationale in its application, • We tested the accuracy of the ageing of inventories based on system generated reports, • We reviewed the testing done for net realizable value of inventories and future plans for consumptions, • We tested the arithmetical accuracy of valuation files; and We have assessed the appropriateness of disclosures in the Standalone Financial Statements in accordance with the applicable accounting standards.
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INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the Other Information. The other information comprises the information included in the Company's Annual Report but does not include the Standalone and Consolidated Financial Statements and our Independent Auditors' Report thereon. We have read the Director's Report forming part of the Annual Report which was made available to us and found the same to be in order. However, the other contents of the Annual Report are expected to be made available to us after the date of this report.

Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Substantial portion of the Other Information has not been made available to us till the date of this report. We will read the Other Information as and when it is made available to us and if we conclude that there is a material misstatement, we are required to communicate the matter with those charged with governance and take necessary steps as may be required thereafter.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act and the relevant provisions of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management

either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. 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 an adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current year and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (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 Companies Act, 2013, we give in the attached **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 relating to preparation of the aforesaid Financial Statements have been kept so far as it appears from our examination of those books except for the matters stated in paragraph

2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With reference to maintenance of accounts and other matters therewith, reference is invited to paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended.
- g. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements - Refer Note 34 to the Standalone Financials Statements.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses,
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - a. The management has represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries") with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.
 - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies) including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
 - c. Based on such audit procedures 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 (iv)(a) and (iv) (b) above contain any material misstatement.
- v. In the matter of dividend proposed in the previous year, declared and paid by the Company during the year is in compliance with Section 123 of the Act.
- vi. Based on our examination which included test checks, except for instances/matters mentioned below, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year

for all relevant transactions recorded in the software except:

- i. the audit trail feature was not enabled at the database level for accounting software "Navision" to log any direct data changes used for maintenance of all accounting records by the Company.
- ii. At present the audit trail is preserved only for a period of six months. All audit trails beyond six months are not preserved due to space constraints. Further, back up of the audit trail has not been preserved as per statutory

requirements for record retention due to cloud space constraints.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Further, as required by proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention, considering the fact that audit trail beyond six months are not preserved, the Company is not in a position to retain the records as per the requirements of the Act relating to record retention.

For Natvarlal Vepari & Co LLP.

(Formerly known as Natvarlal Vepari & Co.)

Chartered Accountants

Firm Registration No- 106971W/W101085

N Jayendran

Partner

M. No. – 040441

Mumbai, Dated: May 23, 2025

UDIN: 25040441BMUJCX9773

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1 under Report on Other Legal and Regulatory Requirements' section of our report to the Members of Heranba Industries Limited of even date

To the best of our knowledge and information, audit procedures followed by us, according to the information provided to us by the Company and the examination of the books of account and records in the normal course of audit, we state that.

- (i) a. (A) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment including right of use assets and non-current asset held for sale.
- (B) There are no intangible assets and hence this clause is not applicable to the Company.
- b. Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- c. We have verified the title deeds of all the immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the Standalone Financial Statements and based on such verification we confirm that the same are held in the name of the Company.
- d. The Company has not revalued its Property, Plant and Equipment during the year.
- e. There is no proceedings initiated during the year or are pending against the Company as at March 31, 2025, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. On the basis of examination of records, we are of the opinion that the coverage and procedure of such verification is appropriate and that no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification. The discrepancies wherever noted have been properly dealt with in the books of account of the Company.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. The quarterly returns or statements have been filed by the Company. We draw attention to Statement 1 attached to the Standalone Financial Statements stating reasons for which quarterly statement filed with banks are not in line with the books of account of the Company.
- (iii) (a) The Company has provided guarantee, and the Company has also provided unsecured loans to companies, details of which are given hereunder.

Particulars	Guarantee	Security	Loans	Advances in the Nature of Loans
Aggregate amount granted/ provided during the year	27.74	-	370.75	-
- Subsidiaries	27.74	-	370.75	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	-
Balance outstanding as at balance sheet date in respect of such cases				
- Subsidiaries	47.96	-	493.81	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	-

- (b) The guarantee provided, and the terms and conditions of the grant of loans and advances to the wholly owned subsidiaries of the Company are prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans and advances in the nature of loans, granted by the Company the schedule of repayment of principal and interest have been stipulated. No repayments were due during the year.
- (d) There is no overdue amount in respect of loans given.
- (e) There has been no loan or advance in the nature of loan granted which has fallen due during the year and, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) The Company has complied with the provisions of Section 185 and 186 of the Act with respect of loans granted, investments made, guarantees and security provided.
- (v) The Company has not accepted deposits from the public or amounts that are deemed to be deposits pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal in respect of the said sections.
- (vi) The maintenance of the cost records under the sub-section (1) of Section 148 of the Act has been prescribed and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the records to ascertain whether they are accurate or complete.
- (vii) (a) The Company has been generally regular in depositing undisputed statutory dues including Goods and Service tax, Provident fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount is payable in respect of the aforesaid dues were outstanding as at March 31, 2025, for a period of more than six months from the date they became payable except as given below.

Name of the statute	Nature of dues	Amount (₹ In crore)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
The Provident Funds Act	Provident Fund	0.01	Prior to Apr24	Prior to Apr 24	NA	Unpaid
Income Tax Act	Advance Tax – Quarter 2	1.34	AY 2025-26	15/09/2024	NA	Unpaid
Income tax	Tax Deducted at Source as per traces site	0.32	Various earlier years	Prior to Apr24	NA	online rectification pending

- (b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute except as given below.

Name of statute	Nature of dues	Amount (In crore)	Period to which the amount relates	Forum where dispute is pending
Excise Duty/Custom Duty	Excise Duty/Custom Duty Demands	0.06	2012-13	Division officer
Excise Duty/Custom Duty	Excise Duty/Custom Duty Demands	10.00	Various years	Commission of Customs (NS-II), Nhava Sheva
Goods & Service Tax	GST Tran 1	0.27	FY 2017-18	Commissioner Appeal
Goods & Service Tax	Scrutiny of Annual return	1.01	FY 2017-18	Commissioner Appeal
Goods & Service Tax	Scrutiny of Annual return	6.39	FY 2018-19	Commissioner Appeal
Goods & Service Tax	ITC reversal	0.27	Various Years	SGST Enforcement Department

Name of statute	Nature of dues	Amount (In crore)	Period to which the amount relates	Forum where dispute is pending
Goods & Service Tax	GST Tran 1	0.36	FY 2017-18	Additional Commissioner
Goods & Service Tax	Scrutiny of Annual return	1.01	FY 2017-18	SGST Appellate Authority
Goods & Service Tax	Scrutiny of Annual return	6.09	FY 2018-19	SGST Appellate Authority
Goods & Service Tax	ITC reversal	1.16	FY 2017-18	SGST Appellate Authority
Goods & Service Tax	ITC reversal	6.84	FY 2017-18	CGST Commissioner Appeal
Goods & Service Tax	ITC reversal	2.09	FY 2017-18 to 2021-22	CGST Appellate Authority
Goods & Service Tax	Scrutiny of Turnover	0.94	FY 2017-18 to 2021-22	CGST Appellate Authority
Goods & Service Tax	Excess Claim of ITC	0.04	FY 2020-21	Assistant Commissioner
Goods & Service Tax	Suppression of turnover	0.07	FY 2018-19	Assistant Commissioner
VAT UP	VAT Liability	0.16	FY 2013-14	Add. Comm – Appeals
VAT UP	VAT Liability	0.45	FY 2014-15	Add. Comm – Appeals
VAT UP	VAT Liability	0.38	FY 2015-16	Add. Comm – Appeals
VAT UP	VAT Liability	0.37	FY 2016-17	Add. Comm – Appeals
VAT UP	VAT Liability	0.04	FY 2017-18	Add. Comm – Appeals
Income tax	Income Tax and Interest	4.69	AY 2018-19	CIT Appeal
Income tax	Income Tax and Interest	0.22	AY 2019-20	CIT Appeal
Income tax	Income Tax and Interest	0.71	AY 2020-21	CIT Appeal
Income tax	Income Tax and Interest	0.91	AY 2021-22	CIT Appeal
Total		44.53		

(viii) There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The Company has not delayed or defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

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

(c) The Company has taken term loans during the year and has applied the money obtained by way of term loans during the year for the purposes for which they were obtained.

(d) On an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debenture fully or partly or optionally convertible debentures during the year under audit.

(xi) (a) No fraud by the Company 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 by us 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 and hence clause 3(xi)(b) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.

(c) No whistle-blower complaints have been received during the year by the Company.

- (xii) The Company is not a Nidhi Company and hence clauses 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Audit Committee and Board of Directors are concerned. The details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued during the year and till date, for the period under audit.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors.
- (xvi) (a) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under Section 45-IA of the Reserve Bank of India Act 1934 and hence sub-clause 3(xvi)(a), 3(xvi)(b), and 3(xvi)(c) of the Companies (Auditors Report) Order, 2020 is not applicable to the Company.
- (b) There are no core investment companies within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- (xvii) The Company has not incurred cash losses during the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly clause (3) (xviii) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, the Company did not have to transfer any unspent amount to a Fund specified in Schedule VII to the Companies Act, 2013.
- (b) There are no ongoing projects, and accordingly clause (3)(xx)(b) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.

For Natvarlal Vepari & Co LLP.

(Formerly known as Natvarlal Vepari & Co.)

Chartered Accountants

Firm Registration No- 106971W/W101085

N Jayendran

Partner

M. No. – 040441

Mumbai, Dated: May 23, 2025

UDIN: 25040441BMUJCX9773

Annexure - B to the Auditors' Report

Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Heranba Industries Limited of even date

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of Heranba Industries Limited ("the Company") as of March 31, 2025, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on

the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Standalone Financial Statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A Company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS.

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2025, based on the 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 ICAI.

For Natvarlal Vepari & Co LLP.

(Formerly known as Natvarlal Vepari & Co.)

Chartered Accountants

Firm Registration No- 106971W/W101085

N Jayendran

Partner

M. No. – 040441

Mumbai, Dated: May 23, 2025

UDIN: 25040441BMUJCX9773

(All figures are Rupees in crores unless otherwise stated)

Standalone Balance Sheet

As at 31st March 2025

Particulars	Note No	31-Mar-25	31-Mar-24
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	2A	239.50	239.66
(b) Capital work-in-progress	2B	4.37	11.32
(c) Financial assets			
(i) Investments	3	3.39	1.83
(ii) Loans	4	493.81	299.65
(iii) Other financial assets	5	6.26	6.58
(d) Deferred tax assets (Net)	6	10.43	11.52
(e) Other non-current assets	7	5.70	5.19
Total Non-Current Assets		763.46	575.75
Current Assets			
(a) Inventories	8	250.41	244.43
(b) Financial assets			
(i) Investments	3	-	-
(ii) Trade receivables	9	560.25	498.35
(iii) Cash and cash equivalents	10	38.97	12.06
(iv) Bank balances other than (iii) above	11	11.48	10.36
(v) Other financial assets	5	2.76	2.65
(c) Other current assets	7	46.91	33.33
Total Current Assets		910.78	801.18
Non-Current Assets held for Sale	2C	21.90	21.90
TOTAL ASSETS		1,696.14	1,398.83
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	40.01	40.01
(b) Other equity	13	886.07	837.45
Total Equity		926.08	877.46
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Long Term Borrowings	14	9.04	-
(ii) Lease Liabilities	15	3.29	3.62
(iii) Other Financial Liabilities	16	-	-
(b) Other Non current liabilities	20	0.26	0.18
(c) Provisions	17	3.20	2.93
Total Non-Current Liabilities		15.79	6.73
Current Liabilities			
(a) Financial Liabilities			
(i) Short Term Borrowings	18	230.46	139.49
(ii) Lease Liabilities	15	0.34	0.39
(iii) Trade payables	19		
- Dues of Micro and Small Enterprise		7.49	28.83
- Dues of Other than Micro and Small Enterprise		430.64	258.11
(iv) Other Financial Liabilities	16	43.47	42.77
(b) Other current liabilities	20	19.14	14.91
(c) Provisions	17	11.80	9.54
(d) Current tax Liabilities (Net)	21	10.93	20.60
Total Current Liabilities		754.27	514.64
Total Liabilities		770.06	521.37
TOTAL EQUITY AND LIABILITIES		1,696.14	1,398.83

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Natvarlal Vepari and Co LLP
 (Formerly known as Natvarlal Vepari & Co.)
 Chartered Accountants
 Firm Registration No. 106971W/W101085

For & on behalf of the Board of Directors
Heranba Industries Limited

N Jayendran
 Partner
 Membership No. 040441

S. K. Shetty
 Chairman
 DIN: 00038681

R. K. Shetty
 Managing Director
 DIN: 00038703

Place: Mumbai
Date: May 23, 2025

Abdul Latif
 Company Secretary

Raj K Bafna
 Chief Financial Officer

(All figures are Rupees in crores unless otherwise stated)

Standalone Statement of Profit and Loss

For the year ended 31st March 2025

Particulars	Note No	31-Mar-25	31-Mar-24
I INCOME			
Revenue from Operations	22	1,495.90	1,274.75
Other Income	23	45.58	30.39
TOTAL INCOME		1,541.48	1,305.14
II EXPENSES			
Cost of materials consumed	24	868.16	830.40
Purchase of stock in trade	25	253.76	16.23
Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade	26	3.11	45.33
Employee Benefit Expenses	27	80.32	72.65
Finance Costs	28	26.02	11.75
Depreciation and Amortisation Expenses	29	28.50	24.85
Other Expenses	30	207.33	213.54
TOTAL EXPENSES		1,467.20	1,214.75
III Profit before Tax		74.28	90.39
IV Tax Expense	31		
(a) Current Tax		18.75	28.87
(b) (Excess)/Short provision for taxation in respect of earlier years		0.35	(0.41)
(c) Deferred tax charge/(credit)		1.18	(4.42)
		20.28	24.04
V Profit for the Year		54.00	66.35
VI OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
- Remeasurement Gain/(Loss) on Defined benefit plan		(0.51)	(0.03)
- Taxes thereon		0.13	0.01
VII Total other Comprehensive Income		(0.38)	(0.02)
VIII Total Comprehensive Income for the year		53.62	66.33
Earning per share (Basic and diluted)	32	13.50	16.58
Nominal Value of Share in ₹		10.00	10.00

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Natvarlal Vepari and Co LLP
(Formerly known as Natvarlal Vepari & Co.)
Chartered Accountants
Firm Registration No. 106971W/W101085

For & on behalf of the Board of Directors
Heranba Industries Limited

N Jayendran
Partner
Membership No. 040441

S. K. Shetty
Chairman
DIN: 00038681

R. K. Shetty
Managing Director
DIN: 00038703

Place: Mumbai
Date: May 23, 2025

Abdul Latif
Company Secretary

Raj K Bafna
Chief Financial Officer

(All figures are Rupees in crores unless otherwise stated)

Standalone Statement of Cash Flow

For the year ended 31st March, 2025

Particulars	2024-25	2023-24
[A] CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	74.28	90.39
Adjustments for:		
Depreciation/Amortisation/Impairment of Property, Plant and Equipments	28.50	24.85
Dividend Income	(0.00)	(0.00)
Interest Income	(36.59)	(17.14)
Interest Expenses	26.02	11.75
Provision for Doubtful Receivables/Advances/Sundry balances written off	3.46	3.88
Fair value of Investment	(0.52)	0.15
(Profit)/Loss on sale of Property, Plant and Equipments (Net)	(0.18)	(0.10)
(Profit)/Loss on sale of Investments (Net)	(0.01)	(0.01)
Unrealised foreign exchange (gain)/loss (Net)	(3.97)	(3.12)
Sundry Balances Written back	(0.24)	(5.88)
Guarantee Income	(0.14)	-
Operating Profit/(Loss) before changes in working capital	90.61	104.77
Adjustment for (Increase)/Decrease in Operating Assets		
Decrease/(increase) in Inventories	(5.98)	52.73
Decrease/(increase) in other Trade Receivables	(60.47)	(116.86)
Decrease/(increase) in other assets	(13.50)	(3.65)
Decrease/(increase) in other financial assets	(0.06)	(0.73)
Adjustments for other financial assets, current	-	0.22
Adjustment for Increase/(Decrease) in Operating Liabilities		
Increase/(decrease) in trade payables	150.88	106.16
Increase/(decrease) in other current liabilities	7.73	7.09
Increase/(decrease) in Provisions	1.86	(0.13)
Adjustments for provisions, non-current	-	1.83
Increase/(decrease) in other Financial liabilities	(2.65)	4.18
Changes in working capital	77.81	50.84
Cash flow from operations after changes in working capital	168.42	155.62
Net Direct Taxes (Paid)/Refunded	(31.71)	(19.73)
Net Cash Flow from/(used in) Operating Activities	136.71	135.88
[B] CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	3.48	1.06
Purchase of property, plant and equipment	(22.26)	(43.81)
Purchase of investment	(0.75)	(0.75)
Loan given to Subsidiary	(338.56)	(231.93)
Repayment Received from Subsidiary	176.59	-
Dividend received	0.00	-
Interest received	0.06	2.60
(Investment)/Proceeds from Bank Deposit	(0.06)	9.00
Net Cash Flow from/(used in) Investing Activities	(181.50)	(263.83)
[C] CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short Term borrowings (Net)	90.36	55.88
Proceeds from Long Term borrowings	9.00	-
Payments of finance lease liabilities		
- Principal	(0.38)	(0.56)
- Interest	(0.38)	(0.40)
Dividend paid	(5.00)	(5.00)
Interest paid	(21.90)	(9.18)
Net Cash Flow from/(used in) Financing Activities	71.70	40.74
Net Increase/(Decrease) in Cash and Cash Equivalents	26.91	(87.22)
Cash & Cash Equivalents at beginning of period (see Note 1)	12.06	99.26
Cash and Cash Equivalents at end of period (see Note 1)	38.97	12.06

(All figures are Rupees in crores unless otherwise stated)

Standalone Statement of Cash Flow (Contd.)

For the year ended 31st March, 2025**Notes:**

Particulars	2024-25	2023-24
1 Cash and Cash equivalents comprises of:		
Cash on Hand	0.13	0.03
Balances with Banks	38.84	12.03
Cash and Cash equivalents	38.97	12.06

As per our report of even date attached

For Natvarlal Vepari and Co LLP
(Formerly known as Natvarlal Vepari & Co.)
Chartered Accountants
Firm Registration No. 106971W/W101085

For & on behalf of the Board of Directors
Heranba Industries Limited

N Jayendran
Partner
Membership No. 040441

S. K. Shetty
Chairman
DIN: 00038681

R. K. Shetty
Managing Director
DIN: 00038703

Place: Mumbai
Date: May 23, 2025

Abdul Latif
Company Secretary

Raj K Bafna
Chief Financial Officer

(All figures are Rupees in crores unless otherwise stated)

Statement of Standalone Changes in Equity

For the year ended 31st March 2025

A. EQUITY SHARE CAPITAL

Particulars	As at Mar 31, 2025			As at March 31, 2024		
	Number of shares	Face value ₹ per share	(₹ In crore)	Number of shares	Face value ₹ per share	(₹ In crore)
Opening balance	4,00,13,467	10.00	40.01	4,00,13,467	10.00	40.01
Changes due to prior period errors				-		-
Restated balance at the beginning of the current reporting period	4,00,13,467	10.00	40.01	4,00,13,467	10.00	40.01
Changes during the current year	-	-	-			
Balance at the end	4,00,13,467	10.00	40.01	4,00,13,467	10.00	40.01

B. OTHER EQUITY

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Securities Premium reserve	Capital Redemption Reserve	General reserve	Retained Earnings	Debts Instruments through Other Comprehensive Income (Net of Tax)	Effective portion of Cash Flow Hedges (Net of Tax)	
Balance at 31st March, 2023	58.18	0.25	46.75	670.93	-	(0.01)	776.10
Profit for the year	-	-	-	66.35	-	-	66.35
Less: Classified to Profit and Loss on realisation	-	-	-	-	-	-	-
Items of Other Comprehensive Income: Remeasurement of net defined benefit	-	-	-	(0.02)	-	-	(0.02)
Time value of derivatives designated as cash flow hedges	-	-	-	-	-	0.01	0.01
Dividend Paid	-	-	-	(5.00)	-	-	(5.00)
Balance at 31st March, 2024	58.18	0.25	46.75	732.27	-	-	837.45
Profit for the year	-	-	-	54.00	-	-	54.00
Items of Other Comprehensive Income: Remeasurement of net defined benefit	-	-	-	(0.38)	-	-	(0.38)
Time value of derivatives designated as cash flow hedges	-	-	-	-	-	-	-
Dividend Paid	-	-	-	(5.00)	-	-	(5.00)
Balance at 31st March, 2025	58.18	0.25	46.75	780.89	-	-	886.07

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Natvarlal Vepari and Co LLP
(Formerly known as Natvarlal Vepari & Co.)
Chartered Accountants
Firm Registration No. 106971W/W101085

For & on behalf of the Board of Directors
Heranba Industries Limited

N Jayendran
Partner
Membership No. 040441

S. K. Shetty
Chairman
DIN: 00038681

R. K. Shetty
Managing Director
DIN: 00038703

Place: Mumbai
Date: May 23, 2025

Abdul Latif
Company Secretary

Raj K Bafna
Chief Financial Officer

Notes for financial statements

For the year ended March 31, 2025

1. COMPANY OVERVIEW

Heranba Industries Limited is a public limited Company domiciled in India, incorporated in 1992 under the Companies Act, 1956. The Company is principally engaged in the business of manufacturing and sale of Agro chemical products. The registered office of the Company is located at Vapi, Gujarat.

2. AUTHORIZATION OF STANDALONE FINANCIAL STATEMENTS

The Standalone Financial Statements were authorised for issue in accordance with a resolution of the Directors on May 23, 2025.

These financial statements can be amended by the board of directors till they are placed before the shareholders and also by the shareholders before their approval for adoption.

3. BASIS OF PREPARATION, ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS AND MATERIAL ACCOUNTING POLICY INFORMATION:

3.1 Basis of Preparation of Standalone Financial Statements

Statement of Compliances

The Standalone Financial Statements comply in all material aspects with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act"), the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except for the following:

- a) certain financial assets and liabilities are measured at fair value, and
- b) defined benefit plans - plan assets measured at fair value.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the Act). The Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 "Statement of Cash Flows". The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The Standalone financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest crore, except otherwise indicated.

3.2 Significant accounting judgments, estimates and assumptions

The preparation of Standalone financial statements requires management's judgments, estimates and assumptions that impacts the reported amounts of revenues, expenses, assets and liabilities, and the accompanying notes thereon. Uncertainty about these assumptions and estimates could result in outcomes that might require a material adjustment to the carrying amount of assets or liabilities in future periods.

Estimates:

The preparation of the Standalone financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

Judgments:

The Company's management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements, while formulating the Company's accounting policies:

a. Defined benefit plans (gratuity benefits):

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases, attrition rates and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Discount rate: The said parameter is subject to change. In determining the appropriate discount rate (for plans operating in India), the management considers the interest rates of government bonds in currencies which are consistent with the post-employment benefit obligation. The underlying bonds are reviewed periodically for quality. Those having excessive credit spreads are excluded from

the analysis since they do not represent high quality corporate bonds.

Mortality rate: It is based on publicly available mortality tables. Those mortality tables tend to change at an interval in response to demographic changes. Prospective increase in salary and gratuity are based on expected future inflation rates.

b. Useful lives of property, plant and equipment:

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

c. Impairment of property, plant and equipment:

For property, plant and equipment and intangibles, an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the assets or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. As at the end of the year no judgement were exercised in this regard which impacts the useful life or the depreciation rates.

d. Impairment of investment in subsidiaries and other investments:

For determining whether the investments in subsidiaries, joint ventures and associates as well as other investments are impaired requires an estimate in the value in use of investments. In considering the value in use, the Company has estimated the future cash flow, capacity utilization, operating margins and other factors of the underlying businesses/operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of investments. The management assesses that all the investment are strategic fit for the Company and therefore do not need any impairment provisioning as at the year end.

e. Inventories:

The Company estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

f. Recognition and measurement of other provisions:

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, past experience and circumstances known at the closing date. The actual outflow of resources at a future date may, therefore, vary from the amount included in other provisions.

g. Leases:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

3.3 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

3.4 Material Accounting policies Information

a) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is expected to be realised within 12 months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle,

- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

b) Property Plant and Equipment, Investment Property and Depreciation/Amortisation

- A. Items of Property, plant and equipment including Capital-work in-progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in statement of profit or loss as incurred. On transition to INDAS for the first time, the Company adopted the deemed cost approach mentioned in INDAS 101 – First time adoption in respect of its Property, Plant and Equipment.
- B. Depreciation is provided on written down value based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Plant & Machinery	20
Servers and networks	6
Computer desktops and laptops	3
Laboratory Equipment	10
Office Equipment	5
Plumbing and Piping	20-25
Electrical Installation	10
Factory Building	30
Non-Factory Buildings	60
Vehicles	8
Furniture and Fixture	10

Asset Category	Estimated useful life (in Years)
Leasehold Land	Over Primary Lease period

The residual values, useful lives and methods of depreciation of property plant equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

c) Non-Current Asset classified as Held for Sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Assets are not depreciated or amortized while they are classified as held for sale. Assets classified as held for sale are presented separately from the other assets in the balance sheet.

d) Investments

i) Investment in Subsidiary

Investments in Subsidiary are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

ii) Other Investment

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made on an investment-by-investment basis. Equity investments at FVTOCI are subsequently measured at fair value through OCI. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Investments other than the above are classified as FVTPL and are subsequently measured at fair value. The net gains and losses, including any dividend income, are recognised in profit or loss.

e) Inventories

All inventories are stated at lower of 'Cost and Net Realizable Value'.

- Stores and spares, packing materials and raw materials are valued at lower of cost and net realisable value and for this purpose, cost is determined on First in First Out (FIFO) basis. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. However, the aforesaid items are not valued below cost if the finished products in which they are to be incorporated are expected to be sold at or above cost.
- Finished products and Work in Progress are valued at lower of cost and net realisable value and for this purpose. Cost of finished goods and work in

progress includes direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

- iii. Traded goods are valued at lower of cost and net realizable value. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated remaining costs of completion and the estimated costs necessary to make the sale.

f) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts, if any as they are considered an integral part of the Company's cash management.

g) Foreign currency transactions

- i. All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.
- ii. Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date, are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the Statement of Profit and Loss.
- iii. Non-monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.
- iv. Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

h) Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle a reliably assessable obligation. Provisions are determined.

based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence

of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are also present obligations where it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured with sufficient reliability. Contingent Liabilities are not recognized in the financial statements but are disclosed separately.

Contingent assets are not recognised unless it becomes virtually certain that an inflow of economic benefits will arise

i) Financial Assets

Recognition and initial measurement

Trade Receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

i. Financial Assets at Amortised Cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest rate method (EIR). Amortized cost is calculated by taking into account any discount or premium and fees or cost that are an integral part of the EIR.

The EIR amortization is included in finance income in the statement of profit & loss. The losses arising from impairment are recognized in the statement of profit and loss.

ii. Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)

Financial assets are measured at fair value through Other Comprehensive Income (OCI) if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these 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.

After initial recognition, these assets are subsequently measured at Fair Value. Interest Income under Effective Interest method, foreign exchange gains and losses and impairment losses are recognized in the statement of profit and Loss. Other net gains and losses are recognized in OCI.

- iii. Financial asset not measured at amortised cost or at fair value through OCI is carried at Fair Value through Profit and Loss

iv. Equity Investments:

All Equity investments within the scope of Ind AS 109 are measured at Fair Value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Company decides to classify the same either as FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For Equity instruments classified as FVOCI, all fair value changes in the instrument excluding dividends are recognized in OCI. Dividends on such equity instruments are recognized in the statement of Profit or loss.

De-recognition of Financial Assets:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

-The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the statement of Profit and Loss. Gains and losses in respect of debt instrument measured at FVOCI and that are accumulated in OCI are reclassified to Profit and Loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to Profit or Loss on derecognition.

j) Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

i) Recognition and Initial Measurement

Financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial Liability is initially measured at fair value plus, for an item not at fair value through profit and loss, net of transaction costs that are directly attributable to its acquisition or issue.

ii) Classification and Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through Profit or Loss (FVTPL)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial Liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit and Loss.

Financial liabilities at amortised cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

iii) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

k) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

l) Offsetting Financial Instruments

Financial assets and liabilities are offset, and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

m) Impairment

a. financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial asset measured at amortized cost.

Loss allowances on trade receivables are measured following the 'Simplified Approach' at an amount equal to the Lifetime ECL at each reporting date. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected

life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

In respect of other financial asset, the loss allowance is measured at 12-month ECL only, if there is no significant deterioration in the credit risk since initial recognition of an asset or asset is determined to have a low credit risk at the reporting date.

b. Impairment of Non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

c. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

n) Revenue Recognition

The Company recognizes revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognized when such freight services are rendered.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

Interest and dividend:

Interest income including income arising on other instruments are recognised on time proportion basis using the effective interest rate method.

Dividend income is recognized when the right to receive dividend is established.

Export Benefits

The benefit accrued under the Duty Drawback, Merchandise Export Incentive Scheme and other schemes as per the Import and Export Policy in respect of exports made under the said schemes is included as 'Export Incentives' under the head 'Other operating revenue'.

o) Employee benefits

a) Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plan and the contributions are recognised as employee benefit expense when they are due.

b) Defined Benefit Plan

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income.

Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

c) Leave Entitlement

Leave entitlement are provided based on an actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d) Short-term Benefits

Short-term employee benefits such as salaries, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered.

p) Borrowings and Borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

q) Taxation

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 rates that have been enacted or substantively enacted by the end of the reporting period.

ii. Deferred Tax

Deferred tax is recognized 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 recognized for all taxable temporary differences. Deferred tax assets are generally recognized 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 asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset 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.

r) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares are adjusted retrospectively for all periods presented for any bonus shares issues.

s) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period 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 from operating, investing and financing activities of the Company are segregated.

t) Trade Payables & Trade Receivables.

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

u) A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at transaction values and subsequently measured at amortised cost using the EIR method (if there is a financing element), less provision for expected or lifetime credit loss.

v) Leases

Measurement of Lease Liability

At the time of initial recognition, the Company measures lease liability as present value of all lease payments discounted using the Company's incremental cost of borrowing and directly attributable costs. Subsequently, the lease liability is

- 1) increased by interest on lease liability.
- 2) reduced by lease payments made; and
- 3) remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

Measurement of Right-of-use assets

At the time of initial recognition, the Company measures 'Right-of-use assets' as present value of all lease payments discounted using the Company's incremental cost of borrowing w.r.t said lease contract. Subsequently, 'Right-of-use assets' is measured using cost model i.e., at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any remeasurement of the lease liability specified in Ind AS 116 'Leases'.

Depreciation on 'Right-of-use assets' is provided on straight line basis over the lease period.

The exception permitted in Ind AS 116 for low value assets and short-term leases has been adopted by Company.

w) Segment Reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments the chief operating decision maker regularly monitors and reviews the operating results of the whole Company as one segment of "Agro -Chemicals". Thus, as defined in Ind AS 108, the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss. The analysis of geographical segments is based on the areas in which customers of the Company are located.

(All figures are Rupees in crores unless otherwise stated)

NOTE A. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	Freehold Land	Leasehold land	Plant and Equipment	Buildings	Electrical Installation	Piping	laboratory equipments	Office Equipment	Computers	Vehicles	Furniture & Fixtures	Right to use Asset	Total
Gross Carrying Value													
Balance at 1st April, 2023	0.48	48.28	150.74	57.19	16.49	5.34	4.18	3.05	1.33	9.07	3.39	5.60	305.14
Additions	4.90	-	48.13	18.09	5.14	-	0.16	0.41	0.21	1.59	0.29	0.58	79.47
Disposals/Termination of Lease Arrangement	-	-	-	-	-	-	-	-	0.00	1.99	-	-	2.00
Balance at 31st March, 2024	5.38	48.28	198.87	75.28	21.62	5.34	4.34	3.46	1.54	8.67	3.68	6.17	382.62
Additions	0.13	1.50	26.34	1.44	0.49	-	1.34	0.18	0.18	-	0.06	-	31.66
Disposals/Termination of Lease Arrangement	-	-	8.15	-	-	-	0.02	-	-	0.43	-	-	8.60
Balance at 31st March, 2025	5.51	49.78	217.06	76.72	22.11	5.34	5.66	3.64	1.71	8.24	3.74	6.17	405.68
Accumulated depreciation and impairment													
Balance at 1st April, 2023	-	2.27	73.95	17.91	8.85	4.80	1.33	1.60	1.05	4.45	1.19	1.76	119.15
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	0.00	1.03	-	-	1.03
Depreciation charge	-	0.60	12.24	4.94	2.29	0.06	0.77	0.70	0.21	1.66	0.61	0.76	24.85
Balance at 31st March, 2024	-	2.88	86.19	22.85	11.14	4.86	2.10	2.31	1.26	5.08	1.80	2.52	142.96
Eliminated on disposal of assets	-	-	4.88	-	-	-	0.01	-	-	0.41	-	-	5.30
Depreciation charge	-	0.61	16.32	5.12	2.75	0.05	0.76	0.55	0.19	1.10	0.48	0.57	28.50
Balance at 31st March, 2025	-	3.49	97.62	27.97	13.89	4.91	2.85	2.86	1.45	5.78	2.28	3.09	166.17
Net carrying value as on 31st March, 2025	5.51	46.29	119.44	48.75	8.22	0.43	2.81	0.78	0.26	2.46	1.46	3.08	239.50
Net carrying value as on 31st March, 2024	5.38	45.40	112.68	52.44	10.48	0.48	2.24	1.15	0.28	3.58	1.88	3.65	239.66

The Company has carried out the exercise of assessment of any indication of impairment to its property plant and equipment as on the Balance Sheet date. Pursuant to such exercise it is determined that there has been no indicators of impairment to its property, plant and equipment as at balance sheet date.

(All figures are Rupees in crores unless otherwise stated)

B. CAPITAL WORK IN PROGRESS

Particulars	Total
Balance at 31st March, 2023	42.04
Addition	2.07
Less: Capitalised during the year	(24.26)
Less: Transfer during the year	(8.52)
Balance at 31st March, 2024	11.32
Addition	5.49
Less: Capitalised during the year	(12.44)
Less: Transfer during the year	-
Balance at 31st March, 2025	4.37

(i) Capital-Work-in Progress (CWIP) ageing schedule is as under:

CWIP (As on 31 st March 2025)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2 to 3 years	> 3 years	
Projects in progress					
Sarigam	0.48	-	-	-	0.48
Saykha	3.42	0.26	-	-	3.68
Unit 1	0.02	-	-	-	0.02
Unit 2	0.07	0.12	-	-	0.19
Total	3.99	0.38	-	-	4.37

CWIP (As on 31 st March 2024)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2 to 3 years	> 3 years	
Projects in progress					
Sarigam	0.92	8.60	-	-	9.52
Saykha	0.26	-	-	-	0.26
Unit 1	0.53	-	-	-	0.53
Unit 2	0.35	-	-	-	0.35
Unit 4	-	-	0.66	-	0.66
Total	2.06	8.60	0.66	-	11.32

For the year ended March 31, 2025 and March 31, 2024 - Projects in progress consists of plant and equipment which are yet to be installed.

(ii) Contractual Obligation

Refer note no 34 on disclosure of contractual commitments for the acquisition of Property, Plant & Equipment.

(iii) Property, Plant & Equipment taken on finance lease

The Property, Plant & Equipment includes leasehold land where the Company is a lessee under finance lease. The lease term in respect of leasehold land is long term lease with ability to opt for renewal of the lease term.

(All figures are Rupees in crores unless otherwise stated)

(iv) Completion schedule in respect of Capital-Work-in-Progress (CWIP) as on March 31, whose completion is overdue compared to its original plan is as under:

Particulars	As at March 31, 2025			As at March 31, 2024		
	Projects in progress	Projects temporarily suspended	Total	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	-	-	-	-	-	-
1-2 years	-	-	-	-	-	-
2-3 years	-	-	-	0.66	-	0.66
More than 3 years	-	-	-	-	-	-
Total	-	-	-	0.66	-	0.66

C. NON-CURRENT ASSETS HELD FOR SALE

Particulars	Total
Balance at April 01,2023	21.90
Addition	-
Less: Asset Sold	-
Balance at 31st March, 2024	21.90
Addition	-
Less: Asset Sold	-
Balance at 31st March, 2025	21.90

NOTE NO 3. INVESTMENTS

Particulars	2024-25	2023-24
Investments in equity instruments (At fair value through profit/loss) (quoted):		
41 (PY: 41) Equity Shares of United Phosphorus Ltd. (FV of ₹ 2) (Full Figure as March 31,2025: ₹ 29,415.30 and as at March 31,2024: ₹ 29,415.30)	0.00	0.00
200 (PY: 200) Equity Shares of Aditya Birla Money Ltd. (FV of Re. 1) (Full Figure as March 31,2025: ₹ 9,110.00 and as at March 31,2024: ₹ 9,110.00)	0.00	0.00
500 (PY: 500) Equity Shares of Gujarat State Financial Corporation Ltd. (FV of ₹ 10) (Full Figure as March 31,2025: ₹ 3000.00 and as at March 31,2024: ₹ 3000.00)	0.00	0.00
Less: Provision for Impairment	(0.00)	(0.00)
(Full Figure as March 31,2025: ₹ 41,525.30 and as at March 31,2024: ₹ 41,525.30)		
A)	-	-
Investments in Equity AIF shares (At fair value through profit/loss) (unquoted):		
225 Units (PY: 150 Units) Investment With Fireside Ventures Investment Fund (*)	2.61	1.35
B)	2.61	1.35
Investments in equity instruments (At fair value through profit/loss) (unquoted):		
2,000 (PY: 2000) Equity Shares of The Shamrao Vithal Co-op. Bank Ltd. (***)	0.01	0.01
1,000 (PY: 1,000) Equity shares of Matrubhumi Co-op. Credit Society Limited (***)	0.01	0.01
C)	0.02	0.02

(All figures are Rupees in crores unless otherwise stated)

NOTE NO 3. INVESTMENTS (Contd.)

Particulars	2024-25	2023-24
Other Investment (un-quoted)		
National Savings Certificates [Lodged with Government Departments as security]	0.01	0.01
D)	0.01	0.01
Investments in subsidiary (At Cost)		
50,000 (As at March 31, 2024 50,000) Equity Shares of Mikusu India Private Limited FV of ₹ 10 each	0.05	0.05
1,00,000 (As at March 31, 2024 1,00,000) Equity Shares of Heranba Organics Private Limited of FV of ₹ 10 each	0.10	0.10
E)	0.15	0.15
Quasi Equity of Equity Instruments in Subsidiaries (At Amortised Cost)		
Heranba Organics Private Limited (**)	0.60	0.31
F)	0.60	0.31
Total Non Current Investments (A+B+C+D+E+F)	3.39	1.83
Aggregate amount of quoted investments	0.00	0.00
Aggregate amount of un-quoted investments	3.39	1.83

(*) The Company has made an investment in Alternate Investment Fund (AIF) of ₹ 0.75 crore (₹ 0.75 crore in previous year). This investment is marked at fair value through profit and Loss (FVTPL).

(**) Quasi Equity refers to Fair Value of Guarantee given for Financing Arrangement under Sale and Lease back arrangement for the Wholly Owned Subsidiary.

(***) In absence of financials statements of The Shamrao Vithal Co-op. Bank Ltd. And Matrubhumi Co-op. Credit Society Limited the fair value effect is not given.

NOTE NO 4. LOANS

Particulars	Non- Current		Current	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Loans to Related Parties (Unsecured, Considered good)	493.81	299.65	-	-
Total	493.81	299.65	-	-

(a) Details of loans and advances in the nature of loan to subsidiaries, associates etc. as required under Schedule V(A)(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Name of the Company and relationship	Maximum outstanding during the year 2024-25	Balance as at March 31, 2025	Maximum outstanding during the year 2023-24	Balance as at March 31, 2024
Heranba Organics Private Limited -WOS	458.70	458.70	268.51	268.51
Mikusu India Private Limited -WOS	35.11	35.11	31.14	31.14
Total	493.81	493.81	299.65	299.65

WOS: Wholly Owned Subsidiary

(b) Disclosure under 186(4) of Companies Act.

Particulars	Purpose	Amount 31-Mar-25	Amount 31-Mar-24
Heranba Organics Private Limited	Loan for General Purposes	366.78	222.36
Mikusu India Private Limited	Loan for General Purposes	3.97	24.10
Heranba Organics Private Limited	Guarantee Given for Financing Arrangement under Sale and Leaseback Arrangement	27.74	29.49
Total		398.49	275.94

(All figures are Rupees in crores unless otherwise stated)

The loan is for a period of 5 years, carrying interest @ 9% p. a. Interest and principal are repayable at the end of 5 years.

(c) During the previous year, the Company has advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary,

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries), the details of which is tabulated hereunder;

Nature of Transaction - Loan

Ultimate Beneficiaries

Heranba Industries Limited

Name of Party	CIN/PAN	Address	Amount	Date
Name of the Intermediary & Relationship				
Mikusu India Private Limited- Wholly Owned Subsidiary Company	U24299MH2022 PTC380276	2 nd Floor, A-Wing, Fortune Avirahi, Jambli Gali, Jain Derasar Lane, Borivali – West, Mumbai- 400092, India	7.00	08-01-2024
Name of the Other Company & Relationship - Payment is made to the erstwhile promoters of Daikaffil for acquisition of Daikaffil as follows by Mikusu.				
Amit Patel - Erstwhile Promotor of Step down Subsidiary	ADAPP5197Q	B-10, Sterling Apartment 38- peddar Road , Near Sophia College, Cumballa Hill, Mumba 400026, Maharashtra, India	2.58	08-01-2024
Amit Patel HUF - Erstwhile Promotor of Step down Subsidiary	AADHA6578A	B-10, Sterling Apartment 38- peddar Road , Near Sophia College, Cumballa Hill, Mumba 400026, Maharashtra, India	0.11	08-01-2024
Dhwani Patel - Erstwhile Promotor of Step down Subsidiary	ALSPG5491J	B-10, Sterling Apartment 38- peddar Road , Near Sophia College, Cumballa Hill, Mumba 400026, Maharashtra, India	0.04	08-01-2024
Aditya Patel HUF - Erstwhile Promotor of Step down Subsidiary	AAQHA0030E	B-10, Sterling Apartment 38- peddar Road , Near Sophia College, Cumballa Hill, Mumba 400026, Maharashtra, India	0.02	09-01-2024
Caffil Private Limited - Erstwhile Promotor of Step down Subsidiary	U51100GJ197 1PTC001827	29, G.I.D.C, Phase 1, Vatva Ahmedabad- 382445, Gujarat, India	1.21	08-01-2024
Mihir Sonawala - Erstwhile Shareholder of Step down Subsidiary	AMZPS2775F	R.No. 19, Bldg -36, Krishna Baug, V.P.Road, 2 nd Pawada Girgaon, Mumbai 400004, Maharashtra, India	0.59	08-01-2024
Nitin Bhagat - Erstwhile Promotor of Step down Subsidiary	AFCPB1914M	4-B Vaibhav Apartments, 80 Bhulabhai Desai Road, Chemballa Hill Mumbai- 400026, Maharashtra, India	0.12	12-01-2024
Aruna Merchant - Erstwhile Promotor of Step down Subsidiary	AGCPM0769N	3-A, Akash Ganga 3 rd floor, 89, Bhulabhai Desai Road Opp. Tata Garden, Cumballa Hill, Mumbai -400036, Maharashtra, India	0.11	08-01-2024
Monica Patel - Erstwhile Other Shareholder of Step down Subsidiary	AEHPP3128D	14, Alkapuri Society Nr. Hirabaug -2 Ghaltodia, Ahmedabad - 380061, Gujarat, India.	0.10	08-01-2024
Mita Bhagat - Erstwhile Promotor of Step down Subsidiary	AAOPB5965B	1/1, Sukh Shanti, 19 Peddar Road, Near Jashlok Hospital, Cumballa Hill, Mumbai - 400026, Maharashtra, India	0.06	17-01-2024
Aditya Patel - Erstwhile Promotor of Step down Subsidiary	ABNPP9928J	B-10, Sterling Apartment 38- peddar Road, Near Sophia College, Cumballa Hill, Mumba 400026, Maharashtra, India	0.25	08-01-2024
CCM (Luxembourg) S.A (Liquidator of H.G.E. Chemicals SA and fiduciary of Principals) - Erstwhile Shareholder of Step down Subsidiary	AAHCC8697B	C C M (Luxemburg) S A 2 Bis Rue Astrid, 1143, Luxemburg	1.80	12-01-2024

(All figures are Rupees in crores unless otherwise stated)

NOTE NO 5. FINANCIAL ASSETS

Particulars	Non- Current		Current	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Balance with bank held as margin money (*)	0.02	0.29	-	-
Security deposits and Earnest Money Deposits	5.97	6.00	2.35	2.22
Staff Advances	0.27	0.29	0.41	0.43
Total	6.26	6.58	2.76	2.65

(*) Balances with bank in fixed deposits are kept as security for guarantees/government authorities.

NOTE NO 6. DEFERRED TAX ASSETS (NET)

The following is the analysis of deferred tax asset/(liabilities) presented in the balance sheet

Particulars	31-Mar-25	31-Mar-24
Deferred Tax Asset		
Tax Disallowance	4.72	6.65
Impairment Allowance for trade receivables	7.26	6.39
Deferred Tax Liability		
Fair Valuation of Investment	(0.06)	0.00
(Full Figure as March 31, 2024: ₹ 10451)		
Property, Plant and Equipment including ROU	(1.49)	(1.52)
Total Deferred Tax Asset	10.43	11.52

NOTE NO 7. OTHER ASSETS

Particulars	Non- Current		Current	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
(Unsecured, considered good)				
Advance to Suppliers	-	-	2.65	3.06
Capital Advances	0.46	0.49	-	-
Balance with Revenue Authorities	-	-	25.15	17.32
Taxes Paid under Protest	4.75	4.04	-	-
Prepaid Expense	0.12	0.21	2.28	1.67
Other Receivables	-	-	17.96	11.27
Less: Provision for impairment of other receivable	-	-	(1.13)	-
Advance Income Tax (Net of Provision for Taxation)	0.37	0.44	-	-
Total	5.70	5.19	46.91	33.33

NOTE NO 8. INVENTORIES

Particulars	31-Mar-25	31-Mar-24
Inventories (lower of cost or net realisable value)		
Raw materials		
- Other	76.73	64.41
- Stock in Transit	-	76.73
Work In Progress	10.16	25.14

(All figures are Rupees in crores unless otherwise stated)

NOTE NO 8. INVENTORIES (Contd.)

Particulars	31-Mar-25		31-Mar-24	
Finished Goods				
- Manufactured	136.11		123.94	
- Traded	0.29		4.28	
- Stock in Transit	7.79	144.19	4.11	132.32
Packing materials	16.35		15.87	
Stores and Spares	2.98		3.49	
Total	250.41		244.43	

The disclosure of inventories recognised as an expense in accordance with paragraph 36 of IND AS 2 is as follows:

Particulars	31-Mar-25	31-Mar-24
Amount of inventories recognised as an expense.	1,140.65	911.25
Amount of write - down of inventories recognised as an expense	0.27	1.12
	1,140.91	912.36

NOTE NO 9. TRADE RECEIVABLES

Particulars	31-Mar-25	31-Mar-24
Unsecured		
Trade Receivables considered good	560.25	498.35
Trade Receivables which have significant increase in Credit Risk	16.14	15.29
Trade Receivables - credit impaired	12.70	10.09
Less: Impairment loss allowance	(28.84)	(25.38)
Total	560.25	498.35

A. Expected Credit Loss**Allowance for Expected Credit Loss**

In accordance with Ind AS 109, the Company uses the expected credit loss ("ECL") model for measurement and recognition of impairment loss on its trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers. The Company estimates impairment under the simplified approach. Accordingly, it does not track the changes in credit risk of trade receivables. The impairment amount represents lifetime expected credit loss.

The trade receivables ageing schedule (based on Bill date) for the year ended on 31st March, 2025 as follows:

Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	-	-	-	-
less than 6 months	403.09	3.70	-	406.79
6 months - 1 year	93.15	6.05	-	99.20

(All figures are Rupees in crores unless otherwise stated)

The trade receivables ageing schedule (based on Bill date) for the year ended on 31st March, 2025 as follows: (Contd.)

Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
1-2 year	25.24	2.43	-	27.67
2-3 year	10.37	0.97	-	11.34
> 3 years	28.40	2.99	12.70	44.09
Total	560.25	16.14	12.70	589.09
Less: Impairment loss allowance	-	(16.14)	(12.70)	(28.84)
Total	560.25	-	-	560.25

The trade receivables ageing schedule (based on Bill date) for the year ended on 31st March, 2024 as follows:

Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	-	-	-	-
less than 6 months	331.99	3.45	-	335.45
6 months - 1 year	98.19	7.05	-	105.24
1-2 year	34.46	1.68	-	36.15
2-3 year	6.35	0.66	-	7.02
> 3 years	27.36	2.45	10.09	39.90
Total	498.35	15.29	10.09	523.73
Less: Impairment loss allowance		(15.29)	(10.09)	(25.38)
Total	498.35	-	-	498.35

With reference to Note no 34 there are legal cases filed against the Company by some of the customers. However, there are no receivables from these customers as at March 31, 2025 and March 31, 2024 and therefore there are no balances shown as disputed receivables.

Details of Receivable from Related Party

Particulars	31-Mar-25	31-Mar-24
Heranba Organics Private Limited	-	4.11
Mikusu India Private Limited	76.78	75.63
Daikaffil Chemicals India Limited	0.66	-
	77.44	79.73

Movement of Expected Credit Loss

Particulars	Opening	Net change During the year	Closing
March 31,2025	25.38	3.46	28.84
March 31,2024	21.50	3.88	25.38

(All figures are Rupees in crores unless otherwise stated)

NOTE NO 10. CASH AND CASH EQUIVALENTS

Particulars	31-Mar-25	31-Mar-24
Balances with banks:		
- in current accounts	38.84	12.03
- in deposit with original maturity of less than three months	-	-
Cash on hand	0.13	0.03
Total	38.97	12.06

NOTE NO 11. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	31-Mar-25	31-Mar-24
- Balance with bank held as margin money*	11.47	10.35
- Unpaid Dividend Balance**	0.01	0.01
- Fixed deposits with original maturity of more than 3 months but less than 12 months	-	-
Total	11.48	10.36

Notes:

* The Company has pledged above deposits with bank as Bank Guarantee and margin money.

** These balances represents unclaimed dividend account which is earmarked for payment of dividend and cannot be used for any other purpose.

NOTE NO 12. EQUITY SHARE CAPITAL

Particulars	31-Mar-25	31-Mar-24
Authorised Share Capital:		
4,50,00,000 (As at 31 st March, 2024: 4,50,00,000) Equity Shares of ₹ 10/- each	45.00	45.00
Issued and subscribed capital:		
4,00,13,467 (As at 31 st March, 2024: 4,00,13,467) Equity Shares of ₹ 10/- each fully paid up	40.01	40.01
	40.01	40.01

a) Terms/rights attached to equity shares

The Company has a single class of equity shares having a par value of ₹ 10 per share. Each shareholder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by each shareholder, after settlement of all preferential obligations.

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of the shares.

(All figures are Rupees in crores unless otherwise stated)

b) Reconciliation of Number of Shares Outstanding:

Particulars	Number of shares
Fully paid equity shares	
Balance at 1 st April, 2023	4,00,13,467
Increase/(Decrease) during the year	-
Balance at 31 st March, 2024	4,00,13,467
Increase/(Decrease) during the year/Bonus shares	-
Balance at 31st March, 2025	4,00,13,467

c) Details of shareholders holding more than 5% equity shares in the company

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
	No. of Shares	%	No. of Shares	%
Fully paid equity shares				
Mr. Sadashiv K. Shetty	72,01,796	18.00%	72,01,796	18.00%
Mr. Raghuram K. Shetty	1,19,11,446	29.77%	1,19,11,446	29.77%
Mrs. Sujata S. Shetty	32,30,400	8.07%	32,30,400	8.07%
Mrs. Vanita R. Shetty	20,18,000	5.04%	20,18,000	5.04%
	2,43,61,642	60.88%	2,43,61,642	60.88%

d) Details of Promoters shareholders holding in equity shares of the Company**For the year ended March 31, 2025**

Promoter Name	No. of Shares	% of total shares	% Change during the year
Promoters			
Sadashiv K Shetty	72,01,796	18.00%	-
Raghuram K Shetty	1,19,11,446	29.77%	-
Promoters Group			
Sujata S Shetty	32,30,400	8.07%	-
Vanita R Shetty	20,18,000	5.04%	-
Sams Industries Ltd.	8,67,288	2.17%	-
Raghuram K Shetty HUF	13,80,000	3.45%	-
Shreya S Shetty	9,42,500	2.36%	-
Shriraj S Shetty	8,42,500	2.11%	-
Raunak R Shetty	6,36,250	1.59%	-
Roshan R Shetty	6,36,250	1.59%	-
Sadashiv K Shetty HUF	3,20,600	0.80%	-
Nithyanand K Shetty	108	0.00%	-

(All figures are Rupees in crores unless otherwise stated)

For the year ended March 31, 2024

Particulars	No. of Shares	% of total shares	% Change during the year
Promoters			
Sadashiv K Shetty	72,01,796	18.00%	-
Raghuram K Shetty	1,19,11,446	29.77%	0.14%
Promoters Group			
Sujata S Shetty	32,30,400	8.07%	-
Vanita R Shetty	20,18,000	5.04%	-
Sams Industries Ltd	8,67,288	2.17%	-
Raghuram K Shetty HUF	13,80,000	3.45%	-
Shreya S Shetty	9,42,500	2.36%	-
Shriraj S Shetty	8,42,500	2.11%	-
Raunak R Shetty	6,36,250	1.59%	-
Roshan R Shetty	6,36,250	1.59%	-
Sadashiv K Shetty HUF	3,20,600	0.80%	-
Nithyanand K Shetty	108	0.00%	100%

NOTE NO 13. OTHER EQUITY

Particulars	31-Mar-25	31-Mar-24
Securities premium	58.18	58.18
General reserve	46.75	46.75
Capital Redemption Reserve	0.25	0.25
Other Comprehensive Income	-	-
Retained Earnings	780.89	732.27
Total	886.07	837.45

Securities premium

Security Premium in accordance with the provisions of Section 52 of the Companies Act represents the premium received on issue of shares. It can be utilised to pay-off equity related expenses or for issuance of bonus shares and its related issue expenses.

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid up share capital of the Company for that year, then the total dividend distribution is less than total distributable reserve for that year. Consequent to introduction of the Companies Act 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn. However the amount previously transferred to the general reserve can be utilised

only in accordance with the specific requirements of the Companies Act, 2013.

Capital Redemption Reserve

Capital redemption reserve represents the amount of profits transferred from general reserve for the purpose of redemption of preference shares or for the buyback of shares.

Dividend

The Board of Directors of the Company at their meeting held on May 23, 2025 have recommended dividend of ₹ 1 per share (10% of FV- ₹ 10) for the Financial Year 2024-25 e, subject to shareholder approval at the ensuing Annual General Meeting.

The dividend proposed for the previous year has been paid during the year and charged to Retained earning ₹ 5.00 crore.

(All figures are Rupees in crores unless otherwise stated)

NOTE NO 14. LONG TERM BORROWINGS

Particulars	31-Mar-25	31-Mar-24
Unsecured		
Intercompany Deposit	9.04	-

During the Company has taken Inter Corporate Deposit of ₹ 9.00 crore from SAMS Industries Private Limited carrying Interest Rate of 9%, for 5 Years and shall be repaid on March 9, 2030.

NOTE NO 15. LEASE LIABILITIES

Particulars	Non- Current		Current	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Lease Liability	3.29	3.62	0.34	0.39
Total	3.29	3.62	0.34	0.39

Disclosure in accordance with Ind AS - 116 "Leases", of the Companies (Indian Accounting Standards) Rules, 2015**(a) Movement in Lease Liabilities**

Particulars	31-Mar-25	31-Mar-24
Balance at the beginning	4.01	3.99
Addition during the year	-	0.58
Interest on lease liabilities	0.38	0.40
Terminations	-	-
Lease Payments	(0.76)	(0.96)
Closing	3.63	4.01

(b) Maturity Profile of Lease Liabilities

The table below provides details regarding Contractual Maturities of Lease Liability as at March on an undiscounted basis.

Ageing	31-Mar-25	31-Mar-24
Within One year	0.69	0.75
Two to Five years	2.16	2.30
More than Five years	2.98	3.53
Total	5.83	6.58

(c) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

NOTE NO 16. OTHER FINANCIAL LIABILITIES

Particulars	Non- Current		Current	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Interest accrued	-	-	5.73	4.77
Interest Payable MSME	-	-	0.46	0.23
Security Deposit from Dealers	-	-	10.63	9.76
Unpaid Dividend*	-	-	0.01	0.01
Payable for Capital Goods	-	-	2.40	-
Employee Benefits & Other Payable	-	-	24.24	28.01
	-	-	43.47	42.77

* As at the year end there is no amount due for payment to the Investor Education & Protection Fund under Section 124(5) of the Companies Act, 2013.

(All figures are Rupees in crores unless otherwise stated)

NOTE NO 17. PROVISIONS

Particulars	Non- Current		Current	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Employee Benefits				
Provision for leave benefit	3.20	2.93	1.27	0.93
Provision for Gratuity	-	-	10.37	8.44
Provision for Taxes	-	-	0.16	0.16
Total	3.20	2.93	11.80	9.54

Disclosure in accordance with Ind AS – 19 “Employee Benefits”, of the Companies (Indian Accounting Standards) Rules, 2015.

The Company has carried out the actuarial valuation of Gratuity and Leave Encashment liability under actuarial principle, in accordance with Ind AS 19 - Employee Benefits.

Gratuity is a defined benefit plan under which employees who have completed five years or more of service are entitled to gratuity on departure from employment at an amount equivalent to 15 days salary (based on last drawn salary) for each completed year of service restricted to ₹ 0.20 crore. The Company's gratuity liability is funded.

i) The amount recognised in the balance sheet and the movements in the net defined benefit obligation of Gratuity over the year is as follow:

Particulars	31-Mar-25	31-Mar-24
(a) Reconciliation of opening and closing balances of Defined benefit Obligation		
Defined Benefit obligation at the beginning of the year	12.17	10.65
Current Service Cost	1.35	1.19
Interest Cost	0.88	0.79
Actuarial (Gain)/Loss-Other Comprehensive Income	0.49	0.01
Benefits paid directly by the Employer	(0.01)	-
Benefits paid by the Fund	(0.50)	(0.47)
Defined Benefit obligation at the year end	14.38	12.17
(b) Reconciliation of opening and closing balances of fair value of plan assets		
Fair Value of plan assets at the beginning of the year	3.73	3.92
Interest Income	0.27	-
Actual Return on Plan Assets	(0.01)	0.28
Employer Contribution	0.53	-
Benefits Paid	(0.50)	(0.47)
Fair Value of Plan Assets at the year end	4.01	3.73
(c) Actual Return on Plan Assets		
Interest Income	0.27	0.29
Return on Plan Assets, Excluding Interest Income	-0.01	-0.02
Actual Return on Plan Assets	0.26	0.28
(d) Reconciliation of fair value of assets and obligations		
Fair Value of Plan Assets	4.01	3.73
Present value of Defined Benefit obligation	14.38	12.17
Liability recognized in Balance Sheet	10.37	8.44

(All figures are Rupees in crores unless otherwise stated)

i) The amount recognised in the balance sheet and the movements in the net defined benefit obligation of Gratuity over the year is as follow: (Contd.)

Particulars	31-Mar-25	31-Mar-24
(e) Expenses recognized during the year (Under the head "Employees Benefit Expenses)		
Current Service Cost	1.35	1.19
Interest Cost	0.61	0.49
Net Cost	1.96	1.69
(f) Actuarial (Gain)/Loss- Other Comprehensive Income	0.51	0.03
(g) Net liabilities recognised in the balance sheet		
Long-term provisions	-	-
Short-term provisions	10.37	8.44
	10.37	8.44

ii) Actuarial Assumptions

Particulars	31-Mar-25	31-Mar-24
Expected return on Plan Assets	6.72%	7.23%
Discount rate (per annum)	6.72%	7.23%
Attrition rate	5%	5%
Rate of escalation in salary (per annum)	8%	8%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

iii) Expected Payout

Particulars	31-Mar-25	31-Mar-24
Projected Benefits Payable in Future Years From the Date of Reporting		
Expected Payout 1 st Following Year	1.47	1.11
Expected Payout 2 nd Following Year	0.76	0.94
Expected Payout 3 rd Following Year	0.99	0.72
Expected Payout 4 th Following Year	1.19	0.83
Expected Payout 5 th Following Year	1.26	1.08
Expected Payout 6 th to 10 th Following Year	5.45	5.30
Expected Payout for Years 11 & above	17.68	15.87

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

There is no minimum funding requirement for a gratuity plan in India and there is no compulsion on the part of the Company fully or partially pre-fund the liabilities under the plan.

iv) Sensitivity analysis**A quantitative Sensitivity analysis for significant assumption**

Particulars	Discount Rate	Salary Growth Rate	Attrition Rate
Changes in Assumption			
March 31, 2025	1%	1%	1%
March 31, 2024	1%	1%	1%

(All figures are Rupees in crores unless otherwise stated)

A quantitative Sensitivity analysis for significant assumption (Contd.)

Particulars	Discount Rate	Salary Growth Rate	Attrition Rate
Increase in assumption			
March 31, 2025	(1.11)	1.19	(0.10)
March 31, 2024	(0.94)	0.99	(0.05)
Decrease in assumption			
March 31, 2025	1.28	(1.08)	0.11
March 31, 2024	1.08	(0.91)	0.05

Gratuity is a defined benefit plan and Company is exposed to the Following Risks:

- Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
- Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
- Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

NOTE NO 18. SHORT TERM BORROWINGS

Particulars	31-Mar-25	31-Mar-24
Secured-From Banks		
Bills Discounted with Bank of Baroda	4.10	7.30
Foreign Currency Loan from Bank of Baroda	45.96	44.78
Foreign Currency Packing Credit Loan from Bank of Baroda	44.25	32.22
Foreign Currency Packing Credit Loan from CTBC Bank	25.64	34.95
Cash Credit with Bank of Baroda	15.11	20.24
CTBC Bank - WCDL	8.90	-
Unsecured		
Loan from Arka Fincap Limited	55.00	-
Loan from Bajaj Finance Limited	17.50	-
Loan From Director	14.00	-
	230.46	139.49

Notes

Particulars	31-Mar-25	31-Mar-24
Secured	143.96	139.49
Unsecured	86.50	-
	230.46	139.49
Loan from Related Party	14.00	-
Loan from Others	216.46	139.49
	230.46	139.49

(All figures are Rupees in crores unless otherwise stated)

I. Terms and Security of Borrowings:

- a Cash Credit: Bank Of Baroda -Sanctioned Limit ₹ 74.75 crore, CC Interest rate 0.25% over 1 year MCLR without Strategic Premium
- b Foreign Currency Loan: Bank of Baroda -It is a sublimit of ₹ 60 crore at Interest rate of around 7.62% p.a. sanctioned under overall Cash Credit limit of ₹ 74.75 crore. Based on MCLR, payable as and when charged
- c Working Capital Loan: Bank of Baroda -It is a sublimit of ₹ 50 crore sanctioned under overall Cash Credit limit of ₹ 74.75 crore. Interest rate 0.25% over 1 year MCLR without Strategic Premium
- d Packing Credit: Bank of Baroda -Sanctioned limit ₹ 75.00 crore at average Interest rate of around 6.43% p.a. (P.Y. Sanctioned limit ₹ 75.00 crore at average Interest rate of around 6.50% p.a.)
- e Working Capital Demand Loan: CTBC Bank Co. Ltd. - Sanctioned limit ₹ 35 crore at interest rate to be decided at disbursement, Company has not taken disbursement during year
- f Packing Credit: CTBC Bank Co. Ltd. - Sanctioned limit ₹ 35 crore at average interest rate 6.43% p.a.

Above cash credit and packing credit limits are secured by way of exclusive first charge on hypothecation of entire inventories, Book debts and other current assets present & future.

The above facilities are secured as follows,

- i Pari pasu First charge on the current assets of the Company both present and future.
- ii Pari pasu Equitable Mortgage of all land and buildings and hypothecation of plant and machinery situated at factories or at godowns.
- iii Personal Guarantee of Mr. R.K.Shetty, Mr. S.K.Shetty, Mr. Raunak Shetty and Mr Shriraj Shetty.

II. Terms of Unsecured Borrowings:

- a Working Capital Loan - Arka Fincap - sanctioned limit of ₹ 55 crore. The Loans are secured by Pledge of Plant and Machinery of wholly owned subsidiary Heranba Organic Pvt. Ltd., Corporate Guarantee of Heranba Organics Pvt. Ltd. and Personal Guarantee of Promoters - Mr. Sadashiv Kanyana Shetty and Mr. Raghuram Kanyana Shetty.
- b Working Capital Loan - Bajaj Finserv - sanctioned limit of ₹ 17.50 crore. Unsecured facility with personal guarantee of promoters- Mr. Sadashiv Kanyana Shetty, Mr. Raghuram Kanyana Shetty, Mr. Sriraj Sadashiv Shetty and Mr. Raunak Raghuram Shetty.
- c Loan from R K Shetty: Loan of ₹ 14 crore at interest of 9.5% per anum. Repayable after 365 days from the date of disbursement,along with interest.

III. Disclosure As per the amendment to INDAS 7 Statement of Cash Flow:

Particulars	Long term Borrowing	Lease Liabilities	Short Term Borrowing	Interest accrued	Total
Opening Balance	-	(3.99)	(89.01)	(3.95)	(96.96)
Changes in Financial Cash flow	-	0.96	(55.88)	9.18	(45.74)
Internal Transfer	-				-
Interest accrued during the year	-	(0.40)	-	(10.22)	(10.62)
Other Non- Cash Adjustments	-	-	5.40	-	5.40
Net Addition during the year	-	(0.58)	-	-	(0.58)
Closing Balance as at March 31,2024	-	(4.01)	(139.49)	(4.99)	(148.50)
Changes in Financial Cash flow (net)	(9.00)	0.76	(90.36)	21.90	(76.69)
Interest accrued during the year		(0.38)	-	(23.14)	(23.52)
Internal Transfer	(0.04)	-	-	0.04	-
Other Non- Cash Adjustments		-	(0.61)	-	(0.61)
Net Addition during the year		-	-	-	-
Closing Balance as at March 31,2025	(9.04)	(3.63)	(230.46)	(6.19)	(249.33)

III. Borrowings from banks or financial institutions on the basis of security of current assets

The Company has borrowings during the year from banks on the basis of security of current assets, the disclosure w.r.t documents submitted to lenders is tabulated in Statement 1.

(All figures are Rupees in crores unless otherwise stated)

IV. Registration of charges or satisfaction with Registrar of Companies

All the charges or satisfaction as per the sanction are duly registered with Registrar of Companies as at March 31, 2025 and March 31, 2024 in favour of the lenders for facilities availed by the Company.

NOTE NO 19. TRADE PAYABLES

Particulars	31-Mar-25	31-Mar-24
Dues of Micro and Small Enterprise	7.49	28.83
Dues of Other than Micro and Small Enterprise	430.64	258.11
Total	438.13	286.94

Details of Payable Related Party

Particulars	31-Mar-25	31-Mar-24
Heranba Organics Private Limited	74.99	-

The trade payable ageing schedule (based on Bill date) for the year ended on 31st March, 2025 as follows:

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	2.73	-
Not Due	-	-	-	-
Less than 1 year	7.49	-	422.27	-
1-2 years	-	-	3.85	-
2-3 year	-	-	0.65	-
> 3 years	-	-	1.14	-
Total	7.49	-	430.64	-

The trade payable ageing schedule (based on Bill date) for the year ended on 31st March, 2024 as follows:

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	4.37	-
Not Due	-	-	-	-
Less than 1 year	28.83	-	247.09	-
1-2 years	0.00	-	1.19	-
2-3 year	-	-	0.44	-
> 3 years	-	-	5.02	-
Total	28.83	-	258.11	-

(All figures are Rupees in crores unless otherwise stated)

Details of dues to micro and small enterprises as defined under MSMED Act, 2006

Particulars	31-Mar-25	31-Mar-24
Principal amount due	7.49	28.83
Interest due on above	0.22	0.23
the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest paid in terms of Sec 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Amount of interest due and payable for the period of delay	0.22	0.23
Amount of interest accrued and remaining unpaid as at year end	0.46	0.24
Amount of further interest remaining due and payable in the succeeding year	-	-

The MSME Parties have been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE NO 20. OTHER LIABILITIES

Particulars	Non- Current		Current	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Advance against orders- Contract Liability	-	-	17.65	13.53
Unamortized Guarantee liability	0.26	0.18	0.17	0.10
Statutory liabilities	-	-	1.32	1.29
Total	0.26	0.18	19.14	14.91

NOTE NO 21. CURRENT TAX LIABILITIES (NET)

Particulars	31-Mar-25	31-Mar-24
Current tax liabilities	10.93	20.60
Total	10.93	20.60

NOTE NO 22. REVENUE FROM OPERATIONS

Particulars	2024-25	2023-24
Sale from operations:		
Sale of Goods	1,387.44	1,247.75
Sale of Traded Goods	101.01	18.50
	1,488.45	1,266.25
Other operating revenue:		
Export Incentive	7.45	8.50
Other Operative Income	-	
Total	1,495.90	1,274.75

(All figures are Rupees in crores unless otherwise stated)

I. Disclosure in accordance with Ind AS - 115 "Revenue Recognition Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015**(a) Revenue disaggregation based on Service Type and by Geographical Region:****i) Revenue disaggregation by type of Service is as follows:**

Major Service Type	2024-25	2023-24
Sale of Goods - Agrochemical	1,387.44	1,247.75
Sale of Traded Goods - Agrochemical	101.01	18.50
Export Incentive	7.45	8.50
	1,495.90	1,274.75

ii) Revenue disaggregation by geographical region is as follows:

Geographical Region	2024-25	2023-24
India	1,060.29	851.29
Outside India	435.61	423.46
Total revenue from operations	1,495.90	1,274.75
Timing of revenue recognition		
At a point in time	1,495.90	1,274.75
Total revenue from operations	1,495.90	1,274.75

(b) Contract Balances

The Contract liability primarily relate to advances received from the customers against orders. Significant changes in the contract liabilities balance during the period are as under:

Particulars	2024-25	2023-24
Contract liabilities		
Balances at the beginning of the year	13.53	6.29
Revenue recognised that is included at the beginning of the period	(13.53)	(6.29)
Advances received during the year	17.65	13.53
Advances outstanding during the year	17.65	13.53

Out of the total contract liabilities outstanding as on 31 March 2025, ₹ 17.65 crore and 31 March 24 ₹ 13.53 crore will be recognized by 31 March 2026 and 31 March 2025 respectively.

(c) Significant adjustments between the contracted price and revenue recognized in the Statement of profit and loss account:

Particulars	2024-25	2023-24
Reconciliation of revenue from operations with Contract Price		
Contract Price	1,517.86	1,292.12
Less:		
Discounts	29.41	25.87
Total Revenue from operations	1,488.45	1,266.25

(All figures are Rupees in crores unless otherwise stated)

NOTE NO 23. OTHER INCOME

Particulars	2024-25	2023-24
Interest Income	36.59	17.14
Interest Income fair valued under IND AS 109	0.01	0.01
Dividend Income	0.00	0.00
(Full Figure as March 31,2025: ₹ 7500 March 31, 2024: ₹ 6792		
Foreign Exchange Fluctuation Gain (Net)	3.97	3.64
Gain on Fair Value of Investments	0.52	-
Profit on Sale of Property, Plant & Equipment	0.18	0.10
Share of profit from Investment	0.01	0.01
Sundry Balances Written Back	0.24	5.88
Guarantee Income	0.14	0.03
Rent Income	2.60	2.60
Miscellaneous income	1.32	0.97
Total	45.58	30.39

NOTE NO 24. COST OF MATERIALS CONSUMED

Particulars	2024-25	2023-24
Raw Material/Packing Material		
Opening Stock	83.49	89.14
Add: Purchases (Net of Discount)	877.75	824.75
Less: Closing stock	93.08	83.49
Total	868.16	830.40

NOTE 25. PURCHASE OF STOCK IN TRADE

Particulars	2024-25	2023-24
Purchase of Stock in Trade	253.76	16.23
Total	253.76	16.23

NOTE NO 26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

Particulars	2024-25	2023-24
Inventory adjustment - WIP		
Opening Stock of Work In Progress	25.14	15.38
Closing Stock of Work In Progress	(10.16)	(25.14)
	14.98	(9.75)
Inventory adjustment - Finished Goods		
Opening Stock of Finished Goods	128.04	184.53
Closing Stock of Finished Goods	(143.90)	(128.04)
	(15.86)	56.48
Inventory adjustment - Traded goods		
Opening Stock of Finished Goods	4.28	2.88
Closing Stock of Finished Goods	(0.29)	(4.28)
	3.99	(1.40)
Total	3.11	45.33

The inventory cost of finished goods in current year(2024-25) includes write down of ₹ 0.27 crore and in previous year(2023-24) of ₹ 1.12 crore.

(All figures are Rupees in crores unless otherwise stated)

NOTE NO 27. EMPLOYEE BENEFIT EXPENSES

Particulars	2024-25	2023-24
Salaries, wages and bonus, etc.	73.39	65.81
Contribution to provident and other funds	4.00	3.83
Staff welfare expenses	2.93	3.01
Total	80.32	72.65

NOTE NO 28. FINANCE COSTS

Particulars	2024-25	2023-24
Interest on Financial Liability at amortised cost	18.10	7.99
Interest on Statutory Dues (Full Figure for 23-24: ₹ 12813)	0.55	0.00
Interest on Income Tax	2.50	1.13
Interest on MSME	0.22	0.23
Interest on Lease Liability	0.38	0.40
Other Finance Charges	4.27	2.01
Total	26.02	11.75

NOTE NO 29. DEPRECIATION AND AMORTISATION EXPENSES

Particulars	2024-25	2023-24
Depreciation of property, plant and equipment	27.93	24.08
Depreciation of Right to Use Asset	0.57	0.76
Total	28.50	24.85

NOTE NO 30. OTHER EXPENSES

Particulars	2024-25	2023-24
Consumption of Stores and Spares	15.88	20.40
Factory Expense	5.42	11.38
Repairs & Maintenance of Machinery	6.79	6.74
Repairs & Maintenance of Building	0.76	1.92
Repairs & Maintenance of Vehicle	0.17	0.14
Repairs & Maintenance of Others	2.27	1.24
Insurance	2.81	2.82
Rent	1.62	1.38
Rates and taxes	1.83	2.12
Donations	0.28	0.16
Labour Charges	29.78	28.65
Allowances for doubtful debts	3.46	3.88
Provision for Impairment of Other Receivables	1.13	-
Remuneration to Auditor (Refer Note a)	0.36	0.31
Legal and Professional Charges	5.71	6.89
Loss on Fair value of Investment held at FVTPL	-	0.15

(All figures are Rupees in crores unless otherwise stated)

NOTE NO 30. OTHER EXPENSES (Contd.)

Particulars	2024-25	2023-24
Power and Fuel	65.83	68.57
Selling and Distribution expense	42.19	37.15
Corporate Social Responsibility	3.35	4.05
Sitting Fees	0.06	0.06
R & D Expenditure	1.13	1.45
Miscellaneous Expenses	16.50	14.06
Total	207.33	213.54

a) Remuneration to Auditor

Particulars	2024-25	2023-24
As Auditor:		
- Statutory Audit fees including Limited Review	0.29	0.25
- Tax Audit	0.06	0.05
- Certification & Others	0.01	0.01
	0.36	0.31

b) Total expenditure on R & D is included in respective heads of accounts as under:

Particulars	2024-25	2023-24
Employee benefits expenses	1.59	1.80
R & D Expenditure	1.13	1.45
	2.72	3.25

NOTE NO 31. TAX EXPENSE**(a) Income tax charged to statement of profit and loss**

Particulars	2024-25	2023-24
Tax for the year	18.75	28.87
Tax in respect of earlier years	0.35	(0.41)
Deferred Tax Expenses	1.18	(4.42)
Income Tax expense	20.28	24.04

(b) Income tax charged to other comprehensive income

Particulars	2024-25	2023-24
Deferred Tax Expenses - OCI	0.13	(0.01)
	0.13	(0.01)

(All figures are Rupees in crores unless otherwise stated)

(c) The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:**I.**

Particulars	2024-25	2023-24
Accounting profit before income tax	74.28	90.39
Enacted tax rates in India (%)	25.17%	25.17%
Computed expected tax expenses	18.70	22.75
Tax effects of amounts that are not deductible (taxable) in calculating taxable income:		
Net changes on account of disallowances	12.56	13.94
Net changes on account of Allowances	(12.69)	(8.09)
Others	0.19	0.27
Income tax expenses	18.75	28.87

II.

Deferred tax assets/(liabilities) in relation to:	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing Balance
As at March 31,2025				
Property, Plant and Equipment including ROU	(1.52)	0.03	-	(1.49)
Tax Disallowance	6.65	(2.06)	0.13	4.72
Impairment Allowance for trade receivables	6.39	0.87	-	7.26
Fair Valuation of Investment	0.00	(0.06)	-	(0.06)
	11.52	(1.18)	0.13	10.43

II.

Deferred tax assets/(liabilities) in relation to:	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing Balance
As at March 31,2024				
Property, Plant and Equipment including ROU	(0.96)	(0.56)	-	(1.52)
Tax Disallowance	2.66	3.98	0.02	6.65
Impairment Allowance for trade receivables	5.41	0.98	-	6.39
Fair Valuation of Investment	0.00	0.00	-	0.00
Time value of derivatives designated as cash flow hedges	0.01	-	(0.01)	-
Others	(0.03)	0.03	-	-
	7.09	4.42	0.01	11.52

(All figures are Rupees in crores unless otherwise stated)

NOTE NO 32. EARNING PER SHARE**Disclosure as required by Accounting Standard – IND AS 33 “Earning Per Share” of the Companies (Indian Accounting Standards) Rules 2015.****A. Net Profit/(loss) attributable to equity shareholders and the weighted number of shares outstanding for basic and diluted earnings per share are as summarised below:**

Particulars	2024-25	2023-24
Profit/(Loss) for the period (₹ in Crore)	54.00	66.35
Outstanding equity shares at period end	4,00,13,467	4,00,13,467
Weighted average Number of Shares outstanding during the year – Basic	4,00,13,467	4,00,13,467
Weighted average Number of Shares outstanding during the year - Diluted	4,00,13,467	4,00,13,467
Earnings per Share - Basic (₹ Per Share)	13.50	16.58
Earnings per Share - Diluted (₹ Per Share)	13.50	16.58

B. Reconciliation of weighted number of outstanding shares during the Year:

Particulars	2024-25	2023-24
Nominal Value of Equity Shares (₹ Per Share)	10.00	10.00
Total number of equity shares outstanding at the beginning of the year	4,00,13,467	4,00,13,467
Add: Issue of Equity Shares during the year	-	-
Total number of equity shares outstanding at the end of year	4,00,13,467	4,00,13,467
Weighted average number of equity shares at the end of year- Basic	4,00,13,467	4,00,13,467
Weighted average number of equity shares at the end of year- Dilutive	4,00,13,467	4,00,13,467

33. CORPORATE SOCIAL RESPONSIBILITY

The Company is covered under Section 135 of the companies act, the following is the disclosed with regard to CSR activities:

Particulars	2024-25	2023-24
i Gross amount required to be spent by the Company during the year	3.35	4.05
ii Amount approved by the Board to be spent during the year	3.35	4.05
Construction/acquisition of any asset	-	-
On purposes other than (i) above	3.35	4.05
iii Amount spent during the year on:	3.35	4.05
Construction/acquisition of any asset	-	-
On purposes other than (i) above	3.35	4.05
iv (Excess)/Shortfall at the end of the year,	-	-
v The total of previous years' shortfall/(Excess) amounts;	-	-
vi The reason for above shortfalls	NA	NA
vii (Excess)/Shortfall Payment at the end of the year	-	-
viii Nature of CSR activities-		
a) Promoting Education including vocation skills among children, women etc.	3.15	3.52
b) Promoting Healthcare including preventive healthcare and Sanitation	0.11	0.52
c) Eradication of Poverty	-	0.01
d) Rural Development	0.09	-

(All figures are Rupees in crores unless otherwise stated)

34. CONTINGENT LIABILITIES

(i)

Particulars	2024-25	2023-24
Bank Guarantees	7.72	7.96
Letter of Credit	21.45	0.40
Guarantee Given on behalf of Subsidiary	47.96	29.49
Claims not acknowledged as debts		
Disputed Excise Duty/Custom Duty Demands	10.06	10.06
Legal Matters With Customers*	5.96	3.38
Demand under Goods and Service Tax (Refer Note 1)	30.13	10.86
Disputed VAT Liability (Refer Note 2)	2.46	1.63
Disputed Income Tax demands (Refer Note 3&4)	6.61	7.51
TDS Defaults (Refer Note 5)	0.32	0.76
	132.66	72.04

* This represents legal cases filed against the Company, however since there are no receivables from this customers as at march 31, 2025 and as at March 31, 2024 there are no balances shown as disputed receivables.

Note

- 1) Out of the above ₹ 3.61 crore (PY ₹ 2.91 crore) is paid against demand
- 2) Out of the above ₹ 0.39 crore (PY ₹ 0.39 crore) is paid against demand
- 3) Out of the above ₹ 0.75 crore (PY ₹ 0.75 crore) is paid against demand
- 4) In certain Assessment Years, the Outstanding Demands on the Income Tax Site are on a higher side including interest accrued against which the demand orders are for lesser amount of demands. These are pending to be rectified on the Income tax site by the Department. The Company has shown Contingent Liability basis the demand orders received taking into account the appeal file against the same.
- 5) The Demands are majorly against Inoperative PAN status due to non linking of PAN and Aadhar by the Counter parties. The Company is in the process of getting the same rectified from the parties post which the demand would change.

35. COMMITMENTS

Particulars	2024-25	2023-24
Estimated amount of contracts remaining to be executed in Capital Account and not provided for (Net of Advance) i.e. the amount payable for the undelivered capital expenditure items.	0.90	0.96
Capital Commitment towards Investment with Fireside Ventures Investment Fund	2.75	3.50
Total	3.65	4.46

36. In the opinion of the Board of Directors, all assets other than property, plant & equipments and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

(All figures are Rupees in crores unless otherwise stated)

37. DISCLOSURE IN ACCORDANCE WITH IND AS – 108 "OPERATING SEGMENTS", OF THE COMPANIES (INDIAN ACCOUNTING STANDARDS) RULES, 2015.

Ind AS 108 establishes standards for the way that business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. As the Company is engaged in providing similar nature of products, production process, customer types etc., the Company has a single operating segment of "Agro chemicals", there are no differing risks and returns attributable to the Company's services to its customers. Further, The Company primarily operates in India and therefore the analysis of geographical segment is demarcated into its Indian and Overseas revenue as under:

a. Geographical Segment

Particulars	2024-25	2023-24
Revenue (Gross Sale)		
India	1,060.29	851.29
Overseas	435.61	423.46
Total	1,495.90	1,274.75

b. The Company is not reliant on revenue from transactions with any single external customer and does not receive 10% or more of its revenue from transactions with any single external customer.

38. DISCLOSURE IN ACCORDANCE WITH IND AS - 24 "RELATED PARTY DISCLOSURES", OF THE COMPANIES (INDIAN ACCOUNTING STANDARDS) RULES, 2015

Details are given in Statement -2

39. FINANCIAL INSTRUMENTS

i) The carrying value and fair value of financial instruments by categories as at March 31, 2025, and March 31, 2024 is as follows:

Particulars	Carrying Value		Fair Value	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
a) Financial Assets				
Financial assets measured at fair value through P&L				
Investments	2.63	1.35	2.63	1.35
Financial assets measured at amortized cost				
Investments	0.76	0.48	0.76	0.48
Loans	493.81	299.65	493.81	299.65
Others	9.02	9.24	9.02	9.23
Trade receivables	560.25	498.35	560.25	498.35
Cash and cash equivalents	38.97	12.06	38.97	12.06
Bank balances other than above	11.48	10.36	11.48	10.36
Total Financial Assets	1,116.91	831.49	1,116.91	831.48
b) Financial Liabilities measured at amortized cost				
Borrowings	239.50	139.49	239.50	139.49
Trade payables	438.13	286.94	438.13	286.94
Lease Liability	3.63	4.01	3.63	4.01
Others	43.47	42.77	43.47	42.77
Total Financial Liabilities	724.73	473.21	724.73	473.21

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, and other current financial assets and liabilities carried at amortized cost approximate their carrying amounts largely due to the short-term maturities of these instruments.

(All figures are Rupees in crores unless otherwise stated)

40. FINANCIAL RISK MANAGEMENT

Risk management framework:

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's senior management oversees management of these risks. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

i) Market Risk

a. Foreign currency risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices etc. The Company operations involve foreign exchange transactions including mainly import, export, packing credit facilities and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to US\$. Foreign currency risk arises from future commercial transactions and recognised in assets and liabilities denominated in foreign currency that is not Company's functional currency (i.e INR). The risk is measured through forecast of highly probable foreign currency cash flow.

Uncovered risks in foreign currency transactions disclosed as at:

Particulars	Currency	31-Mar-25		31-Mar-24	
		FC	INR	FC	INR
Trade Receivable	USD	2.10	177.82	1.67	138.27
Trade Receivable	EURO	0.01	0.46	0.02	1.48
Borrowing (PCFC)	USD	0.82	69.89	0.81	67.17
FCNR Loan	USD	0.54	45.96	0.54	44.78
Bank (EEFC)	USD	0.00	0.23	0.54	44.78
Bill Discounting	USD	0.05	4.10	0.09	7.30
Trade Payable	USD	0.37	31.32	0.11	9.42
Advances from customer	USD	0.07	6.35	0.03	2.32
Advances from customer	EURO	0.05	4.36	0.04	3.65

Sensitivity

A change of 5% in Foreign currency would have following Impact on profit before tax

Particulars	31-Mar-25		31-Mar-24	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD (Receivables)	0.11	(0.11)	0.08	(0.08)
USD (Payables)	(0.09)	0.09	(0.08)	0.08
Net Increase/(Decrease) in Profit or loss	0.02	(0.02)	0.02	(0.02)
EURO (Receivables)	0.00	(0.00)	0.00	(0.00)
EURO (Payable)	(0.00)	0.00	(0.00)	0.00
Net Increase/(Decrease) in Profit or loss	(0.00)	0.00	(0.00)	0.00

(March 31, 2025 full figure of Net Increase/(Decrease) in Profit or loss is ₹ 21,165 Increase and ₹ (21,165) (decrease))

(March 31, 2024 full figure of Net Increase/(Decrease) in Profit or loss is ₹ 12,161 Increase and ₹ (12,161) (decrease))

(All figures are Rupees in crores unless otherwise stated)

b. Interest rate risk

Interest rate risk arises from movements in interest rates which could have effects on the Company's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings and loans given affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Changes in basis points	Effect on profit before tax 2024-25	Effect on profit before tax 2023-24
Financial liabilities			
Interest rates - increase - 1%	100.00	(2.40)	(1.39)
Interest rates - decrease - 1%	(100.00)	2.40	1.39

c. Other Market Price Risk

The Company is exposed to Equity price risk, which arises from FVTPL of Equity securities. The Company has a very insignificant portion of amount invested in quoted equity securities. The management monitors the proportion of quoted equity instruments in its investment portfolio based on market indices.

d. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Trade and Other Receivables:

In accordance with Ind AS 109, the Company uses the expected credit loss ("ECL") model for measurement and recognition of impairment loss on its trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of

Ind AS 115. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers. The Company estimates impairment under the simplified approach. Accordingly, it does not track the changes in credit risk of trade receivables. The impairment amount represents lifetime expected credit loss.

e. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through committed credit facilities to meet the obligations when due.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The Company manages its liquidity risk by preparing month on month cash flow projections to monitor liquidity requirements.

The Working Capital Position of the Company is given below:

Particulars	2024-25	2023-24
Inventories	250.41	244.43
Cash and Other Bank Balances	50.45	22.42
Trade Receivable	560.25	498.35
Other Financial Assets	2.76	2.65
Other Current Assets	46.91	33.33
Total	910.78	801.18

(All figures are Rupees in crores unless otherwise stated)

The Working Capital Position of the Company is given below: (Contd.)

Particulars	2024-25	2023-24
Less:		
Borrowings	230.46	139.49
Lease Liability - ROU Asset	0.34	0.39
Trade payables	438.13	286.94
Provisions	11.80	9.54
Other Current liabilities	19.14	14.91
Other financial liabilities	43.47	42.77
Current Tax Liabilities	10.93	20.60
	754.27	514.64
Net Working Capital	156.51	286.54

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	Less than 1 year	2-5 years	More than 5 years	Total
As at 31st March 2025				
Borrowing	230.46	9.04		239.50
Trade Payable	438.13	-	-	438.13
Other Financial Liabilities	43.47	-	-	43.47
Total	712.06	9.04	-	721.10
As at 31st March 2024				
Borrowing	139.49	-	-	139.49
Trade Payable	286.94	-	-	286.94
Other Financial Liabilities	42.77	-	-	42.77
Total	469.20	-	-	469.20

The above contractual Maturity profile does not include Lease Liability for which profile is separately disclosed vide Note No. 15

41. FAIR VALUE HIERARCHY

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(All figures are Rupees in crores unless otherwise stated)

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2025 and March 31, 2024

Particulars	Fair Value measurement using			
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value through P&L				
Investments (*)	31-03-2025	-	-	2.63
Fair value of foreign exchange derivative assets	31-03-2025	-	-	-
Total financial assets		-		2.63
Financial assets measured at fair value through P&L				
Investments	31-03-2024	-	-	1.35
Fair value of foreign exchange derivative assets	31-03-2024	-	-	-
Total financial assets		-	-	1.35

(*) The Company has made an investment in Alternate Investment Fund (AIF) of ₹ 2.25 crore (₹ 1.50 crore in previous year). This investment is marked at fair value through profit and Loss (FVTPL),

In absence of financials statements of The Shamrao Vithal Co-op. Bank Ltd. And Matrubhumi Co-op. Credit Society Limited the fair value effect is not given, the same is carried at its carrying value in books, although the same is accounted at FVTPL. The management does not expect the fair value changes to be material to the financial statements.

42. CAPITAL MANAGEMENT

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximize shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company's adjusted net debt to equity ratio as follows:

Particulars	31-Mar-25	31-Mar-24
Gross Debt	239.50	139.49
Less: Cash and Cash Equivalent	38.97	12.06
Net debt (A)	200.53	127.43
Total Equity (B)	926.08	877.46
Gearing ratio (A/B)	0.22	0.15

43. RELATIONSHIP WITH STRUCK OFF COMPANIES

The information about transaction with struck off Companies (defined under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956) has been determined to the extent such parties have been identified on the basis of the information available with the Company and the same is relied upon by the auditors.

44. ANALYTICAL RATIOS

Analytical Ratios as per requirements of Schedule III are given in Statement 3

45. AUDIT TRAIL NOTE

The Ministry of Corporate Affairs (MCA) by the Companies (Accounts) Amendment Rules 2021 and vide notification dated 24 March 2021 has issued the "Companies (Audit and Auditors) Amendment Rules, 2021 has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

(All figures are Rupees in crores unless otherwise stated)

As required under the above rules, the Company uses Navision and HRMS software for its financial accounting and HR which works along with Database for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded and the audit trail feature has not been tampered with except:

- i) the audit trail feature was not enabled at the database level for accounting software "Navision" to log any direct data changes, used for maintenance of all accounting records by the Company.
- ii) At present the audit trail is preserved only for a period of six months and all audit trails beyond six months are not preserved due to space constraints. Further, back up of the audit trail has not been preserved as per statutory requirements for record retention due to cloud space constraints.

As per our report of even date attached

For Natvarlal Vepari and Co LLP
(Formerly known as Natvarlal Vepari & Co.)
Chartered Accountants
Firm Registration No. 106971W/W101085

N Jayendran
Partner
Membership No. 040441

Place: Mumbai
Date: May 23, 2025

For & on behalf of the Board of Directors
Heranba Industries Limited

S. K. Shetty
Chairman
DIN: 00038681

R. K. Shetty
Managing Director
DIN: 00038703

Abdul Latif
Company Secretary

Raj K Bafna
Chief Financial Officer

(All figures are Rupees in crores unless otherwise stated)

STATEMENT 1- RETURNS/STATEMENTS SUBMITTED TO THE BANK

I	Quarter	Name of bank	Particulars of Securities Provided	31-03-2025 (Amount in Crores)			Reason for material discrepancies
				Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	
1	Q1	Bank of Baroda	Stock	290.10	287.26	2.84	Refer Foot notes
2	Q1	Bank of Baroda	Books Debts	490.44	300.47	189.97	
3	Q1	Bank of Baroda	Trade payable	352.25	239.03	113.22	
4	Q2	Bank of Baroda	Stock	291.71	288.84	2.87	
5	Q2	Bank of Baroda	Books Debts	598.54	478.04	120.50	
6	Q2	Bank of Baroda	Trade payable	433.74	225.30	208.44	
7	Q3	Bank of Baroda	Stock	258.42	255.36	3.06	
8	Q3	Bank of Baroda	Books Debts	581.87	450.92	130.95	
9	Q3	Bank of Baroda	Trade payable	428.85	188.64	240.21	
10	Q4	Bank of Baroda	Stock	234.06	253.60	(19.54)	
11	Q4	Bank of Baroda	Books Debts	560.25	437.16	123.10	
12	Q4	Bank of Baroda	Trade payable	438.13	56.11	382.02	

I	Quarter	Name of bank	Particulars of Securities Provided	31-03-2024 (Amount in Crores)			Reason for material discrepancies
				Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	
1	Q1	Bank of Baroda	Stock	268.65	267.77	0.88	Refer Foot notes
2	Q1	Bank of Baroda	Books Debts	474.36	329.05	145.31	
3	Q1	Bank of Baroda	Trade payable	282.17	258.19	23.98	
4	Q2	Bank of Baroda	Stock	297.14	298.92	(1.78)	
5	Q2	Bank of Baroda	Books Debts	540.49	418.49	122.00	
6	Q2	Bank of Baroda	Trade payable	369.20	330.04	39.16	
7	Q3	Bank of Baroda	Stock	251.74	254.85	(3.11)	
8	Q3	Bank of Baroda	Books Debts	532.14	375.55	156.59	
9	Q3	Bank of Baroda	Trade payable	308.60	255.45	53.15	
10	Q4	Bank of Baroda	Stock	240.94	253.75	(12.81)	
11	Q4	Bank of Baroda	Books Debts	502.64	302.62	200.02	
12	Q4	Bank of Baroda	Trade payable	291.52	205.49	86.03	

Foot Note:

- 1 There is a mismatch in the books and quarterly stock reports sent to the lenders due to error in tracing items of inventory viz a viz books and statement submitted to the lenders.
- 2 Quarterly statement submitted to the bank are subject to adjustment towards credit balances or debit balances of the same party (towards purchase and sales) and exchange fluctuation.
- 3 Quarterly Statement filed with the Banks are based on Bill dates.
- 4 Quarterly Statement filed with the Banks are considering the balances of only Raw Material and Packing Material Vendors.
- 5 Quarterly Statement filed with the Banks are without considering the Advance to Suppliers and Advance from Customers.
- 6 For last quarter of the current year provisional statement has been submitted, final statement in progress

(All figures are Rupees in crores unless otherwise stated)

STATEMENT 2 - RELATED PARTY TRANSACTIONS

A. Relationship

Wholly Owned Subsidiary

- Mikusu India Private Limited (w.e.f April, 9, 2022)
- Heranba Organics Private Limited (w.e.f August 29, 2022)

Company with Defacto Control

- Daikaffil Chemicals India Ltd (w.e.f February 5, 2024)

Enterprises over which key management personnel and their relatives exercise control

- Sams Industries Limited

Key Management Personnel and their Relatives

- Sadashiv K Shetty (Chairman)
- Raghuram K Shetty (Managing director)

- Sujata S Shetty (Relative of Director director)
- Vanita R Shetty (Relative of Director director)
- Shriraj S Shetty (Whole time and executive director)
- Raunak R Shetty (Whole time and executive director)
- Shreya Shetty (Relative of Director director)
- Roshan R Shetty (Relative of Director director)
- Sadashiv Shetty - HUF
- Raghuram Shetty - HUF
- Anilkumar Marlecha (Independent Director)
- Ganesh Vanmali (Independent Director)
- Reshma Wadkar (Independent Director)
- Mulky Shetty (Independent Director)

B. The following are the transactions with related parties

Related party transactions

Sr. No.	Nature of transaction	Subsidiary Companies		Key management personnel, their relatives		Enterprises where significant influence exists		Total	
		F.Y 24-25	F.Y 23-24	F.Y 24-25	F.Y 23-24	F.Y 24-25	F.Y 23-24	F.Y 24-25	F.Y 23-24
1	Sales of Goods	211.23	107.91	-	-	-	-	211.23	107.91
	Mikusu India Private Limited	117.43	106.74	-	-	-	-	117.43	106.74
	Heranba Organics Private Limited	93.21	1.16	-	-	-	-	93.21	1.16
	Daikaffil Chemicals India Limited	0.59	-	-	-	-	-	0.59	-
2	Purchase of Goods	247.62	2.95	-	-	-	-	247.62	2.95
	Mikusu India Private Limited	31.70	2.95	-	-	-	-	31.70	2.95
	Heranba Organics Private Limited	215.89	-	-	-	-	-	215.89	-
	Daikaffil Chemicals India Limited	0.03	-	-	-	-	-	0.03	-
3	Sale of Property, Plant & Equipment	3.39	-	-	-	-	-	3.39	-
	Heranba Organics Private Limited	3.38	-	-	-	-	-	3.38	-
	Daikaffil Chemicals India Limited	0.01	-	-	-	-	-	0.01	-
4	Purchase of Property, Plant & Equipment	0.00	-	-	-	-	-	0.00	-
	Daikaffil Chemicals India Limited (Full figure Rs. 27,000)	0.00	-	-	-	-	-	0.00	-
5	Interest income on loan	35.77	14.50	-	-	-	-	35.77	14.50
	Mikusu India Private Limited	2.81	1.66	-	-	-	-	2.81	1.66
	Heranba Organics Private Limited	32.95	12.84	-	-	-	-	32.95	12.84

(All figures are Rupees in crores unless otherwise stated)

Related party transactions (Contd.)

Sr. No.	Nature of transaction	Subsidiary Companies		Key management personnel, their relatives		Enterprises where significant influence exists		Total	
		F.Y 24-25	F.Y 23-24	F.Y 24-25	F.Y 23-24	F.Y 24-25	F.Y 23-24	F.Y 24-25	F.Y 23-24
6	Rent Income	2.60	2.60	-	-	-	-	2.60	2.60
	Mikusu India Private Limited	0.07	0.07	-	-	-	-	0.07	0.07
	Heranba Organics Private Limited	2.53	2.53	-	-	-	-	2.53	2.53
7	Guarantee Income	0.14	0.03	-	-	-	-	0.14	0.03
	Heranba Organics Private Limited	0.14	0.03	-	-	-	-	0.14	0.03
8	Professional Charges	-	-	0.18	0.18	-	-	0.18	0.18
	Mrs. Shreya M. Shetty	-	-	0.18	0.18	-	-	0.18	0.18
9	Payment of Dividend	-	-	3.64	3.64	0.11	0.11	3.75	3.75
	Sadashiv K Shetty	-	-	0.90	0.90	-	-	0.90	0.90
	Raghuram K Shetty	-	-	1.49	1.49	-	-	1.49	1.49
	Sujata S Shetty	-	-	0.40	0.40	-	-	0.40	0.40
	Vanita R Shetty	-	-	0.25	0.25	-	-	0.25	0.25
	Shriraj S Shetty	-	-	0.11	0.11	-	-	0.11	0.11
	Raunak R Shetty	-	-	0.08	0.08	-	-	0.08	0.08
	Shreya Shetty	-	-	0.12	0.12	-	-	0.12	0.12
	Roshan R Shetty	-	-	0.08	0.08	-	-	0.08	0.08
	Sadashiv K Shetty - HUF	-	-	0.04	0.04	-	-	0.04	0.04
	Raghuram K Shetty - HUF	-	-	0.17	0.17	-	-	0.17	0.17
	Sams Industries Limited	-	-	-	-	0.11	0.11	0.11	0.11
10	Remuneration	-	-	3.84	3.55	-	-	3.84	3.55
	Sadashiv K Shetty	-	-	1.56	1.56	-	-	1.56	1.56
	Raghuram K Shetty	-	-	1.39	1.39	-	-	1.39	1.39
	Shriraj S Shetty	-	-	0.33	0.30	-	-	0.33	0.30
	Raunak R Shetty	-	-	0.33	0.30	-	-	0.33	0.30
	Roshan R Shetty	-	-	0.23	-	-	-	0.23	-
11	Commission to key management personnel	-	-	2.31	2.80	-	-	2.31	2.80
	Raghuram K Shetty	-	-	2.31	2.80	-	-	2.31	2.80
12	Director Sitting Fees	-	-	0.06	0.06	-	-	0.06	0.06
	Anilkumar Marlecha	-	-	0.01	0.01	-	-	0.01	0.01
	Ganesh Vanmali	-	-	0.02	0.02	-	-	0.02	0.02
	Reshma Wadkar	-	-	0.01	0.01	-	-	0.01	0.01
	Mulky Shetty	-	-	0.02	0.02	-	-	0.02	0.02
13	Interest Expenses on loan	-	-	0.55	-	0.05	-	0.60	-
	Raghuram K Shetty	-	-	0.55	-	-	-	0.55	-
	Sams Industries Limited	-	-	-	-	0.05	-	0.05	-

(All figures are Rupees in crores unless otherwise stated)

Related party transactions (Contd.)

Sr. No.	Nature of transaction	Subsidiary Companies		Key management personnel, their relatives		Enterprises where significant influence exists		Total	
		F.Y 24-25	F.Y 23-24	F.Y 24-25	F.Y 23-24	F.Y 24-25	F.Y 23-24	F.Y 24-25	F.Y 23-24
14	Loan Given to Subsidiaries	370.75	246.46	-	-	-	-	370.75	246.46
	Mikusu India Private Limited	3.97	24.10	-	-	-	-	3.97	24.10
	Heranba Organics Private Limited	366.78	222.36	-	-	-	-	366.78	222.36
15	Loan Taken	-	-	15.00	-	9.00	-	24.00	-
	Raghuram K Shetty			15.00		-	-	15.00	-
	Sams Industries Limited	-	-	-	-	9.00	-	9.00	-
16	Repayment of Loan	-	-	1.00	-	-	-	1.00	-
	Raghuram K Shetty			1.00				1.00	-
17	Repayment of Loan from Subsidiaries	176.59	-	-	-	-	-	176.59	-
	Heranba Organics Private Limited	176.59	-	-	-	-	-	176.59	-
18	Loans & Advances - Outstanding Balance	493.81	299.65	-	-	-	-	493.81	299.65
	Heranba Organics Private Limited	458.70	268.51	-	-	-	-	458.70	268.51
	Mikusu India Private Limited	35.11	31.14	-	-	-	-	35.11	31.14
19	Trade Receivables - Outstanding Balance	77.44	79.73	-	-	-	-	77.44	79.73
	Heranba Organics Private Limited	-	4.11	-	-	-	-	-	4.11
	Mikusu India Private Limited	76.78	75.63	-	-	-	-	76.78	75.63
	Daikaffil Chemicals India Limited	0.66	-	-	-	-	-	0.66	-
20	Trade Payables - Outstanding Balance	74.99	-	-	-	-	-	74.99	-
	Heranba Organics Private Limited	74.99	-	-	-	-	-	74.99	-
21	Loan Taken - Outstanding Balance incl interest	-	-	14.00	-	9.04	-	23.04	-
	Raghuram K Shetty	-	-	14.00	-	-	-	14.00	-
	Sams Industries Limited	-	-	-	-	9.04	-	9.04	-
22	Fair Value of Guarantee given in form of Quasi Equity	0.60	0.31	-	-	-	-	0.60	0.31
	Heranba Organics Private Limited	0.60	0.31	-	-	-	-	0.60	0.31
23	Guarantee given	27.74	29.49	-	-	-	-	27.74	29.49
	Heranba Organics Private Limited	27.74	29.49					27.74	29.49
24	Guarantee given to Outstanding Balance	47.96	29.49	-	-	-	-	47.96	29.49
	Heranba Organics Private Limited	47.96	29.49	-	-	-	-	47.96	29.49

(All figures are Rupees in crores unless otherwise stated)

Related party transactions (Contd.)

Sr. No.	Nature of transaction	Subsidiary Companies		Key management personnel, their relatives		Enterprises where significant influence exists		Total	
		F.Y 24-25	F.Y 23-24	F.Y 24-25	F.Y 23-24	F.Y 24-25	F.Y 23-24	F.Y 24-25	F.Y 23-24
25	Guarantee given by Outstanding Balance	-	-	216.46	139.49	-	-	216.46	139.49
	Directors	-	-	216.46	139.49	-	-	216.46	139.49
26	Guarantee/Security given by Outstanding Balance	55.00	-	-	-	-	-	55.00	-
	Heranba Organics Private Limited	55.00	-	-	-	-	-	55.00	-

The managerial personnel are eligible for retirement benefits viz., gratuity and compensated absences in accordance with the policy of the Company. The proportionate retirement benefit expense pertaining to the managerial personnel has not been included in the aforementioned disclosures as this is provided in the books of account on the basis of actuarial valuation for the Company as a whole and hence individual amount cannot be determined.

Terms and conditions

All transactions with these related parties are priced on an arm's length basis. None of the balance is secured.

STATEMENT 3 - ANALYTICAL RATIOS

Sr. No.	Ratio	Numerator/ Denominator	Ratio (2024-25)	Ratio (2023-24)	% of Variation	Reason for variance
1	Current ratio	<u>Current Asset</u> Current Liabilities	1.21	1.56	-22.44%	
2	Debt-Equity ratio	<u>Total Debts</u> Shareholders Equity	0.26	0.16	62.68%	Fresh borrowings taken during the year
3	Debt Service Coverage ratio	<u>Earnings available for debt service</u> Debt Service	4.04	8.09	-49.99%	Fresh borrowings taken during the year
4	Return on Equity ratio (ROE)	<u>Net Profits after taxes – Preference Dividend</u> Average Shareholder's Equity	5.99%	7.84%	-23.58%	
5	Inventory Turnover Ratio	<u>Cost of goods sold OR sales</u> Average Inventory	4.55	3.29	38.05%	Increase in cost of goods production
6	Trade Receivables turnover ratio	<u>Net Credit Sales</u> Average Accounts Receivable	2.83	2.88	-1.79%	
7	Trade payables turnover ratio	<u>Other Expenses Excl. Bad Debts w/off and Expected Credit Loss Provision, Donation and CSR</u> Average Trade Payables	3.67	4.65	-21.19%	
8	Net capital turnover ratio	<u>Net Sales</u> Average working capital	6.75	3.22	109.61%	Increase in sales and decrease in working capital
9	Net profit ratio	<u>Net Profit after Tax</u> Net Sales	3.61%	5.21%	-30.66%	Increase in cost of goods production
10	Return on Capital employed (ROCE)	<u>Earning before interest and taxes</u> Capital Employed	8.61%	10.04%	-14.32%	
11	Return on Investment (ROI)	$\frac{\{MV(T1) - MV(T0) - \text{Sum } [C(t)]\}}{\{MV(T0) + \text{Sum } [W(t) * C(t)]\}}$	0.43%	0.90%	-52.30%	

The return on investment is computed on the basis of distribution amount received by the company from the AIF.

Independent Auditor’s Report

To
The Members of
Heranba Industries Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying Consolidated Financial Statements of Heranba Industries Limited (hereinafter referred to as the “Holding Company”) and its Subsidiaries (The Holding Company and its Subsidiaries together referred to as “the Group”) which comprise the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss (including Consolidated Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of Material Accounting Policy Information and other explanatory information (hereinafter referred to as the “Consolidated Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Companies Act, 2013, as amended (“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 consolidated state of affairs of the Group as at March 31, 2025, their consolidated profit (including Consolidated Other Comprehensive Income), consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We are independent of the Group 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 Consolidated Financial Statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr No	Key Audit Matter	Auditors’ Response
1	Revenue Recognition The timing of revenue recognition is relevant to the reported performance of the Company. We identified revenue recognition as a key audit matter because of the quantum of revenue and the time and audit effort involved in auditing the terms of the customer’s contract and the revenue recognized.	Our procedures included, amongst others: • We assessed the compliance of the revenue recognition accounting policies against the requirements of Indian Accounting Standards (“Ind AS”). • We evaluated the design and operating effectiveness of the relevant key financial controls with respect to revenue recognition on selected transactions. • Using statistical sampling, we tested the terms of the revenue contracts against the recognition of revenue based on the underlying documentation and records and evaluated accuracy and existence of the revenue being recognised in the correct accounting period. • We tested the accuracy and existence of revenue recognized at year end. On a sample basis, we evaluated the revenue being recognised in the correct accounting period.

	We have assessed the adequacy of disclosures in the standalone financial statements against the requirements of Ind AS 115, Revenue from contracts with customers
2 Inventory Valuation Inventory represents a significant portion of total assets as at March 31, 2025, with carrying value of ₹ 337.39 crores, in the books of Holding Company. Inventories are valued at lower of cost and net realizable value. The company writes down inventories to net realizable value on account of obsolescence, expiry and non-moving inventory, based on management's assessment. Assessing net realizable value and identification of slow moving, expired and obsolete inventory are areas which require use of significant judgements and owing to the inherent complexities, this is considered to be a key audit matter.	Our procedures included, amongst others: • We understood and evaluated the process relating to determination of net realizable value of inventories and identification of slow moving, expired and obsolete inventories, • We attended stock counts to identify whether any inventory was obsolete, • We assessed the basis for the inventory valuation, the consistency in policy and the rationale in its application, • We tested the accuracy of the ageing of inventories based on system generated reports, • We reviewed the testing done for net realizable value of inventories and future plans for consumptions, • We tested the arithmetical accuracy of valuation files; and We have assessed the appropriateness of disclosures in the Standalone Financial Statements in accordance with the applicable accounting standards.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Holding Company's Management and Board of Directors are responsible for the Other Information. The Other Information comprises the information included in the Holding Company's Annual Report excluding the Standalone and Consolidated Financial Statements and our Independent Auditors' Report thereon. We have read the Director's Report forming part of the Annual Report which has been made available to us and found the same to be in order. However, the other contents of the Annual Report are expected to be made available to us after the date of this report.

Our opinion on the Consolidated Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Substantial portion of the Other Information has not been made available to us till the date of this report. We will read the Other Information as and when it is made available to us and if we conclude that there is a material misstatement, we are required to communicate the matter with those charged with governance and take necessary steps as may be required thereafter.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including Consolidated Other Comprehensive Income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. 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 Consolidated Financial Statements in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Consolidated Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (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 Companies Act, 2013, we give in the attached **Annexure A**, a statement of the matter 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 of the aforesaid Consolidated Financial Statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts, workings and records maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d. In our opinion, the Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March 2025, taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With reference to maintenance of accounts and other matters therewith, reference is invited to paragraph 2(b) above on reporting under section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended.
 - g. With respect to the adequacy of internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**. Our report

expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Consolidated Financial Statements.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements discloses the impact of pending litigations on the consolidated financial position of the Group – Refer Note 32 to the Consolidated Financial Statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were material foreseeable losses.
 - iii. There are no amounts which are required to be transferred to Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
 - iv. (a) The management has represented that, to the best of their knowledge and belief,, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries") with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.
 - (b) The management has represented that, to the best of its knowledge and belief no funds have been received by the company from any person(s) or entity(ies) including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company

shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

- (c) Based on such audit procedures 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 (iv)(a)) and (iv)(b)) above contain any material misstatement.
- v. In the matter of dividend proposed in the previous year, declared and paid by the Holding Company during the year is in compliance with section 123 of the Act.
- vi. Based on our examination for the Holding Company which included test checks, except for instances/matters mentioned below, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except:
 - i. the audit trail feature was not enabled at the database level for accounting software "Navision" to log any direct data changes, used for maintenance of all accounting records by the Company.
 - ii. At present the audit trail is preserved only for a period of six months and all audit trails beyond six months are not preserved due to space constraints.

Further, Back up of the audit trail has not been preserved as per statutory requirements for record retention due to cloud space constraints.

As regards Components forming part of the Consolidated Financial Statements, in respect of two of the wholly owned subsidiaries which are audited by us, the software used by them are the same as the Holding Company and therefore our comments as above are same in respect of said two subsidiaries.

In respect of the one subsidiary (having De-facto Control), and forming part of the Consolidated Financial Statements, and which has been audited by us, the said Company has used Tally Prime which has an audit trail feature w.e.f July 23, 2024. The previous version of the accounting software did not have the feature of audit trail. Further, for the periods that the audit trail was enabled (with effect from July 23, 2024) and operated as aforesaid, the same has been maintained without any tampering and preserved by the company in compliance with the applicable statutory requirements for record retention.

Further, as regards the Holding Company and the two wholly owned subsidiaries audited by us, as required by the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention, considering the fact that audit trail beyond six months are not preserved, the Company and its two subsidiaries are not in a position to preserve records as per the requirements of the Companies Act relating to record retention.

For Natvarlal Vepari & Co LLP.

(Formerly known as Natvarlal Vepari & Co.)

Chartered Accountants

Firm Registration No- 106971W/W101085

N Jayendran

Partner

M. No. – 040441

Mumbai, Dated: May 23, 2025

UDIN: 25040441BMUJDA4685

Annexure A

To the Independent Auditors' Report on the Consolidated Financial Statements of Heranba Industries Limited

As required by clause 3(xxi) of the Companies (Auditors Report) Order, 2020 relating to any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the Consolidated Financial Statements, we report hereinbelow in the table qualifications/adverse reporting by the auditors.

Sr. No.	Name of the Company/CIN	Relationship Holding/Subsidiary/ Associate/Joint Venture	Clause number of the Caro report which is qualified or adverse.
1	Heranba Industries Limited CIN - L24231GJ1992PLC017315	Holding	3(ii)(b), 3(vii)(a)
2	Mikusu India Private Limited CIN: U24299MH2022PTC380276	Subsidiary	3(vii)(a)
3	Heranba Organics Private Limited CIN: U24110MH2022PTC389547	Subsidiary	3(vii)(a)
4	Daikaffil Chemical India Private Limited CIN - L24114MH1992PLC067309	De-Facto Control	3(i)(a)(A), 3(vii)(a)

For Natvarlal Vepari & Co LLP.

(Formerly known as Natvarlal Vepari & Co.)

Chartered Accountants

Firm Registration No- 106971W/W101085

N Jayendran

Partner

M. No. – 040441

Mumbai, Dated: May 23, 2025

UDIN: 25040441BMUJDA4685

Annexure - B to the Auditors' Report

Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Heranba Industries Limited of even date

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements (Financial Statements) of the Holding Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to Consolidated Financial Statements of **Heranba Industries Limited** (hereinafter referred to as ('the Holding Company')) and its subsidiaries which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company, and its subsidiaries which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated Financial Statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its Subsidiaries which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated

Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to Consolidated Financial Statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS.

Because of the inherent limitations of financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Holding Company and its subsidiaries, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Natvarlal Vepari & Co LLP.

(Formerly known as Natvarlal Vepari & Co.)

Chartered Accountants

Firm Registration No- 106971W/W101085

N Jayendran

Partner

M. No. – 040441

Mumbai, Dated: May 23, 2025

UDIN: 25040441BMUJDA4685

(All figures are Rupees in crores unless otherwise stated)

Consolidated Balance Sheet

As at 31st March 2025

Particulars	Note No	31-Mar-25	31-Mar-24
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	2	662.34	445.12
(b) Capital work-in-progress	2	69.63	137.21
(c) Financial assets			
(i) Investments	3	2.83	1.57
(ii) Loans		-	-
(iii) Other financial assets	4	10.68	11.54
(d) Deferred tax assets (Net)	5	21.79	20.15
(e) Other non-current assets	6	13.05	25.19
Total Non-Current Assets		780.31	640.78
Current Assets			
(a) Inventories	7	337.39	274.72
(b) Financial assets			
(i) Investments	3	-	-
(ii) Trade receivables	8	554.93	466.88
(iii) Cash and cash equivalents	9	42.59	28.50
(iv) Bank balances other than (iii) above	10	11.97	11.05
(v) Other financial assets	4	2.81	2.71
(c) Other current assets	6	82.86	56.62
Total Current Assets		1,032.54	840.48
TOTAL ASSETS		1,812.85	1,481.26
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	40.01	40.01
(b) Other equity	12	800.79	803.05
Equity attributed to owners of the Holding company		840.80	843.06
Non Controlling Interest		9.13	10.00
Total Equity		849.93	853.06
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Long Term Borrowings	13	92.69	17.91
(ii) Lease Liabilities	14	3.29	3.62
(b) Deferred Tax Liabilities	5	2.73	4.45
(c) Provisions	16	4.63	3.19
Total Non-Current Liabilities		103.34	29.17
Current Liabilities			
(a) Financial Liabilities			
(i) Short Term Borrowings	17	252.60	143.04
(ii) Lease Liabilities	14	0.34	0.39
(iii) Trade payables	18		
- Dues of Micro and Small Enterprise		9.83	28.84
- Dues of Other than Micro and Small Enterprise		476.57	260.73
(iv) Other Financial Liabilities	15	72.85	117.53
(b) Other current liabilities	19	24.53	18.19
(c) Provisions	16	11.93	9.71
(d) Current tax Liabilities (Net)	20	10.93	20.60
Total Current Liabilities		859.58	599.03
Total Liabilities		962.92	628.20
TOTAL EQUITY AND LIABILITIES		1,812.85	1,481.26

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Natvarlal Vepari and Co LLP
(Formerly known as Natvarlal Vepari & Co.)
Chartered Accountants
Firm Registration No. 106971W/W101085

For & on behalf of the Board of Directors
Heranba Industries Limited

N Jayendran
Partner
Membership No. 040441

S. K. Shetty
Chairman
DIN: 00038681

R. K. Shetty
Managing Director
DIN: 00038703

Place: Mumbai
Date: May 23, 2025

Abdul Latif
Company Secretary

Raj K Bafna
Chief Financial Officer

(All figures are Rupees in crores unless otherwise stated)

Consolidated Statement of Profit and Loss

For the year ended 31st March 2025

Particulars	Note No	31-Mar-25	31-Mar-24
I INCOME			
Revenue from Operations	21	1,409.73	1,257.07
Other Income	22	7.58	13.83
TOTAL INCOME		1,417.31	1,270.90
II EXPENSES			
Cost of materials consumed	23	967.92	826.75
Purchase of stock in trade	24	7.82	16.63
Changes in Inventories of Finished Goods and Work-in-Progress	25	(30.92)	23.36
Employee Benefit Expenses	26	105.09	85.44
Finance Costs	27	30.83	12.35
Depreciation and Amortisation Expenses	28	56.61	26.11
Other Expenses	29	261.90	228.02
TOTAL EXPENSES		1,399.25	1,218.66
III Profit before Tax		18.06	52.24
IV Tax Expense	30		
(a) Current Tax		18.75	28.87
(b) (Excess)/Short provision for taxation in respect of earlier years		0.35	(0.41)
(c) Deferred tax charge/(credit)		(3.29)	(10.72)
		15.81	17.74
V Profit for the Year		2.25	34.50
VI OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
- Remeasurement of the net defined benefit liability/asset		(0.47)	(0.01)
- Taxes thereon		0.09	0.01
VII Total other Comprehensive Income		(0.38)	(0.00)
VIII Total Comprehensive Income for the year		1.87	34.50
Profit for the year attributable to:			
Owners of the parent		3.07	34.89
Non-controlling interest - profit/(loss)		(0.82)	(0.39)
		2.25	34.50
Other Comprehensive Income for the year attributable to:			
Owners of the parent		(0.33)	(0.00)
Non-controlling interest - profit/(loss)		(0.05)	-
		(0.38)	(0.00)
Total Comprehensive Income for the year attributable to:			
Owners of the parent		2.74	34.89
Non-controlling interest - profit/(loss)		(0.87)	(0.39)
		1.87	34.50
Earning per share (Basic and diluted)	31	0.77	8.72
Nominal Value of Share in ₹		10.00	10.00

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Natvarlal Vepari and Co LLP
(Formerly known as Natvarlal Vepari & Co.)
Chartered Accountants
Firm Registration No. 106971W/W101085

For & on behalf of the Board of Directors
Heranba Industries Limited

N Jayendran
Partner
Membership No. 040441

S. K. Shetty
Chairman
DIN: 00038681

R. K. Shetty
Managing Director
DIN: 00038703

Place: Mumbai
Date: May 23, 2025

Abdul Latif
Company Secretary

Raj K Bafna
Chief Financial Officer

(All figures are Rupees in crores unless otherwise stated)

Consolidated Statement of Cash Flow

For the year ended 31st March, 2025

Particulars	31-Mar-25	31-Mar-24
[A] CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	18.06	52.24
Adjustments for:		
Depreciation/Amortisation/Impairment of Property, Plant and Equipments	56.61	26.11
Dividend Income	(0.00)	-
Interest Income	(1.08)	(3.20)
Interest Expenses	30.83	12.35
Provision for Doubtful Receivables/Advances/Sundry balances written off	5.47	6.16
Interest Income fair valued under IND AS 109	(0.10)	(0.01)
(Profit)/Loss on sale of Property, Plant and Equipments (Net)	(0.28)	(0.10)
Loss on Fair value of Investment	-	0.15
(Profit)/Loss on sale of Investments (Net)	(0.01)	(0.01)
Gain/(Loss) Fair Valuation of Investment	(0.52)	-
Deemed Rent under IND AS 109	0.12	0.01
Unrealised foreign exchange (gain)/loss (Net)	(3.98)	(3.56)
Sundry Balances Written back	(0.26)	(5.88)
Impairment of capital work In progress	0.05	
Operating Profit/(Loss) before changes in working capital	104.91	84.26
Adjustment for (Increase)/Decrease in Operating Assets		
Adjustments for decrease (increase) in inventories	(62.67)	30.04
Adjustments for decrease (increase) in trade receivables, current	(88.63)	(88.65)
Adjustments for decrease (increase) in other current assets	(26.30)	(24.24)
Adjustments for other financial assets	(0.12)	(5.93)
Adjustment for Increase/(Decrease) in Operating Liabilities		
Adjustments for increase (decrease) in trade payables, current	196.78	106.01
Adjustments for increase (decrease) in other current liabilities	6.34	10.10
Adjustments for provisions	3.19	2.09
Adjustments for other financial liabilities, current	0.04	10.29
Changes in working capital	28.63	39.71
Cash flow from operations after changes in working capital		
Net Direct Taxes (Paid)/Refunded	(32.24)	(16.77)
Net Cash Flow from/(used in) Operating Activities	101.30	107.20
[B] CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	37.68	1.06
Purchase of property, plant and equipment	(275.97)	(253.52)
Purchase of investment in venture fund	(0.75)	(0.76)
Dividend received	0.00	-
Payment towards Acquisition of Step down subsidiary	-	(6.98)
Interest received	0.32	3.20
(Investment)/Proceeds from Bank Deposit	(0.15)	16.09
Net Cash Flow from/(used in) Investing Activities	(238.87)	(240.91)
[C] CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds from short term borrowings	183.74	77.61
Payments of finance lease liabilities		
- Principal	(0.38)	(0.56)
- Interest	(0.38)	(0.40)
Dividend paid	(5.00)	(5.00)
Interest paid	(26.32)	(9.63)
Net Cash Flow from/(used in) Financing Activities	151.66	62.02
Net Increase/(Decrease) in Cash and Cash Equivalents	14.09	(71.69)
Cash & Cash Equivalents at beginning of period	28.50	100.06
Add: Cash & Cash Equivalents on account of Acquisition of Subsidiary	-	0.13
Cash and Cash Equivalents at end of period (see Note 1)	42.59	28.50

(All figures are Rupees in crores unless otherwise stated)

Consolidated Statement of Cash Flow (Contd.)

For the year ended 31st March, 2025**Notes:**

Particulars	31-Mar-25	31-Mar-24
1 Cash and Cash equivalents comprises of:		
Cash on Hand	0.17	0.04
Balances with Banks	42.42	28.46
Cash and Cash equivalents	42.59	28.50

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Natvarlal Vepari and Co LLP

(Formerly known as Natvarlal Vepari & Co.)

Chartered Accountants

Firm Registration No. 106971W/W101085

For & on behalf of the Board of Directors

Heranba Industries Limited**N Jayendran**

Partner

Membership No. 040441

S. K. Shetty

Chairman

DIN: 00038681

R. K. Shetty

Managing Director

DIN: 00038703

Place: Mumbai**Date:** May 23,2025**Abdul Latif**

Company Secretary

Raj K Bafna

Chief Financial Officer

Consolidated Statement of Changes In Equity

For the year ended 31st March 2025

A. EQUITY SHARE CAPITAL

Particulars	31-Mar-25			31-Mar-24		
	Number of shares	Face value ₹ per share	(₹ In crores)	Number of shares	Face value ₹ per share	(₹ In crores)
Opening balance	4,00,13,467	10.00	40.01	4,00,13,467	10.00	40.01
Changes due to prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	4,00,13,467	10.00	40.01	4,00,13,467	10.00	40.01
Changes during the current year	-	-	-	-	-	-
Balance at the end	4,00,13,467	10.00	40.01	4,00,13,467	10.00	40.01

B. OTHER EQUITY

Particulars	Reserves and Surplus				Other Comprehensive Income		Equity Attributed to the Shareholders of the Company	Non Controlling Interest	Total
	Securities Premium reserve	Capital Redemption Reserve	General reserve	Capital Reserve on Acquisition	Retained Earnings	Debts Instruments through Other Comprehensive Income (Net of Tax)			
Balance at April 01, 2023	58.18	0.25	46.75	-	665.19	-	770.37	-	770.37
Addition on account of Acquisition of Subsidiary	-	-	-	2.79	-	-	2.79	10.39	13.18
Profit/(Loss) for the year	-	-	-	-	34.88	-	34.88	(0.39)	34.50
Less: Classified to Profit and Loss on realisation	-	-	-	-	-	-	-	-	-
Items of Other Comprehensive Income: Remeasurement of net defined benefit	-	-	-	-	0.00	-	0.00	-	0.00
Time value of derivatives designated as cash flow hedges	-	-	-	-	-	0.01	0.01	-	0.01
Dividend Paid	-	-	-	-	(5.00)	-	(5.00)	-	(5.00)
Balance at 31 st March, 2024	58.18	0.25	46.75	2.79	695.08	-	803.05	10.00	813.05

(All figures are Rupees in crores unless otherwise stated)



(All figures are Rupees in crores unless otherwise stated)

B. OTHER EQUITY (Contd.)

Particulars	Reserves and Surplus			Other Comprehensive Income		Equity Attributed to the Shareholders of the Company	Controlling Interest	Non	Total
	Securities Premium reserve	Capital Redemption Reserve	General reserve	Capital Reserve on Acquisition	Retained Earnings	Debits Instruments through Other Comprehensive Income (Net of Tax)	Effective portion of Cash Flow Hedges (Net of Tax)		
Addition on account of Acquisition of Subsidiary									
Profit/(Loss) for the year	-	-	-	-	3.07	-	-	3.07	(0.82) 2.25
Less: Classified to Profit and Loss on realisation	-	-	-	-	-	-	-	-	-
Items of Other Comprehensive Income: Remeasurement of net defined benefit	-	-	-	-	(0.33)	-	-	(0.33)	(0.05) (0.38)
Dividend Paid	-	-	-	-	(5.00)	-	-	(5.00)	(5.00)
Balance at 31st March, 2025	58.18	0.25	46.75	2.79	692.82	-	-	800.79	9.13 809.93

The accompanying notes are an integral part of the financial statement.

As per our report of even date attached

For Natvarlal Vepari and Co LLP
 (Formerly known as Natvarlal Vepari & Co.)
 Chartered Accountants
 Firm Registration No. 106971W/W101085

N Jayendran
 Partner
 Membership No. 040441

S. K. Shetty
 Chairman
 DIN: 00038681

For & on behalf of the Board of Directors
Heranba Industries Limited

R. K. Shetty
 Managing Director
 DIN: 00038703

Place: Mumbai
Date: May 23, 2025

Abdul Latif
 Company Secretary

Raj K Bafna
 Chief Financial Officer

(All figures are Rupees in crores unless otherwise stated)

Notes for Consolidated Financial Statements

For the year ended March 31, 2025

1. COMPANY OVERVIEW

Heranba Industries Limited is a public limited company domiciled in India, incorporated in 1992 under the Companies Act, 1956. The Company is principally engaged in the business of manufacturing and sale of Agro chemical products. The registered office of the company is located at Vapi, Gujarat.

Authorization of Consolidated Financial Statements

The Consolidated Financial Statements were authorised for issue in accordance with a resolution of the Directors on May 23, 2025.

These financial statements can be amended by the board of directors till they are placed before the shareholders and also by the shareholders before their approval for adoption.

2. PRINCIPAL OF CONSOLIDATION

- a) The consolidated financial statements relate to the Company, and its two wholly owned Subsidiaries and one step-down subsidiaries (the holding and subsidiaries together referred to as "The Group". The consolidated financial statements have been prepared in accordance with Indian Accounting Standard - 110
- b) Mikusu India Private Limited (wholly owned subsidiary company - Acquirer Company/Mikusu) has entered into Share Purchase Agreement dated November 8, 2023, with the promoters and other shareholders to acquire 29,08,719 Equity Shares (FV of ₹ 10 Each) consisting of 48.48% of the total equity share capital of Daikaffil Chemicals India Limited (Daikaffil). The Acquirer company has de-facto control over Daikaffil being the single largest shareholder who has controlling votes at the AGM of the Company based on the historical data of voting pattern at the last three AGM where the votes cast by the promoter is in excess of 80% of the total vote cast. Further directors of holding company are on the board of Daikaffil post-acquisition. Therefore, in accordance with Ind AS 110 - Consolidated Financial Statements under the Companies (Indian Accounting Standards) Rules 2015. Heranba Industries Limited ("Ultimate holding company") has consolidated financial statements of M/s Daikaffil Chemicals India Limited from February 5, 2024, as a step-down subsidiary
- c) The consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company, are excluded.

The list of entities included in consolidation and company's holding therein are as under:

Name of the Companies	Relationship	Country of Incorporation	% of Ultimate Holding (2024-25)	% of Ultimate Holding (2023-24)
Mikusu India Private Limited	Subsidiary	India	100%	100%
Heranba Organics Private Limited	Subsidiary	India	100%	100%
Daikaffil Chemical India Limited (De-Facto Control through Mikusu India Private Limited)	De- Facto Control	India	48.48%	NA

3. BASIS OF PREPARATION, ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS AND MATERIAL ACCOUNTING POLICY INFORMATION:

3.1 Basis of Preparation of Consolidated Financial Statements

Statement of Compliances

The Consolidated Financial Statements comply in all material aspects with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act"), the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except for the following:

- a) certain financial assets and liabilities are measured at fair value, and
- b) defined benefit plans - plan assets measured at fair value.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Consolidated Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the Act). The Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 "Statement of Cash Flows". The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The Consolidated financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest crore, except otherwise indicated.

3.2 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management's judgments, estimates and assumptions that impacts the reported amounts of revenues, expenses, assets and liabilities, and the accompanying notes thereon. Uncertainty about these assumptions and estimates could result in outcomes that might require a material adjustment to the carrying amount of assets or liabilities in future periods.

Estimates:

The preparation of the Consolidated financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

Judgments:

The company's management has made the following judgments, which have the most significant effect on the

(All figures are Rupees in crores unless otherwise stated)

amounts recognised in the financial statements, while formulating the company's accounting policies:

a. Defined benefit plans (gratuity benefits):

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases, attrition rates and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Discount rate: The said parameter is subject to change. In determining the appropriate discount rate (for plans operating in India), the management considers the interest rates of government bonds in currencies which are consistent with the post-employment benefit obligation. The underlying bonds are reviewed periodically for quality. Those having excessive credit spreads are excluded from the analysis since they do not represent high quality corporate bonds.

Mortality rate: It is based on publicly available mortality tables. Those mortality tables tend to change at an interval in response to demographic changes. Prospective increase in salary and gratuity are based on expected future inflation rates.

b. Useful lives of property, plant and equipment:

The company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

c. Impairment of property, plant and equipment:

For property, plant and equipment and intangibles, an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the assets or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. As at the end of the year no judgement were exercised in this regard which impacts the useful life or the depreciation rates.

d. Impairment of investment:

For determining whether the investments other than in subsidiaries are impaired. It requires an estimate in the value in use of investments. In considering the value in use, the company has estimated the future cash flow, capacity utilization, operating margins and other factors of the underlying businesses/operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of investments. The management assesses that all the

investment are strategic fit for the group and therefore do not need any impairment provisioning as at the year end.

e. Inventories:

The company estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

f. Recognition and measurement of other provisions:

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, past experience and circumstances known at the closing date. The actual outflow of resources at a future date may, therefore, vary from the amount included in other provisions.

g. Leases:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

3.3 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.:

3.4 Material Accounting policies Information

a) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing

(All figures are Rupees in crores unless otherwise stated)

and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is expected to be realised within 12 months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

b) Property Plant and Equipment, Investment Property and Depreciation/Amortisation

- A. Items of Property, plant and equipment including Capital-work in-progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in statement of profit or loss as incurred. On transition to INDAS for the first time, the Company adopted the deemed cost approach mentioned in INDAS 101 – First time adoption in respect of its Property, Plant and Equipment.
- B. Depreciation is provided on written down value based on useful life of the assets as prescribed in Schedule II

to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Plant & Machinery	20
Servers and networks	6
Computer desktops and laptops	3
Laboratory Equipment's	10
Office Equipment's	5
Plumbing and Piping	20-25
Electrical Installation	10
Factory Building	30
Non-Factory Buildings	60
Vehicles	8
Furniture and Fixture	10
Leasehold Land	Over Primary Lease period

The residual values, useful lives and methods of depreciation of property plant equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

c) Investments

i) Other Investment

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made on an investment-by-investment basis. Equity investments at FVTOCI are subsequently measured at fair value through OCI. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Investments other than the above are classified as FVTPL and are subsequently measured at fair value. The net gains and losses, including any dividend income, are recognised in profit or loss.

d) Inventories

All inventories are stated at lower of 'Cost and Net Realizable Value'.

- Stores and spares, packing materials and raw materials are valued at lower of cost and net realisable value and for this purpose, cost is determined on First in First Out (FIFO) basis. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. However, the aforesaid items are not valued below cost if the finished products in which they are to be incorporated are expected to be sold at or above cost.

(All figures are Rupees in crores unless otherwise stated)

- Finished products and Work in Progress are valued at lower of cost and net realisable value and for this purpose. Cost of finished goods and work in progress includes direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.
- Traded goods are valued at lower of cost and net realizable value. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated remaining costs of completion and the estimated costs necessary to make the sale.

e) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts, if any as they are considered an integral part of the Company's cash management.

f) Foreign currency transactions

- All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.
- Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date, are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the Statement of Profit and Loss.
- Non-monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.
- Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

g) Provisions, contingent liabilities and contingent assets

A provision is recognized when the company has a present obligation (legal or constructive) as a result of past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle a reliably assessable obligation. Provisions are determined.

based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are also present obligations where it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured with sufficient reliability. Contingent Liabilities are not recognized in the financial statements but are disclosed separately.

Contingent assets are not recognised unless it becomes virtually certain that an inflow of economic benefits will arise

h) Financial Assets

Recognition and initial measurement

Trade Receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

i. Financial Assets at Amortised Cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest rate method (EIR). Amortized cost is calculated by taking into account any discount or premium and fees or cost that are an integral part of the EIR.

The EIR amortization is included in finance income in the statement of profit & loss. The losses arising from impairment are recognized in the statement of profit and loss.

ii. Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)

Financial assets are measured at fair value through Other Comprehensive Income (OCI) if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these 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.

After initial recognition, these assets are subsequently measured at Fair Value. Interest Income under Effective Interest method, foreign exchange gains and losses and impairment losses are recognized in the statement of profit and Loss. Other net gains and losses are recognized in OCI.

(All figures are Rupees in crores unless otherwise stated)

iii. Financial asset not measured at amortised cost or at fair value through OCI is carried at Fair Value through Profit and Loss

iv. Equity Investments

All Equity investments within the scope of Ind AS 109 are measured at Fair Value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the company decides to classify the same either as FVOCI or FVTPL. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For Equity instruments classified as FVOCI, all fair value changes in the instrument excluding dividends are recognized in OCI. Dividends on such equity instruments are recognized in the statement of Profit or loss.

De-recognition of Financial Assets:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or

The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the statement of Profit and Loss. Gains and losses in respect of debt instrument measured at FVOCI and that are accumulated in OCI are reclassified to Profit and Loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to Profit or Loss on derecognition.

i) Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

i) Recognition and Initial Measurement

Financial liabilities are initially recognized when the company becomes a party to the contractual provisions of the instrument.

Financial Liability is initially measured at fair value plus, for an item not at fair value through profit and loss, net of transaction costs that are directly attributable to its acquisition or issue.

ii) Classification and Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through Profit or Loss (FVTPL)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial Liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit and Loss.

- Financial liabilities at amortised cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

iii) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

j) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

k) Offsetting Financial Instruments

Financial assets and liabilities are offset, and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

l) Impairment

a. financial assets

In accordance with Ind AS 109, the company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial asset measured at amortized cost.

Loss allowances on trade receivables are measured following the 'Simplified Approach' at an amount equal to the Lifetime ECL at each reporting date. The Company uses a provision matrix to determine impairment loss allowance on the

(All figures are Rupees in crores unless otherwise stated)

portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

In respect of other financial asset, the loss allowance is measured at 12-month ECL only, if there is no significant deterioration in the credit risk since initial recognition of an asset or asset is determined to have a low credit risk at the reporting date.

b. Impairment of Non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

c. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

m) Revenue Recognition

The Company recognizes revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognized when such freight services are rendered.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

Interest and dividend:

Interest income including income arising on other instruments are recognised on time proportion basis using the effective interest rate method.

Dividend income is recognized when the right to receive dividend is established.

Export Benefits

The benefit accrued under the Duty Drawback, Merchandise Export Incentive Scheme and other schemes as per the Import and Export Policy in respect of exports made under the said schemes is included as 'Export Incentives' under the head 'Other operating revenue'.

n) Employee benefits

a) Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plan and the contributions are recognised as employee benefit expense when they are due.

b) Defined Benefit Plan

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income.

(All figures are Rupees in crores unless otherwise stated)

Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

c) Leave Entitlement

Leave entitlement are provided based on an actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d) Short-term Benefits

Short-term employee benefits such as salaries, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered.

o) Borrowings and Borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

p) Taxation

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 rates that have been enacted or substantively enacted by the end of the reporting period.

ii. Deferred Tax

Deferred tax is recognized 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 recognized for all taxable temporary differences. Deferred tax assets are generally recognized 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 asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset 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.

q) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares are adjusted retrospectively for all periods presented for any bonus shares issues.

r) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period 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 from operating, investing and financing activities of the company are segregated.

s) Trade Payables & Trade Receivables.

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

t) A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at transaction values and subsequently measured at amortised cost using the EIR method (if there is a financing element), less provision for expected or lifetime credit loss.

(All figures are Rupees in crores unless otherwise stated)

u) Leases

Measurement of Lease Liability

At the time of initial recognition, the Company measures lease liability as present value of all lease payments discounted using the Company's incremental cost of borrowing and directly attributable costs. Subsequently, the lease liability is:

- 1) increased by interest on lease liability;
- 2) reduced by lease payments made; and
- 3) remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

Measurement of Right-of-use assets

At the time of initial recognition, the Company measures 'Right-of-use assets' as present value of all lease payments discounted using the Company's incremental cost of borrowing w.r.t said lease contract. Subsequently, 'Right-of-use assets' is measured using cost model i.e., at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any remeasurement of the lease liability specified in Ind AS 116 'Leases'.

Depreciation on 'Right-of-use assets' is provided on straight line basis over the lease period.

The exception permitted in Ind AS 116 for low value assets and short-term leases has been adopted by Company.

Sale & Lease Back of Assets

The transfer of the asset does not qualify as a sale in accordance with the requirements of Ind AS 115, the transaction is accounted for as a financing arrangement according to Ind AS 109, and the asset continues to be recognised in the financial statements. A financial liability is recognised for the proceeds received.

v) Segment Reporting

Based on "Management Approach" as defined in Ind AS 108 - Operating Segments the chief operating decision maker regularly monitors and reviews the operating results of the whole company as one segment of "Agro -Chemicals". Thus, as defined in Ind AS 108, the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss. The analysis of geographical segments is based on the areas in which customers of the company are located.

(All figures are Rupees in crores unless otherwise stated)

NOTE A. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	Freehold Land	Leasehold land	Plant and Equipment	Buildings	Other Buildings	Electrical Installation	Piping	laboratory equipments	Office Equipment	Computers	Vehicles	Furniture & Fixtures	Right to use Asset	Total
Gross Carrying Value														
Balance at 1 st April, 2023	0.80	71.11	150.75	57.19	-	16.48	5.34	4.18	3.05	1.35	9.50	3.39	5.60	328.75
Additions	4.90	-	144.47	81.93	-	14.54	-	0.16	0.83	0.40	1.59	0.75	0.58	250.14
Addition on account of Acquisition of Subsidiary	-	9.36	1.06	3.79	0.02	0.01	-	0.01	0.01	0.01	0.02	-	-	14.29
Disposals/Termination of Lease Arrangement	-	-	-	-	-	-	-	-	-	0.00	1.99	-	-	2.00
Balance at 31st March, 2024	5.70	80.47	296.28	142.91	0.02	31.03	5.34	4.35	3.89	1.76	9.11	4.14	6.17	591.18
Additions	0.13	1.50	179.49	67.36	-	17.74	-	6.44	1.71	0.45	-	2.33	-	277.15
Addition on account of Acquisition of Subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals/Termination of Lease Arrangement	-	-	8.21	-	0.02	-	-	0.02	-	0.01	0.43	-	-	8.69
Balance at 31st March, 2025	5.83	81.97	467.56	210.27	0.00	48.78	5.34	10.77	5.60	2.21	8.68	6.47	6.17	859.65
Accumulated depreciation and impairment														
Balance at 1 st April, 2023	-	3.25	73.95	17.90	-	8.84	4.79	1.33	1.60	1.05	4.54	1.19	1.76	120.23
Addition on account of Acquisition of Subsidiary	-	-	0.41	0.29	0.00	0.01	-	0.01	-	0.01	0.02	-	-	0.75
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-	0.00	1.03	-	-	1.03
Depreciation charge	-	0.88	12.65	5.30	0.00	2.36	0.06	0.77	0.71	0.24	1.77	0.61	0.76	26.11
Balance at 31st March, 2024	-	4.13	87.02	23.50	0.00	11.21	4.85	2.10	2.31	1.30	5.29	1.80	2.52	146.04
Addition on account of Acquisition of Subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eliminated on disposal of assets	-	-	4.90	-	0.00	-	-	0.01	-	0.00	0.41	-	-	5.32
Asset Held for Sale														
Depreciation charge	-	1.00	30.82	14.63	0.00	5.38	0.05	1.05	0.89	0.35	1.17	0.70	0.57	56.61
Balance at 31st March, 2025	-	5.13	112.94	38.13	0.00	16.59	4.90	3.14	3.20	1.63	6.05	2.50	3.09	197.31
Net carrying value as on Mar 31, 2024	5.70	76.34	209.26	119.41	0.02	19.83	0.48	2.24	1.57	0.47	3.83	2.34	3.65	445.12
Net carrying value as on Mar 31, 2025	5.83	76.84	354.62	172.14	0.00	32.19	0.44	7.63	2.40	0.57	2.63	3.97	3.08	662.34

The Group has carried out the exercise of assessment of any indication of impairment to its property plant and equipment as on the Balance Sheet date. Pursuant to such exercise it is determined that there has been no indicators of impairment to its property, plant and equipment as at balance sheet date.

(All figures are Rupees in crores unless otherwise stated)

Capital work in progress

Particulars	Total
Balance as at April 01, 2023	71.73
Addition	268.96
Addition on account of Acquisition of Subsidiary	0.03
Less: Capitalised during the year	(194.99)
Less: Transfer during the year	(8.52)
Closing balance as on March 31, 2024	137.21
Addition	61.43
Less: Capitalised during the year	(128.96)
Less: Transfer during the year	(0.05)
Closing balance as on March 31, 2025	69.63

Notes**Capital-Work-in Progress (CWIP) ageing schedule is as under:**

CWIP (As on 31 st March 2025)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2 to 3 years	> 3 years	
Projects in progress					
Sarigam	34.32	6.94	2.53	-	43.79
Unit 1	16.54	8.77	-	-	25.31
Unit 2	0.02	-	-	-	0.02
Unit 4	0.07	0.12	-	-	0.19
Saykha	-	-	-	-	-
Daikaffil	0.32	-	-	-	0.32
Total	51.26	15.84	2.53	-	69.63

CWIP (As on 31 st March 2024)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2 to 3 years	> 3 years	
Projects in progress					
Sarigam	24.29	22.78	-	-	47.07
Unit 1	0.79	-	-	-	0.79
Unit 2	0.35	-	-	-	0.35
Unit 4	-	-	0.66	-	0.66
Saykha	82.09	6.2	-	-	88.29
Daikaffil	-	-	0.05	-	0.05
Total	107.51	28.98	0.71	-	137.21

(All figures are Rupees in crores unless otherwise stated)

Completion schedule in respect of Capital-Work-in-Progress (CWIP) as on March 31, 2025, whose completion is overdue and has exceeded its cost compared to its original plan is as under:

Ageing	Project in Progress	Total
Less than 1 year	67.93	67.93
1-2 years	-	-
2 to 3 years	-	-
> 3 years	-	-
Total	67.93	67.93

1. Contractual Obligation

Refer note 33 on disclosure of contractual commitments for the acquisition of Property, Plant & Equipment.

2. Property, Plant & Equipment taken on finance lease

The Property, Plant & Equipment includes leasehold land where the company is a lessee under finance lease. The lease term in respect of leasehold land is long term lease with ability to opt for renewal of the lease term.

3.

a) In case of Holding Company

For the year ended March 31, 2025 and March 31, 2024 - Projects in progress consists of plant and equipment which are yet to be installed.

b) In case of Subsidiary - Heranba Organic Private Limited

i) During the year, the Company has mortgaged its property, plant, and equipment to secure a loan of ₹ 55.00 crores taken by Heranba Industries

Limited (the holding company) from Arka Fincap Private Limited, and the Company has created charge against the same.

ii) During the year the Company has capitalised the Interest on Loan on Financial Arrangements, amounting to ₹ 2.68 Crores. The average rate of borrowing capitalized ranges between 11.65% - 17.50% for Financial arrangements.

4. In cases of Company in which De-facto Control exists-Daikaffil Chemicals India Limited

During previous year - the Company has changed accounting policy to account PPE under cost model so as to align with the accounting policy and management estimates followed by the company having control Accordingly effects are incorporated in financial results and financial position for the year ended March 31, 2024. Revaluation reserves of ₹ 9.92 Crores is removed as on 1st April 2022 and PPE is reinstated at cost less accumulated depreciation. The Depreciation and amortisation of PPE and ROU assets is decreased by ₹ 0.53 Crores in FY 2023-24.

NOTE NO 3. INVESTMENTS

Particulars	2024-25	2023-24
Non Current		
Investments in equity instruments (At fair value through profit/loss) (quoted):		
41 (PY: 41) Equity Shares of United Phosphorus Ltd. (FV of ₹ 2)	0.00	0.00
(Full Figure as March 31, 2025: ₹ 29,415.30 and as at March 31, 2024: ₹ 29,415.30)		
200 (PY: 200) Equity Shares of Aditya Birla Money Ltd. (FV of Re. 1)	0.00	0.00
(Full Figure as March 31, 2025: ₹ 9,110.00 and as at March 31, 2024: ₹ 9,110.00)		
500 (PY: 500) Equity Shares of Gujarat State Financial Corporation Ltd. (FV of ₹ 10)	0.00	0.00
(Full Figure as March 31, 2025: ₹ 3000.00 and as at March 31, 2024: ₹ 3000.00)		
Less: Provision for Impairment	(0.00)	-0.00
(Full Figure as March 31, 2025: ₹ 41,525.30 and as at March 31, 2024: ₹ 41,525.30)		
A)	0.00	0.01

(All figures are Rupees in crores unless otherwise stated)

NOTE NO 3. INVESTMENTS (Contd.)

Particulars	2024-25	2023-24
Investments in Equity AIF shares (At fair value through profit/loss) (unquoted):		
225 Units (PY: 150 Units) Investment With Fireside Ventures Investment Fund (*)	2.61	1.35
B)	2.61	1.35
Investments in equity instruments (At fair value through profit/loss) (unquoted):		
2,000 (PY: 2000) Equity Shares of The Shamrao Vithal Co-op. Bank Ltd. (***)	0.01	0.01
1,000 (PY: 1,000) Equity shares of Matrubhumi Co-op. Credit Society Limited (***)	0.01	0.01
13,193 (P.Y.13,193) shares of face value ₹ 100/- each of Tarapur Environment Protection Society.	0.19	0.19
C)	0.21	0.21
Other Investment (un-quoted)		
National Savings Certificates [Lodged with Government Departments as security]	0.01	0.01
D)	0.01	0.01
Total Non Current Investments (A+B+C+D)	2.83	1.57
Aggregate amount of quoted investments	0.00	0.01
Aggregate amount of un-quoted investments	2.83	1.56

(*) The Company has made an investment in Alternate Investment Fund (AIF) of ₹ 0.75 Crores (₹ 0.75 Crores in previous year). This investment is marked at fair value through profit and Loss (FVTPL).

(***) In absence of financials statements of The Shamrao Vithal Co-op. Bank Ltd. And Matrubhumi Co-op. Credit Society Limited the fair value effect is not given.

NOTE 4. FINANCIAL ASSETS

Particulars	Non- Current		Current	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Balance with bank held as margin money (*)	0.02	0.29	-	-
Security deposits and Earnest Money Deposits #	10.33	10.96	2.35	2.25
Interest Accrued on Bank deposit	-	-	0.02	0.03
Staff Advances	0.27	0.29	0.43	0.43
Advance towards Share Application	0.06	-	-	-
Total	10.68	11.54	2.81	2.71

(*) In case of Holding Company - Balances with bank in fixed deposits are kept as security for guarantees/government authorities.

NOTE 5. DEFERRED TAX ASSETS (NET)

The following is the analysis of deferred tax asset/(liabilities) presented in the balance sheet:

Particulars	31-Mar-25	31-Mar-24
Deferred Tax Asset		
Tax Disallowance	5.38	7.32
Unabsorbed Losses	16.46	8.76
Impairment Allowance for trade receivables	8.36	6.39

(All figures are Rupees in crores unless otherwise stated)

The following is the analysis of deferred tax asset/(liabilities) presented in the balance sheet: (Contd.)

Particulars	31-Mar-25	31-Mar-24
Fair valuation of financing arrangement	1.27	3.68
Fair Valuation of Investment	(0.05)	0.00
Property, Plant and Equipment including ROU	(10.13)	(6.40)
Unrealised Profit	0.50	0.40
(A)	21.79	20.15
Deferred Tax Liabilities Net		
Tax Disallowance	0.04	0.16
Impairment Allowance for trade receivables	0.01	
Property, Plant and Equipment	(2.78)	(4.61)
(B)	(2.73)	(4.45)
Total (Net)	19.06	15.70

In case of Mikusu India Private Limited & Daikaffil Chemicals India Limited During the year the above components have created Deferred tax asset on unabsorbed losses considering that there is reasonable certainty that the projected brand sales will generate taxable profits in future.

In case of Heranba Organics Private Limited. The company has created Deferred Tax Asset on its unabsorbed losses considering the reasonable certainty of taxable profit from its project under implementation. Deferred Tax is created considering the tax rate under section 115BAB as the company plans to avail the benefit of Section 115BAB granting of concessional rate of Income Tax.

NOTE 6. OTHER ASSETS

Particulars	Non- Current		Current	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
(Unsecured, considered good)				
Advance to Suppliers	-	-	3.40	3.24
Capital Advances	6.20	20.29	-	-
Balance with Revenue Authorities	-	-	59.52	40.30
Taxes Paid under Protest	4.75	4.04	-	-
Prepaid Expense	0.12	0.21	2.65	1.77
Prepaid Rent on Security Deposit	0.82	0.15	0.24	0.04
Other Receivables	-	-	18.16	11.27
Less: Provision for impairment of other receivable	-	-	(1.13)	-
Advance Income Tax (Net of Provision for Taxation)	0.80	0.50	-	-
Security Deposits*	0.18	-	-	-
Advance Rental	0.18		0.02	
Total	13.05	25.19	82.86	56.62

* In case of Daikaffil Chemicals India Limited - Includes ₹ 0.08 Crores paid as deposit for Environment Relief Fund against order passed by Hon'ble National Green Tribunal and deposit against Company's share of contribution against 30% paid as per Hon'ble Supreme Court Order.

(All figures are Rupees in crores unless otherwise stated)

NOTE NO 7. INVENTORIES

Particulars	31-Mar-25		31-Mar-24	
Inventories (lower of cost and net realisable value)				
Raw materials				
- Other	99.70		66.06	
- Stock in Transit	-	99.70	3.21	69.27
Work In Progress		20.67		25.71
Finished Goods				
- Manufactured	155.83		120.67	
- Traded	33.02		35.91	
- Stock in Transit	7.79	196.65	4.11	160.69
Packing materials		16.50		15.87
Stores, Spares & Consumables		4.23		3.54
Less: Provision for non moving inventories		(0.36)		(0.36)
Total		337.39		274.72

The disclosure of inventories recognised as an expense in accordance with paragraph 36 of IND AS 2 is as follows:

Particulars	31-Mar-25	31-Mar-24
Amount of inventories recognised as an expense.	971.85	884.37
Amount of write - down of inventories recognised as an expense	0.56	2.76
	972.41	887.13

NOTE 8. TRADE RECEIVABLES

Particulars	31-Mar-25	31-Mar-24
Unsecured		
Trade Receivables considered good	554.93	466.88
Trade Receivables which have significant increase in Credit Risk	20.52	17.67
Trade Receivables - credit impaired	12.74	10.09
Less: Impairment loss allowance	(33.26)	(27.76)
Total	554.93	466.88

A. Expected Credit Loss**Allowance for Expected Credit Loss**

In accordance with Ind AS 109, the Company uses the expected credit loss ("ECL") model for measurement and recognition of impairment loss on its trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers. The Company estimates impairment under the simplified approach. Accordingly, it does not track the changes in credit risk of trade receivables. The impairment amount represents lifetime expected credit loss.

(All figures are Rupees in crores unless otherwise stated)

The trade receivables ageing schedule for the year ended on 31st March, 2025 as follows:

Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled			-	-
Not Due			-	-
less than 6 months	398.25	4.47	-	402.72
6 months - 1 year	82.13	8.49	-	90.62
1-2 year	34.92	3.50		38.42
2-3 year	11.23	1.07		12.30
> 3 years	28.40	2.99	12.74	44.13
Total	554.93	20.52	12.74	588.19
Less: Impairment loss allowance	-	(20.52)	(12.74)	(33.26)
Total	554.93	-	-	554.93

In case of Holding Company, with reference to Note no 32 there are legal cases filed against the company by some of the customers, however there are no receivables from these customers as at March 31, 2025 and therefore there are no balances shown as disputed receivables.

The trade receivables ageing schedule for the year ended on 31st March, 2024 as follows:

Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	-	-	-	-
less than 6 months	284.98	4.10	-	289.08
6 months - 1 year	112.38	8.63	-	121.01
1-2 year	35.81	1.83	-	37.64
2-3 year	6.35	0.66	-	7.01
> 3 years	27.36	2.45	10.09	39.90
Total	466.88	17.67	10.09	494.64
Less: Impairment loss allowance		(17.67)	(10.09)	(27.76)
Total	466.88	-	-	466.88

Movement of Expected Credit Loss

Particulars	Opening	Net change During the year	Closing
As at March 31, 2025	27.76	5.50	33.26
As at March 31, 2024	21.60	6.16	27.76

NOTE 9. CASH AND CASH EQUIVALENTS

Particulars	31-Mar-25	31-Mar-24
Balances with banks:		
- in current accounts	42.42	28.46
Cash on hand	0.17	0.04
Total	42.59	28.50

(All figures are Rupees in crores unless otherwise stated)

NOTE 10. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	31-Mar-25	31-Mar-24
- Balance with bank held as margin money*	11.92	10.78
- Unpaid Dividend Balance**	0.04	0.07
- Fixed deposits with original maturity of more than 3 months but less than 12 months #	0.01	0.20
Total	11.97	11.05

In case of Holding Company

* The Company has pledged above deposits with bank as Bank Guarantee and margin money.

** These balances represents unclaimed dividend account which is earmarked for payment of dividend and cannot be used for any other purpose.

NOTE 11. EQUITY SHARE CAPITAL

Particulars	31-Mar-25	31-Mar-24
Authorised Share Capital:		
4,50,00,000 (As at 31 st March, 2024: 4,50,00,000) Equity Shares of ₹ 10/- each	45.00	45.00
Issued and subscribed capital:		
4,00,13,467 (As at 31 st March, 2024: 4,00,13,467) Equity Shares of ₹ 10/- each fully paid up	40.01	40.01
	40.01	40.01

a) Terms/rights attached to equity shares

The Holding Company has a single class of equity shares having a par value of ₹ 10 per share. Each shareholder of equity share is entitled to one vote per share. The Holding Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive the remaining assets of the company in proportion to the number of equity shares held by each shareholder, after settlement of all preferential obligations.

As per the records of the Holding Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of the shares.

b) Reconciliation of Number of Shares Outstanding:

Particulars	Number of shares
Fully paid equity shares	
Balance at 1 st April, 2023	4,00,13,467
Increase/(Decrease) during the year	-
Balance at 31 st March, 2024	4,00,13,467
Increase/(Decrease) during the year/Bonus shares	-
Balance at 31st March, 2025	4,00,13,467

(All figures are Rupees in crores unless otherwise stated)

c) Details of shareholders holding more than 5% equity shares in the company

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
	No. of Shares	%	No. of Shares	%
Fully paid equity shares				
Mr. Sadashiv K. Shetty	72,01,796	18.00%	72,01,796	18.00%
Mr. Raghuram K. Shetty	1,19,11,446	29.77%	1,19,11,446	29.77%
Mrs. Sujata S. Shetty	32,30,400	8.07%	32,30,400	8.07%
Mrs. Vanita R. Shetty	20,18,000	5.04%	20,18,000	5.04%
	2,43,61,642	60.88%	2,43,61,642	60.88%

d) Details of Promoters shareholders holding in equity shares of the company

Promoter Name	As at 31 st March, 2025			As at 31 st March, 2024		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Promoters						
Sadashiv K Shetty	72,01,796	18.00%	-	72,01,796	18.00%	-
Raghuram K Shetty	1,19,11,446	29.77%	-	1,19,11,446	29.77%	0.14%
Promoters Group						
Sujata S Shetty	32,30,400	8.07%	-	32,30,400	8.07%	-
Vanita R Shetty	20,18,000	5.04%	-	20,18,000	5.04%	-
Sams Industries Ltd.	8,67,288	2.17%	-	8,67,288	2.17%	-
Raghuram K Shetty HUF	13,80,000	3.45%	-	13,80,000	3.45%	-
Shreya S Shetty	9,42,500	2.36%	-	9,42,500	2.36%	-
Shriraj S Shetty	8,42,500	2.11%	-	8,42,500	2.11%	-
Raunak R Shetty	6,36,250	1.59%	-	6,36,250	1.59%	-
Roshan R Shetty	6,36,250	1.59%	-	6,36,250	1.59%	-
Sadashiv K Shetty HUF	3,20,600	0.80%	-	3,20,600	0.80%	-
Nithyanand K Shetty	108	0.00%	-	108	0.00%	100%

NOTE NO 12. OTHER EQUITY

Particulars	31-Mar-25	31-Mar-24
Securities premium	58.18	58.18
General reserve	46.75	46.75
Capital Redemption Reserve	0.25	0.25
Capital Reserve on Acquisition	2.79	2.79
Retained Earnings	692.82	695.08
Total	800.79	803.05

Securities premium

Security Premium represents the premium received on issue of shares. It can be utilised to pay-off equity related expenses or for issuance of bonus shares and its related issue expenses.

(All figures are Rupees in crores unless otherwise stated)

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid up share capital of the Holding Company for that year, then the total dividend distribution is less than total distributable reserve for that year. Consequent to introduction of the Companies Act 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn. However the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

Capital Redemption Reserve

Capital redemption reserve represents the amount of profits transferred from general reserve for the purpose

of redemption of preference shares or for the buyback of shares.

Capital Reserve on Acquisition

Capital Reserve on Acquisition represents the excess of the fair value of Assets less Liabilities over the purchase consideration in accordance with Ind AS 103.

Dividend

The Board of Directors of the Holding Company at their meeting held on May 23, 2025 have recommended dividend of ₹ 1 per share (10% of FV- ₹ 10) for the Financial Year 2024-25 e, subject to shareholder approval at the ensuing Annual General Meeting. The dividend proposed for the previous year has been paid during the year and charged to Retained earning ₹ 5.00 Crores.

NOTE 13. LONG TERM BORROWINGS

Particulars	31-Mar-25	31-Mar-24
Intercompany Deposit	9.04	-
Financing Arrangement under Sale and Lease Back Arrangement	105.79	21.46
Less: Current Maturities	(22.14)	(3.55)
Total	92.69	17.91

In Case of Holding Company

(*)During the company has taken Inter Corporate Deposit of ₹ 9.00 Crores from SAMS Industries Private Limited carrying Interest Rate of 9%, for 5 Years and shall be repaid on March 9, 2030.

In Case of Heranba Organics Private Limited

The Company has entered in a Master Lease Agreement with Siemens Financial Services Private Limited on January 29 2024, Capsave Finance Private Limited on November 11, 2024 and Rent Alpha Private Limited on August 23, 2024 whereby the Company has sold some of the Plant and Machinery to these companies and taken it back on Lease for a tenor of 60 months. At the end of the lease period the Company has a repurchase option at a pre determined price. The substance of the transaction being that of a financing arrangement, the sale is not recognised and the arrangement is treated as a financing arrangement in the financial statements. Accordingly, the Company has shown the Plant and Machinery under Property, Plant and Equipment and has shown the transfer proceeds as Financing Arrangement under Sale and Lease Back Arrangement under Long Term Borrowings.

NOTE 14. LEASE LIABILITIES

Particulars	Non- Current		Current	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Lease Liability	3.29	3.62	0.34	0.39
Total	3.29	3.62	0.34	0.39

Disclosure in accordance with Ind AS - 116 "Leases", of the Companies (Indian Accounting Standards) Rules, 2015

(a) Movement in Lease Liabilities

Particulars	31-Mar-25	31-Mar-24
Balance at the beginning	4.01	3.99
Addition during the year	-	0.58

(All figures are Rupees in crores unless otherwise stated)

(a) Movement in Lease Liabilities (Contd.)

Particulars	31-Mar-25	31-Mar-24
Interest on lease liabilities	0.38	0.40
Terminations	-	-
Lease Payments	(0.76)	(0.96)
Closing	3.63	4.01

(b) Maturity Profile of Lease Liabilities

The table below provides details regarding Contractual Maturities of Lease Liability on an undiscounted basis:

Ageing	31-Mar-25	31-Mar-24
Within One year	0.69	0.75
Two to Five years	2.16	2.30
More than Five years	2.98	3.53
Total	5.83	6.58

(c) The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

NOTE 15. OTHER FINANCIAL LIABILITIES

Particulars	Non- Current		Current	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Interest accrued			6.11	4.93
Interest accrued MSME	-	-	0.68	0.23
Security Deposit from Dealers	-	-	13.44	11.92
Unpaid Dividend*	-	-	0.04	0.07
Payable for Capital Goods - MSME	-	-	8.57	-
Payable for Capital Goods	-	-	11.80	66.72
Employee Benefits & Other Payable	-	-	32.21	33.66
Total	-	-	72.85	117.53

In case of Holding Company

* As at the year end there is no amount due for payment to the Investor Education & Protection Fund under Section 124(5) of the Companies Act, 2013.

In case of Daikaffil Chemicals India Limited

* During the year the Company has transferred amount of ₹ 0.04 Crores to Investor Education & Protection fund.

NOTE 16. PROVISIONS

Particulars	Non- Current		Current	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Employee Benefits				
Provision for leave benefit	3.54	2.93	1.33	1.05
Provision for Gratuity	1.09	0.27	10.44	8.50
Provision for Income Tax	-		0.16	0.16
Total	4.63	3.19	11.93	9.71

(All figures are Rupees in crores unless otherwise stated)

Disclosure in accordance with Ind AS – 19 “Employee Benefits”, of the Companies (Indian Accounting Standards) Rules, 2015.

The Group has carried out the actuarial valuation of Gratuity and Leave Encashment liability under actuarial principle, in accordance with Ind AS 19 - Employee Benefits.

Gratuity is a defined benefit plan under which employees who have completed five years or more of service are entitled to gratuity on departure from employment at an amount equivalent to 15 days salary (based on last drawn salary) for each completed year of service restricted to ₹ 0.20 Crores. The Holding Company's gratuity liability is funded. In Case of Daikaffil Chemicals India Limited gratuity is partially funded and In case of other two subsidiaries the liability is unfunded.

i) The amount recognised in the balance sheet and the movements in the net defined benefit obligation of Gratuity over the year is as follow:

Particulars	31-Mar-25	31-Mar-24
(a) Reconciliation of opening and closing balances of Defined benefit Obligation		
Defined Benefit obligation at the beginning of the year	12.44	10.70
Transfer in from Group Company	0.75	-
Current Service Cost	1.79	1.43
Interest Cost	0.95	0.80
Actuarial (Gain)/Loss-Other Comprehensive Income	0.49	(0.01)
"Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions"	0.02	-
"Actuarial (Gains)/Losses on Obligations - Due to Experience Adjustment"	(0.01)	-
Actuarial (Gains)/Losses on Obligations - Due to Demographic Assumptions	(0.08)	-
Benefits paid directly by the Employer	(0.01)	-
Benefits paid by the Fund	(0.64)	(0.47)
Defined Benefit obligation at the year end	15.71	12.44
(b) Reconciliation of opening and closing balances of fair value of plan assets		
Fair Value of plan assets at the beginning of the year	3.67	3.93
Transfer in from Group Company	0.76	-
Interest Income	0.05	-
Expected return on Plan Assets	0.27	0.21
Actuarial Gain/(Loss)	(0.01)	-
Employer Contribution	0.12	-
Benefits Paid	(0.64)	(0.47)
Return on Plan Assets, Excluding Interest Income	(0.03)	-
Fair Value of Plan Assets at the year end	4.17	3.67
(c) Actual Return on Plan Assets	-	
Interest Income	0.32	0.29
Return on Plan Assets, Excluding Interest Income	(0.05)	(0.02)
Actual Return on Plan Assets	0.27	0.28
(d) Reconciliation of fair value of assets and obligations		
Fair Value of Plan Assets	4.17	3.67
Present value of Defined Benefit obligation	15.71	12.44
Liability recognized in Balance Sheet	11.53	8.77

(All figures are Rupees in crores unless otherwise stated)

i) The amount recognised in the balance sheet and the movements in the net defined benefit obligation of Gratuity over the year is as follow: (Contd.)

Particulars	31-Mar-25	31-Mar-24
(e) Expenses recognized during the year (Under the head " Employees Benefit Expenses)		
Current Service Cost	1.79	1.43
Interest Cost	0.63	0.45
Net Cost	2.43	1.87
(f) Actuarial (Gain)/Loss- Other Comprehensive Income	0.47	0.01
(g) Net liabilities recognised in the balance sheet		
Long-term provisions	1.09	0.27
Short-term provisions	10.44	8.50
	11.53	8.77

ii) Actuarial Assumptions

Particulars	31-Mar-25	31-Mar-24
Expected return on Plan Assets	6.72%	7.23%
Discount rate (per annum)	6.72% - 6.83%	7.23%
Attrition rate	5% - 10%	5%
Rate of escalation in salary (per annum)	2% - 10%	8%
Mortality Rate During Employment	"Indian Assured Lives Mortality (2012-14) Ultimate"	"Indian Assured Lives Mortality (2012-14) Ultimate"

iii) Expected Payout

Particulars	31-Mar-25	31-Mar-24
Projected Benefits Payable in Future Years From the Date of Reporting		
Expected Payout 1 st Following Year	1.55	1.11
Expected Payout 2 nd Following Year	0.78	0.94
Expected Payout 3 rd Following Year	1.02	0.72
Expected Payout 4 th Following Year	1.27	0.83
Expected Payout 5 th Following Year	1.34	1.08
Expected Payout 6 th to 10 th Following Year	6.22	5.30
Expected Payout for Years 11 & above	18.80	15.87

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

There is no minimum funding requirement for a gratuity plan in India and there is no compulsion on the part of the Holding company fully or partially pre-fund the liabilities under the plan.

(All figures are Rupees in crores unless otherwise stated)

iv) Sensitivity analysis**A quantitative Sensitivity analysis for significant assumption**

Particulars	31-Mar-25			31-Mar-24		
	Discount Rate	Salary Growth Rate	Attrition Rate	Discount Rate	Salary Growth Rate	Attrition Rate
Changes in Assumption	1%	1%	1%	1%	1%	1%
Increase in assumption	(1.22)	1.32	(0.12)	(0.94)	0.99	(0.05)
Decrease in assumption	1.40	(1.19)	0.13	1.08	(0.91)	0.05

Gratuity is a defined benefit plan and group is exposed to the Following Risks:

- Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
- Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
- Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
- Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
- Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
- Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

NOTE 17. SHORT TERM BORROWINGS

Particulars	31-Mar-25	31-Mar-24
Secured-From Banks		
Bills Discounted with Bank of Baroda	4.10	7.30
Foreign Currency Loan from Bank of Baroda	45.96	44.78
Foreign Currency Packing Credit Loan from Bank of Baroda	44.25	32.22
Foreign Currency Packing Credit Loan from CTBC Bank	25.64	34.95
Cash Credit with Bank of Baroda	15.11	20.24
CTBC Bank - WCDL	8.90	-
Loan from Arka Fincap Limited	55.00	-
Current Maturities of Long Term Borrowings	22.14	3.55
Unsecured		
Loan from Bajaj Finance Limited	17.50	-
Loan From Director	14.00	-
	252.60	143.04

Particulars	31-Mar-25	31-Mar-24
Secured	221.10	143.05
Unsecured	31.50	-
	252.60	143.05
Loan from Related Party	14.00	-
Loan from Others	238.60	143.04
	252.60	143.04

(All figures are Rupees in crores unless otherwise stated)

Notes**I. Terms and Security of Borrowings:**

- a Cash Credit - Bank Of Baroda -Sanctioned Limit ₹ 74.75 crores, CC Interest rate 0.25% over 1 year MCLR without Strategic Premium.
- b Foreign Currency Loan - Bank of Baroda -It is a sublimit of ₹ 60 crores at Interest rate of around 7.62% p.a. sanctioned under overall Cash Credit limit of ₹ 74.75 crores. Based on MCLR, payable as and when charged.
- c Working Capital Loan - Bank of Baroda -It is a sublimit of ₹ 50 crores sanctioned under overall Cash Credit limit of ₹ 74.75 crores. Interest rate 0.25% over 1 year MCLR without Strategic Premium.
- d Packing Credit - Bank of Baroda -Sanctioned limit ₹ 75.00 crores at average Interest rate of around 6.43% p.a. (P.Y. Sanctioned limit ₹ 75.00 crores at average Interest rate of around 6.50% p.a.).
- e Working Capital Demand Loan- CTBC Bank Co. Ltd. - Sanctioned limit ₹ 35 crores at interest rate to be decided at disbursement, Company has not taken disbursement during year.
- f Packing Credit - CTBC Bank Co. Ltd. - Sanctioned limit ₹ 35 crores at average interest rate 6.43% p.a.
- g Working Capital Loan - Arka Fincap - sanctioned limit of ₹ 55 crores. The Loans are secured by Pledge of Plant

and Machinery of wholly owned subsidiary Heranba Organic Pvt. Ltd., Corporate Guarantee of Heranba Organics Pvt. Ltd. and Personal Guarantee of Promoters - Mr. Sadashiv Kanyana Shetty and Mr. Raghuram Kanyana Shetty.

Above cash credit and packing credit limits are secured by way of exclusive first charge on hypothecation of entire inventories, Book debts and other current assets present & future.

The above facilities are secured as follows,

- i Pari pasu First charge on the current assets of the Holding Company both present and future.
- ii Pari pasu Equitable Mortgage of all land and buildings and hypothecation of plant and machinery situated at factories or at godowns.
- iii Personal Guarantee of Mr. R.K.Shetty, Mr. S.K.Shetty, Mr. Raunak Shetty and Mr Shriraj Shetty.

II. Terms and Unsecured Borrowings:

- a Working Capital Loan - Bajaj Finserv - sanctioned limit of ₹ 17.50 crores. Unsecured facility with personal guarantee of promoters- Mr. Sadashiv Kanyana Shetty, Mr. Raghuram Kanyana Shetty, Mr. Sriraj Sadashiv Shetty and Mr. Raunak Raghuram Shetty.
- b Loan from R K Shetty: Loan of ₹ 14 Crores at interest of 9.5% p.a. Repayable after 365 days from the date of disbursement, along with interest.

II. Disclosure "As per the amendment to IND AS 7 Statement of Cash Flow " an entity shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

Particulars	Lease Liabilities	Short term Borrowings	Long term Borrowing	Interest accrued	Total
Opening Balance as at April 1,2023	3.99	89.01	-	3.97	96.98
Changes in Financial Cash flow	(0.96)	56.15	21.46	(9.63)	67.02
Internal Transfer	-	3.55	(3.55)	-	-
Interest accrued during the year	0.40	-	-	10.82	11.21
Other Non- Cash Adjustments	0.58	(5.68)	-	-	(5.10)
Closing Balance as at March 31,2024	4.01	143.04	17.91	5.16	170.12
Opening Balance as at April 1,2024	4.01	143.04	17.91	5.16	170.11
Changes in Financial Cash flow	(0.76)	86.81	96.93	(26.32)	156.66
Internal Transfer	-	22.14	(22.14)	-	-
Interest accrued during the year	0.38	-	-	27.95	28.33
Other Non- Cash Adjustments	-	0.61	-	-	0.61
Closing Balance as at March 31,2025	3.63	252.60	92.69	6.79	355.71

III. Borrowings from banks or financial institutions on the basis of security of current assets

The Holding Company has borrowings during the year from banks on the basis of security of current assets, the disclosure w.r.t documents submitted to lenders is tabulated in Statement 1.

(All figures are Rupees in crores unless otherwise stated)

IV. Registration of charges or satisfaction with Registrar of Companies

All the charges or satisfaction as per the sanction are duly registered with Registrar of Companies as at March 31, 2025 and March 31, 2024 in favour of the lenders for facilities availed by the Company.

NOTE 18. TRADE PAYABLES

Particulars	31-Mar-25	31-Mar-24
Dues of Micro and Small Enterprise	9.83	28.84
Dues of Other than Micro and Small Enterprise	476.57	260.73
Total	486.40	289.57

As at March 31, 2025

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	3.80	-
Not Due	-	-	-	-
Less than 1 year	9.83	-	466.83	-
1-2 years	-	-	4.15	-
2-3 year	-	-	0.65	-
> 3 years	-	-	1.14	-
Total	9.83	-	476.57	-

As at March 31, 2024

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	5.38	-
Not Due	-	-	0.02	-
Less than 1 year	28.84	-	248.66	-
1-2 years *	0.00	-	1.21	-
2-3 year	-	-	0.44	-
> 3 years	-	-	5.02	-
Total	28.84	-	260.73	-

(* full figures ₹ 19,516)

Details of dues to micro and small enterprises as defined under MSMED Act, 2006

Particulars	31-Mar-25	31-Mar-24
Principal amount due	18.40	28.84
Interest due on above	0.44	0.23
the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest paid in terms of Sec 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Amount of interest due and payable for the period of delay	0.44	0.23
Amount of interest accrued and remaining unpaid as at year end	0.68	0.23

The MSME Parties have been determined to the extent such parties have been identified on the basis of information available with the Company.

(All figures are Rupees in crores unless otherwise stated)

NOTE 19. OTHER LIABILITIES

Particulars	Non- Current		Current	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Advance against orders- Contract Liability	-	-	18.75	14.56
Statutory liabilities	-	-	5.78	3.63
Total	-	-	24.53	18.19

NOTE 20. CURRENT TAX LIABILITIES (NET)

Particulars	31-Mar-25	31-Mar-24
Current tax liabilities	10.93	20.60
Total	10.93	20.60

NOTE 21. REVENUE FROM OPERATIONS

Particulars	2024-25	2023-24
Sale from operations:		
Sale of Goods	1,273.78	1,141.28
Sale of Traded Goods	128.50	107.29
	1,402.28	1,248.57
Other operating revenue:		
Export Incentive	7.45	8.50
Total	1,409.73	1,257.07

I. Disclosure in accordance with Ind AS - 115 "Revenue Recognition Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015**(a) Revenue disaggregation based on Service Type and by Geographical Region:****i) Revenue disaggregation by type of Service is as follows:**

Major Service Type	2024-25	2023-24
Sale of Goods - Agrochemical	1,273.78	1,141.28
Sale of Traded Goods - Agrochemical	128.50	107.29
Export Incentive	7.45	8.50
	1,409.73	1,257.07

ii) Revenue disaggregation by geographical region is as follows:

Geographical Region	2024-25	2023-24
India	981.20	833.11
Outside India	428.53	423.96
Total revenue from operations	1,409.73	1,257.07
Timing of revenue recognition		
At a point in time	1,409.73	1,257.07
Total revenue from operations	1,409.73	1,257.07

(All figures are Rupees in crores unless otherwise stated)

(b) Contract Balances

The Contract liability primarily relate to advances received from the customers against orders. Significant changes in the contract liabilities balance during the period are as under:

Particulars	2024-25	2023-24
Contract liabilities		
Balances at the beginning of the year	14.56	6.40
Revenue recognised that is included at the beginning of the period	(14.56)	(6.40)
Advances received during the year	18.75	14.56
Advances outstanding during the year	18.75	14.56

Out of the total contract liabilities outstanding as on 31 March 2025, ₹ 18.75 crores and 31 March 24 ₹ 14.56 crores will be recognized by 31 March 2026 and 31 March 2025 respectively.

(c) Significant adjustments between the contracted price and revenue recognized in the Statement of profit and loss account:

Particulars	2024-25	2023-24
Reconciliation of revenue from operations with Contract Price		
Contract Price	1,440.81	1,280.85
Less: Discounts	38.52	32.28
Total Revenue from operations	1,402.28	1,248.57

NOTE 22. OTHER INCOME

Particulars	2024-25	2023-24
Interest Income	1.08	3.20
Interest Income fair valued under IND AS 109	0.10	0.01
Dividend Income	0.00	0.00
(Full Figure for 24-25: ₹ 7,500 and for 23-24: ₹ 6,792)		
Foreign Exchange Fluctuation Gain (Net)	3.98	3.66
Profit on Sale of Property, Plant & Equipment	0.28	0.10
Share of profit from Investment	0.01	0.01
Sundry Balances Written Back	0.26	5.88
Gain on Fair Value of Investments	0.52	-
Miscellaneous income	1.35	0.97
Total	7.58	13.83

NOTE 23. COST OF MATERIALS CONSUMED

Particulars	2024-25	2023-24
Opening Stock	85.14	89.14
Additions through Business combination	-	0.93
Add: Purchases	998.98	821.82
Less: Closing stock	116.20	85.14
Total	967.92	826.75

(All figures are Rupees in crores unless otherwise stated)

NOTE 24. PURCHASE OF STOCK IN TRADE

Particulars	2024-25	2023-24
Purchase of Stock in Trade	7.82	16.63
Total	7.82	16.63

NOTE 25. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	2024-25	2023-24
Inventory adjustment - WIP		
Opening Stock of Work In Progress	25.71	15.38
Addition on account of Acquisition of Subsidiary	-	0.50
Closing Stock of Work In Progress	(20.67)	(25.71)
	5.04	(9.83)
Inventory adjustment - Finished Goods		
Opening Stock of Finished Goods	124.78	184.53
Addition on account of Acquisition of Subsidiary	-	0.04
Closing Stock of Finished Goods	(163.63)	(124.78)
	(38.85)	59.79
Inventory adjustment - Traded goods		
Opening Stock of Finished Goods	35.91	9.31
Addition on account of Acquisition of Subsidiary	-	0.00
Closing Stock of Finished Goods	(33.02)	(35.91)
	2.89	(26.60)
Total	(30.92)	23.36

The inventory cost of finished goods in current year includes write down of ₹ 0.56 Crores and in previous year of ₹ 2.76 Cores.

NOTE 26. EMPLOYEE BENEFIT EXPENSES

Particulars	2024-25	2023-24
Salaries, wages and bonus, etc.	96.80	78.03
Contribution to provident and other funds	4.80	4.36
Staff welfare expenses	3.49	3.05
Total	105.09	85.44

NOTE 27. FINANCE COSTS

Particulars	2024-25	2023-24
Interest on Financial Liability at amortised cost	18.33	8.13
Interest on Financing Arrangement	4.17	0.43
Amortisation of Upfront Fees	0.19	0.02
Interest on Statutory Dues	0.55	0.00
Interest on Income Tax	2.50	1.13
Interest on MSME	0.44	0.23
Interest on Lease Liability	0.38	0.40
Other Finance Charges	4.27	2.01
Total	30.83	12.35

(All figures are Rupees in crores unless otherwise stated)

NOTE 28. DEPRECIATION AND AMORTISATION EXPENSES

Particulars	2024-25	2023-24
Depreciation of property, plant and equipment	56.04	25.35
Depreciation of Right to Use Asset	0.57	0.76
Total	56.61	26.11

NOTE 29. OTHER EXPENSES

Particulars	2024-25	2023-24
Consumption of Stores and Spares	27.59	20.40
Factory Expense	10.99	11.41
Repairs & Maintenance to:		
- Machinery	8.91	6.74
- Building	0.96	1.92
- Vehicle	0.22	0.14
- Others	2.76	1.26
Insurance	3.65	3.02
Deemed Rent under Ind AS	0.12	-
Rent	3.18	4.01
Rates and taxes	2.25	0.76
Donations	0.28	0.16
Labour Charges	35.61	29.29
Allowances for doubtful debts	5.50	6.16
Provision for Impairment of Other Receivables	1.13	-
Remuneration to Auditor (Refer Note a)	0.50	0.37
Remuneration to Component Auditors	-	0.02
Legal and Professional Charges	6.35	7.19
Loss on Fair value of Investment	-	0.15
Power and Fuel	76.74	70.21
Research and Development Fees	1.79	1.60
Selling and Distribution expense	42.20	39.71
Security Charges	1.04	
Corporate Social Responsibility	3.35	4.05
Sitting Fees	0.08	0.06
Business Acquisition Expenses	-	0.74
Exchange Difference	0.00	-
Impairment of capital work In progress	0.05	-
Other expenses	26.65	18.65
Total	261.90	228.02

(All figures are Rupees in crores unless otherwise stated)

a) Remuneration to Auditor

Particulars	2024-25	2023-24
- Statutory Audit fees including Limited Review	0.42	0.31
- Tax Audit	0.07	0.06
- Certification & Others	0.01	0.01
Total	0.50	0.37

b) Total expenditure on R & D is included in respective heads of accounts as under:

Particulars	2024-25	2023-24
Employee benefits expenses	2.35	1.84
R & D Expenditure	1.79	3.05
Total	4.14	4.89

NOTE NO 30. TAX EXPENSE**(a) Current Tax**

Particulars	2024-25	2023-24
Tax for the year	18.75	28.87
Tax in respect of earlier years	0.35	(0.41)
Deferred Tax Expenses	(3.29)	(10.72)
Income Tax expense	15.81	17.74
Tax charged to other comprehensive income		
Deferred Tax Expenses	0.09	0.01
Tax charged to other comprehensive income	0.09	0.01

(b) The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:**I.**

Particulars	2024-25	2023-24
Accounting profit before income tax	18.06	52.24
Enacted tax rates in India (%)	25.17%	25.17%
Computed expected tax expenses	4.55	13.15
Tax effects of amounts that are not deductible (taxable) in calculating taxable income:		
Net changes on account of disallowances	19.41	15.68
Net changes on account of Allowances	(23.40)	(10.83)
Losses to be carried forward	8.12	10.24
On Account of Consolidation	9.84	0.36
Others	0.22	0.27
Income tax expenses	18.75	28.87

(All figures are Rupees in crores unless otherwise stated)

II. Deferred tax assets/(liabilities) in relation to:

As at March 31,2025	Opening/Created on Acquisition*	Recognised in profit or loss	Recognised in OCI	Closing Balance
Tax Disallowance	6.72	(1.43)	0.09	5.38
Unabsorbed Losses	8.76	7.70	-	16.46
Impairment Allowance for trade receivables	6.99	1.37	-	8.36
Fair Valuation of Investment	0.01	(0.06)	-	1.27
Fair valuation of financing arrangement	3.68	(2.41)	-	(0.05)
Property, Plant and Equipment including ROU	(6.40)	(3.73)	-	(10.13)
Unrealised Profit	0.40	0.10	-	0.50
Tax Disallowance	0.16	(0.12)	-	0.04
Impairment Allowance for trade receivables	-	0.01	-	0.01
Property, Plant and Equipment	(4.61)	1.83	-	(2.78)
Others	(0.03)	0.03	-	-
	15.70	3.29	0.09	19.06

II. Deferred tax assets/(liabilities) in relation to:

As at March 31,2024	Opening/Created on Acquisition*	Recognised in profit or loss	Recognised in OCI	Closing Balance
Tax Disallowance	2.13	4.58	0.02	6.72
Unabsorbed Losses	0.79	7.97	-	8.76
Impairment Allowance for trade receivables	6.01	0.98	-	6.99
Fair Valuation of Investment	0.01	0.00	-	0.01
Fair valuation of financing arrangement	-	3.68	-	3.68
Property, Plant and Equipment including ROU	0.55	(6.95)	-	(6.40)
Time value of derivatives designated as cash flow hedges	0.01	-	(0.01)	
Unrealised Profit	0.40	-	-	0.40
Tax Disallowance	0.16	-	-	0.16
Impairment Allowance for trade receivables	-	-	-	-
Property, Plant and Equipment	(4.62)	0.01	-	(4.61)
Others	(0.48)	0.45	-	(0.03)
	4.97	10.72	0.01	15.70

* The Deferred Tax on acquisition date has been clubbed under opening for the purposes of Reconciliations.

NOTE 31. EARNING PER SHARE**Disclosure as required by Accounting Standard – IND AS 33 “Earning Per Share” of the Companies (Indian Accounting Standards) Rules 2015.****A. Net Profit/(loss) attributable to equity shareholders and the weighted number of shares outstanding for basic and diluted earnings per share are as summarised below:**

Particulars	2024-25	2023-24
Profit/(Loss) for the period (₹ in Crores)	3.07	34.89
Outstanding equity shares at period end	4,00,13,467	4,00,13,467
Weighted average Number of Shares outstanding during the period – Basic	4,00,13,467	4,00,13,467

(All figures are Rupees in crores unless otherwise stated)

A. Net Profit/(loss) attributable to equity shareholders and the weighted number of shares outstanding for basic and diluted earnings per share are as summarised below: (Contd.)

Particulars	2024-25	2023-24
Weighted average Number of Shares outstanding during the period - Diluted	4,00,13,467	4,00,13,467
Earnings per Share - Basic (₹ Per Share)	0.77	8.72
Earnings per Share - Diluted (₹ Per Share)	0.77	8.72

B. Reconciliation of weighted number of outstanding during the period:

Particulars	2024-25	2023-24
Nominal Value of Equity Shares (₹ Per Share)	10.00	10.00
Total number of equity shares outstanding at the beginning of the period	4,00,13,467	4,00,13,467
Add: Issue of Equity Shares during the period	-	-
Total number of equity shares outstanding at the end of period	4,00,13,467	4,00,13,467
Weighted average number of equity shares at the end of period- Basic	4,00,13,467	4,00,13,467
Weighted average number of equity shares at the end of period- Dilutive	4,00,13,467	4,00,13,467

NOTE 32. CONTINGENT LIABILITIES**(i)**

Particulars	2024-25	2023-24
Bank Guarantees	8.10	8.34
Letter of Credit	21.45	0.40
Guarantee Given on behalf of Subsidiary	47.96	29.49
Claims not acknowledged as debts:		
Disputed Excise Duty/Custom Duty Demands	10.06	10.06
Legal Matters With Customers	5.96	3.38
Demand under Goods and Service Tax (Refer Note 1)	30.98	10.86
Disputed VAT Liability (Refer Note 2)	2.46	0.61
Disputed Income Tax demands (Refer Note 3&4)	6.61	7.51
TDS Defaults (Refer Note 5)	0.41	0.83
Disputed demand with MPCB/NGT case pending at Supreme Court (Refer note 6)	0.27	0.27
	134.25	71.76

Notes**Holding Company**

- 1) Out of the above ₹ 3.61 Crores (PY ₹ 2.91 Crores) is paid against demand.
- 2) Out of the above ₹ 0.39 Crores (PY ₹ 0.39 Crores) is paid against demand.
- 3) Out of the above ₹ 0.75 Crores (PY ₹ 0.75 Crores) is paid against demand.
- 4) In certain Assessment Years, the Outstanding Demands on the Income Tax Site are on a higher side including interest accrued against which the demand orders are for lesser amount of demands. These are pending to be rectified on the Income site by the Department. The Company has shown Contingent Liability basis the demand orders received taking into account the appeal file against the same.
- 5) The Demands are majorly against Inoperative PAN status due to non linking of PAN and Aadhar by the Counter parties. The Company is in the process of getting the same rectified from the parties post which the demand would change.

(All figures are Rupees in crores unless otherwise stated)

For Mikusu India Private Limited and Heranba Organics Private Limited

- 6) The Demands are majorly against Inoperative PAN status due to non linking of PAN and Aadhar by the Counter parties. The Company is in the process of getting the same rectified from the parties post which the demand would change.

Daikaffil Chemical India Limited

- 7) Disputed demand with MPCB/NGT case pending at Supreme Court - 30% Deposit placed with Supreme Court against cases pending.

NOTE 33. COMMITMENTS

Particulars	31-Mar-25	31-Mar-24
Estimated amount of contracts remaining to be executed in Capital Account and not provided for (Net of Advance) i.e. the amount payable for the undelivered capital expenditure items.	23.75	25.78
Capital Commitment towards Investment with Fireside Ventures Investment Fund	2.75	3.50
Total	26.50	29.28

NOTE 34. In the opinion of the Board of Directors, all assets other than Property, plant & equipment and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

NOTE 35. DISCLOSURE IN ACCORDANCE WITH IND AS – 108 “OPERATING SEGMENTS”, OF THE COMPANIES (INDIAN ACCOUNTING STANDARDS) RULES, 2015.

Ind AS 108 establishes standards for the way that business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. As the Group is engaged in providing similar nature of products, production process, customer types etc., the group has a single operating segment of "Agro chemicals", there are no differing risks and returns attributable to the Group's services to its customers. Further, The Group primarily operates in India and therefore the analysis of geographical segment is demarcated into its Indian and Overseas revenue as under:

a. Geographical Segment

Particulars	2024-25	2023-24
Revenue(Gross Sale)		
India	981.20	833.11
Overseas	428.53	423.96
Total	1,409.73	1,257.07

- b.** The Group is not reliant on revenue from transactions with any single external customer and does not receive 10% or more of its revenue from transactions with any single external customer.

NOTE 36. DISCLOSURE IN ACCORDANCE WITH IND AS - 24 "RELATED PARTY DISCLOSURES", OF THE COMPANIES (INDIAN ACCOUNTING STANDARDS) RULES, 2015

Details are given in Statement -2.

(All figures are Rupees in crores unless otherwise stated)

NOTE 37. FINANCIAL INSTRUMENTS**i) The carrying value and fair value of financial instruments by categories as at March 31, 2025 and March 31, 2024 is as follows:**

Particulars	Carrying Value		Fair Value	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
a) Financial Assets				
Financial assets measured at fair value through P&L				
Investments	2.83	1.56	2.83	1.56
Financial assets measured at amortized cost				
Investments	0.01	0.01	0.01	0.01
Loans (Full figure for 2023-24 ₹ 40,853/-)	-	0.00	-	0.00
Others	13.48	14.25	13.48	14.25
Trade receivables	554.93	466.88	554.93	466.88
Cash and cash equivalents	42.59	28.50	42.59	28.50
Bank balances other than above	11.97	11.05	11.97	11.05
Total Financial Assets	625.80	522.25	625.80	522.25
b) Financial Liabilities measured at amortized cost				
Borrowings	345.29	160.95	345.29	160.95
Trade payables	486.40	289.57	486.40	289.57
Lease Liability	3.63	4.01	3.63	4.01
Others	72.85	117.53	72.85	117.53
Total Financial Liabilities	908.17	572.06	908.17	572.06

The Group has assessed that fair value of cash and short-term deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

NOTE 38. FINANCIAL RISK MANAGEMENT**Risk management framework:**

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's senior management oversees management of these risks. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

i) Market Risk**a. Foreign currency risk**

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices etc. The group's operations involve foreign exchange transactions including mainly import, export, packing credit facilities and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to US\$. Foreign currency risk arises from future commercial transactions and recognised in assets and liabilities denominated in foreign currency that is not company's functional currency. (i.e INR) The risk is measured through forecast of highly probable foreign currency cash flow.

Uncovered risks in foreign currency transactions disclosed as at:

Particulars	Currency	31-Mar-25		31-Mar-24	
		FC	INR	FC	INR
Trade Receivable	USD	2.10	177.82	1.67	138.27
Trade Receivable	EURO	0.01	0.46	0.02	1.48
Borrowing (PCFC)	USD	0.82	69.89	0.81	67.17
FCNR Loan	USD	0.54	45.96	0.54	44.78
Bank (EEFC)	USD	0.00	0.23	0.54	44.78

(All figures are Rupees in crores unless otherwise stated)

Uncovered risks in foreign currency transactions disclosed as at: (Contd.)

Particulars	Currency	31-Mar-25		31-Mar-24	
		FC	INR	FC	INR
Bill Discounting	USD	0.05	4.10	0.09	7.30
Trade Payable	USD	0.37	31.32	0.11	9.42
Advances from customer	USD	0.07	6.35	0.03	2.32
Advances from customer	EURO	0.05	4.36	0.04	3.65

Sensitivity

A change of 5% in Foreign currency would have following Impact on profit before tax

Particulars	31-Mar-25		31-Mar-24	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD (Receivables)	0.11	(0.11)	0.08	(0.08)
USD (Payables)	(0.09)	0.09	(0.11)	0.11
Net Increase/(Decrease) in Profit or loss	0.02	(0.02)	(0.02)	0.02
EURO (Receivables)	0.00	(0.00)	0.00	(0.00)
EURO (Payable)	(0.00)	0.00	(0.00)	0.00
Net Increase/(Decrease) in Profit or loss	(0.00)	0.00	(0.00)	0.00

(March 31, 2025 full figure of Net Increase/(Decrease) in Profit or loss is ₹ 21165 Increase and ₹ -21165 (decrease)).

(March 31, 2024 full figure of Net Increase/(Decrease) in Profit or loss is ₹ 12161 Increase and ₹ -12161 (decrease)).

b. Interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings and loans given affected. With all other variables held constant, the Groups profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Changes in basis points	Effect on profit before tax 2024-25	Effect on profit before tax 2023-24
Financial liabilities			
Interest rates - increase - 1%	100.00	(3.23)	(1.39)
Interest rates - decrease - 1%	(100.00)	3.23	1.39

Financial arrangement is not considered while calculating above interest rate risk.

c. Other Market Price Risk

The Group is exposed to Equity price risk, which arises from FVTPL of Equity securities. The Group has a very insignificant portion of amount invested in quoted equity securities. The management monitors the proportion of quoted equity instruments in its investment portfolio based on market indices.

ii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business.

Trade and Other Receivables:

In accordance with Ind AS 109, the Company uses the expected credit loss ("ECL") model for measurement and recognition of impairment loss on its trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers. The Company estimates impairment under the simplified approach. Accordingly, it does not track the changes in credit risk of trade receivables. The impairment amount represents lifetime expected credit loss.

(All figures are Rupees in crores unless otherwise stated)

iii) Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through committed credit facilities to meet the obligations when due.

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The Group manages its liquidity risk by preparing month on month cash flow projections to monitor liquidity requirements.

The Working Capital Position of the Group is given below:

Particulars	31-Mar-25	31-Mar-24
Inventories	337.39	274.72
Cash and Bank Balance	42.59	28.5
Bank Balance Other than above	11.97	11.05
Trade Receivable	554.93	466.88
Other Financial Assets	2.81	2.71
Other Current Assets	82.86	56.62
Total	1,032.53	840.48
Less:		
Borrowings	252.60	143.04
Lease Liability - ROU Asset	0.34	0.39
Trade payables	486.40	289.57
Other financial liabilities	72.85	117.53
Provisions	11.93	1.7
Other Current liabilities	24.53	18.19
Current Tax Liabilities	10.93	20.6
	859.58	591.02
Net Working Capital	172.95	249.46

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

As at March 31,2025

Particulars	Less than 1 year	2-5 years	More than 5 years	Total
Borrowing	274.74	70.55	-	345.29
Trade Payable	486.40	-	-	486.40
Other Financial Liabilities	72.85	-	-	72.85
Total	833.99	70.55	-	904.54

As at March 31,2024

Particulars	Less than 1 year	2-5 years	More than 5 years	Total
Borrowing	146.60	14.35	-	160.95
Trade Payable	289.57	-	-	289.57
Other Financial Liabilities	117.53	-	-	117.53
Total	553.70	14.35	-	568.05

The above contractual Maturity profile does not include Lease Liability for which profile is separately disclosed vide Note No.14

(All figures are Rupees in crores unless otherwise stated)

NOTE 39. FAIR VALUE HIERARCHY

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2025 and March 31, 2024

Particulars	Fair Value measurement using			
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value through P&L				
Investments(*)	31-03-2025	-	-	2.83
Fair value of foreign exchange derivative assets	31-03-2025	-	-	-
Total financial assets		-	-	2.83
Financial assets measured at fair value through P&L				
Investments(*)	31-03-2024	-	-	1.56
Fair value of foreign exchange derivative assets	31-03-2024	-	-	-
Total financial assets		-	-	1.56

(*) The Holding Company has made an investment in Alternate Investment Fund (AIF) of ₹ 2.25 Crores (₹ 1.50 Crores in previous year). This investment is marked at fair value through profit and Loss (FVTPL),

In absence of financials statements of The Shamrao Vithal Co-op. Bank Ltd. And Matrubhumi Co-op. Credit Society Limited the fair value effect is not given, the same is carried at its carrying value in books, although the same is accounted at FVTPL. The management does not expect the fair value changes to be material to the financial statements.

NOTE 40. CAPITAL MANAGEMENT

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company's adjusted net debt to equity ratio as follows:

Particulars	31-Mar-25	31-Mar-24
Gross Debt	345.29	160.95
Less: Cash and Cash Equivalent	42.59	28.50
Net debt (A)	302.71	132.45
Total Equity (B)	840.80	843.06
Gearing ratio (A/B)	2.78	6.37

(All figures are Rupees in crores unless otherwise stated)

NOTE 41. RELATIONSHIP WITH STRUCK OFF COMPANIES

The information about transaction with struck off Companies (defined under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956) has been determined to the extent such parties have been identified on the basis of the information available with the Holding Company and the same is relied upon by the auditors.

NOTE 42. ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTITIES CONSOLIDATED AS SUBSIDIARIES

Additional information as required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries in Statement 3.

NOTE 43. DISCLOSURE OF INTEREST IN OTHER ENTITIES AS PER IND AS 112

Consolidated financial statements comprises the financial statements of Heranba Industries Limited and its subsidiaries, as listed below:

Name of entity	Relationship	Principal place of business	Proportion of ownership (%) as at March 31, 2025	Proportion of ownership (%) as at March 31, 2024
Mikusu India Private Limited	Subsidiary company	India	100.00%	100.00%
Heranba Organics Private Limited	Subsidiary company	India	100.00%	100.00%
Daikaffil Chemicals India Limited	De-facto Control	India	48.48%	48.48%

Since Daikaffil Chemicals India Limited (Mikusu India Private Limited is having De-facto Control) is not material to the Holding Company, the disclosure under Ind AS 112 is not given.

NOTE 44. AUDIT TRAIL NOTE**In case of Holding Company and Two Wholly Owned Subsidiary Company**

The Ministry of Corporate Affairs (MCA) by the Companies (Accounts) Amendment Rules 2021 and vide notification dated 24 March 2021 has issued the "Companies (Audit and Auditors) Amendment Rules, 2021 has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

For Holding Company, Mikusu India Private Limited and Heranba Organics Private Limited

As required under above rules, the company uses Navision and HRMS software for its financial accounting and HR which works along with Database for maintaining its books of account which has a feature of recording audit trail

(edit log) facility and the same has been operated throughout the year for all transactions recorded and the audit trail feature has not been tampered with except.

- i) the audit trail feature was not enabled at the database level for accounting software "Navision" to log any direct data changes, used for maintenance of all accounting records by the Company.
- ii) At present the audit trail is preserved only for a period of six months and all audit trails beyond six months are not preserved due to space constraints. Further, back up of the audit trail has not been preserved as per statutory requirements for record retention due to cloud space constraints.

For Daikaffil India Chemicals India Limited

As required under above rules, the company uses, Tally Prime which has an audit Trail feature w.e.f July 23, 2024. The previous version of the accounting software did not have the feature of audit trail. Further, for the periods that the audit trail was enabled (with effect from July 23, 2024) and operated as aforesaid, the same has been maintained without any tampering and preserved by the company in compliance with the applicable statutory requirements for record retention.

(All figures are Rupees in crores unless otherwise stated)

NOTE 45.

The Board of Directors of the Holding Company at their meeting held on May 23, 2025 has recommended dividend of ₹ 1.00 per share (10.0% of FV- ₹ 10) on the outstanding equity shares of nominal value of ₹ 10/- each as on record date, subject to shareholder approval at the ensuing Annual General Meeting.

NOTE 46.

The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of material accounting policy information and the other explanatory notes forms an integral part of the financial statements of the Group for the year ended March 31, 2025.

NOTE 47.

Figures of the previous period have been regrouped/reclassified wherever necessary including to conform to current period's classification.

As per our report of even date attached

For Natvarlal Vepari and Co LLP

(Formerly known as Natvarlal Vepari & Co.)
Chartered Accountants
Firm Registration No. 106971W/W101085

N Jayendran

Partner
Membership No. 040441

For & on behalf of the Board of Directors
Heranba Industries Limited

S. K. Shetty

Chairman
DIN: 00038681

R. K. Shetty

Managing Director
DIN: 00038703

Place: Mumbai

Date: May 23, 2025

Abdul Latif

Company Secretary

Raj K Bafna

Chief Financial Officer

(All figures are Rupees in crores unless otherwise stated)

STATEMENT 1- RETURNS/STATEMENTS SUBMITTED TO THE BANK BY THE HOLDING COMPANY

Sr No	Quarter	Name of bank	Particulars of Securities Provided	31-03-2025 (Amount in Crores)			Reason for material discrepancies
				Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	
1	Q1	Bank of Baroda	Stock	290.10	287.26	2.84	Refer Foot notes
2	Q1	Bank of Baroda	Books Debts	490.44	300.47	189.97	
3	Q1	Bank of Baroda	Trade payable	352.25	239.03	113.22	
4	Q2	Bank of Baroda	Stock	291.71	288.84	2.87	
5	Q2	Bank of Baroda	Books Debts	598.54	478.04	120.50	
6	Q2	Bank of Baroda	Trade payable	433.74	225.30	208.44	
7	Q3	Bank of Baroda	Stock	258.42	255.36	3.06	
8	Q3	Bank of Baroda	Books Debts	581.87	450.92	130.95	
9	Q3	Bank of Baroda	Trade payable	428.85	188.64	240.21	
10	Q4	Bank of Baroda	Stock	234.06	253.60	(19.54)	
11	Q4	Bank of Baroda	Books Debts	560.25	437.16	123.10	
12	Q4	Bank of Baroda	Trade payable	438.13	56.11	382.02	

Sr No	Quarter	Name of bank	Particulars of Securities Provided	31-03-2024 (Amount in Crores)			Reason for material discrepancies
				Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	
1	Q1	Bank of Baroda	Stock	268.65	267.77	0.88	Refer Foot notes
2	Q1	Bank of Baroda	Books Debts	474.36	329.05	145.31	
3	Q1	Bank of Baroda	Trade payable	282.17	258.19	23.98	
4	Q2	Bank of Baroda	Stock	297.14	298.92	(1.78)	
5	Q2	Bank of Baroda	Books Debts	540.49	418.49	122.00	
6	Q2	Bank of Baroda	Trade payable	369.20	330.04	39.16	
7	Q3	Bank of Baroda	Stock	251.74	254.85	(3.11)	
8	Q3	Bank of Baroda	Books Debts	532.14	375.55	156.59	
9	Q3	Bank of Baroda	Trade payable	308.60	255.45	53.15	
10	Q4	Bank of Baroda	Stock	240.94	253.75	(12.81)	
11	Q4	Bank of Baroda	Books Debts	502.64	302.62	200.02	
12	Q4	Bank of Baroda	Trade payable	291.52	205.49	86.03	

(All figures are Rupees in crores unless otherwise stated)

Foot Note:

- 1 There is a mismatch in the books and quarterly stock reports sent to the lenders due to error in tracing items of inventory viz a viz books and statement submitted to the lenders.
- 2 Quarterly statement submitted to the bank are subject to adjustment towards credit balances or debit balances of the same party (towards purchase and sales) and exchange fluctuation.
- 3 Quarterly Statement filed with the Banks are based on Bill dates.
- 4 Quarterly Statement filed with the Banks are considering the balances of only Raw Material and Packing Material Vendors.
- 5 Quarterly Statement filed with the Banks are without considering the Advance to Suppliers and Advance from Customers.
- 6 For last quarter of the current year provisional statement has been submitted, final statement in progress

STATEMENT 2 - RELATED PARTY TRANSACTIONS

A. Relationship

Enterprises over which key management personnel and their relatives exercise control

- Sams Industries Limited

Key Management Personnel and their Relatives

- Sadashiv K Shetty (Chairman and executive director)
- Raghuram K Shetty (Managing director)
- Sujata S Shetty (Relative of Director)
- Vanita R Shetty (Relative of Director)
- Shriraj S Shetty (Whole time and executive director)
- Raunak R Shetty (Whole time and executive director)
- Shreya Shetty (Relative of Director)
- Roshan R Shetty (Relative of Director)
- Sadashiv Shetty - HUF
- Raghuram Shetty - HUF
- Anilkumar Marlecha (Independent Director)
- Ganesh Vanmali (Independent Director)
- Reshma Wadkar (Independent Director)
- Mulky Shetty (Independent Director)

B The following are the transactions with related parties

Sr. No.	Nature of transaction	Key management personnel, their relatives		Enterprises where significant influence exists		Total	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
1	Interest Expenses on loan	0.55	-	0.05	-	0.60	-
	Raghuram K Shetty	0.55	-	-	-	0.55	-
	Sams Industries Limited	-	-	0.05	-	0.05	-
2	Professional Charges	0.18	0.18	-	-	0.18	0.18
	Mrs. Shreya M. Shetty	0.18	0.18	-	-	0.18	0.18
3	Payment of Dividend	3.64	3.64	0.11	0.11	3.75	5.99
	Sadashiv K Shetty	0.90	0.90	-	-	0.90	1.44
	Raghuram K Shetty	1.49	1.49	-	-	1.49	2.37
	Sujata S Shetty	0.40	0.40	-	-	0.40	0.65
	Vanita R Shetty	0.25	0.25	-	-	0.25	0.40
	Shriraj S Shetty	0.11	0.11	-	-	0.11	0.17
	Raunak R Shetty	0.08	0.08	-	-	0.08	0.13
	Shreya Shetty	0.12	0.12	-	-	0.12	0.19
	Roshan R Shetty	0.08	0.08	-	-	0.08	0.13
	Sadashiv K Shetty - HUF	0.04	0.04	-	-	0.04	0.06
	Raghuram K Shetty - HUF	0.17	0.17	-	-	0.17	0.28
	Sams Industries Limited	-	-	0.11	0.11	0.11	0.17

(All figures are Rupees in crores unless otherwise stated)

B The following are the transactions with related parties (Contd.)

Sr. No.	Nature of transaction	Key management personnel, their relatives		Enterprises where significant influence exists		Total	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
4	Remuneration	5.14	4.73	-	-	5.14	8.67
	Sadashiv K Shetty	1.56	1.56	-	-	1.56	1.43
	Raghuram K Shetty	1.39	1.39	-	-	1.39	5.61
	Sujata S Shetty	0.26	0.24	-	-	0.26	0.06
	Vanita R Shetty	0.26	0.24	-	-	0.26	0.06
	Shriraj S Shetty	0.33	0.30	-	-	0.33	0.30
	Raunak R Shetty	0.59	0.52	-	-	0.59	0.30
	Vanita Shetty	0.26	0.24	-	-	0.26	0.30
	Sujata Shetty	0.26	0.24	-	-	0.26	0.30
	Roshan R Shetty	0.23	-	-	-	0.23	0.30
5	Commission to key management personnel	2.31	2.80	-	-	2.31	2.80
	Raghuram K Shetty	2.31	2.80	-	-	2.31	2.80
6	Sitting fees paid to directors	0.06	0.06	-	-	0.06	0.06
	Anilkumar Marlecha	0.01	0.01	-	-	0.01	0.01
	Ganesh Vanmali	0.02	0.02	-	-	0.02	0.02
	Reshma Wadkar	0.01	0.01	-	-	0.01	0.01
	Mulky Shetty	0.02	0.02	-	-	0.02	0.02
7	Loan From	15.00	-	9.00	-	24.00	-
	Raghuram K Shetty	15.00	-	-	-	15.00	-
	Sams Industries Limited	-	-	9.00	-	9.00	-
8	Repayment of Loan	1.00	-	-	-	1.00	-
	Raghuram K Shetty	1.00	-	-	-	1.00	-
9	Loan Taken - Outstanding Balance incl interest	14.00	-	9.04	-	23.04	-
	Raghuram K Shetty	14.00	-	-	-	14.00	-
	Sams Industries Limited	-	-	9.04	-	9.04	-
10	Guarantee given by Outstanding Balance	216.46	139.49	-	-	216.46	139.49
	Guarantee given by Directors to Bank	216.46	139.49	-	-	216.46	139.49

The managerial personnel are eligible for retirement benefits viz., gratuity and compensated absences in accordance with the policy of the Company. The proportionate retirement benefit expense pertaining to the managerial personnel has not been included in the aforementioned disclosures as this is provided in the books of account on the basis of actuarial valuation for the Company as a whole and hence individual amount cannot be determined.

Terms and conditions

All transactions with these related parties are priced on an arm's length basis. None of the balance is secured.



(All figures are Rupees in crores unless otherwise stated)

STATEMENT 3 ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTITIES CONSOLIDATED AS SUBSIDIARIES/ASSOCIATES/JOINT VENTURES

Name of Subsidiary	Heranba Industries Limited		Mikusu India Private Limited		Heranba Organics Private Limited		Daikaffil Chemicals India Limited		Non Controlling Interest		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Net Worth												
As a % of networth	94.19%	88.52%	21.78%	10.66%	-16.24%	-0.31%	-0.81%	-0.04%	1.07%	1.17%	100.00%	100.00%
Amount	800.59	755.11	185.10	90.93	(138.00)	(2.62)	(6.89)	(0.36)	9.13	10.00	849.93	853.06
Share in profit/(loss)												
As a % of consolidated net assets	2291.56%	-162.30%	4202.86%	266.37%	-6036.04%	-1.92%	-321.89%	-1.05%	-36.49%	-1.13%	100.00%	99.97%
Amount	51.50	(55.99)	94.45	91.90	(135.65)	(0.66)	(7.23)	(0.36)	(0.82)	(0.39)	2.25	34.50
Share in other comprehensive income												
As a % of consolidated net assets	100.22%	870.20%	-25.52%	-770.20%	0.00%	0.00%	12.26%	0.00%	13.03%	0.00%	100.00%	100.00%
Amount	(0.38)	(0.02)	0.10	0.01	-	-	(0.05)	-	(0.05)		(0.38)	(0.00)
Share in total comprehensive income												
As a % of consolidated net assets	2732.42%	-162.35%	5053.54%	266.42%	-7250.40%	-1.92%	-389.11%	-1.05%	-46.45%	-1.13%	100.00%	99.97%
Amount	51.12	(56.01)	94.55	91.91	(135.65)	(0.66)	(7.28)	(0.36)	(0.87)	(0.39)	1.87	34.50



HERANBA INDUSTRIES LIMITED

CORPORATE OFFICE

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