



DCM SHRIRAM FINE CHEMICALS LIMITED

DCM Shriram Fine Chemicals Limited was incorporated on September 29, 2021 as a public limited company under the provisions of the Companies Act, 2013, and a certificate of incorporation dated September 30, 2021 was issued by Registrar of Companies, Central Registration Centre, Manesar. For further details, see the chapter titled “*History and Certain Corporate Matters*” on page 82 of this Information Memorandum.

Corporate Identification Number: U24296DL2021PLC387429

Registered and Corporate Office: 6th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi – 110 001, India

Tel: +91 (011) 43207700 **Website:** <https://dsfcl.com> **E-mail:** kokilaarora@dsfcl.com

Contact Person: Ms. Kokila Arora, Company Secretary and Compliance Officer

PROMOTERS OF OUR COMPANY

Mrs. Urvashi Tilakdhar, Mr. Akshay Dhar & Ms. Aditi Dhar

INFORMATION MEMORANDUM FOR LISTING OF 8,69,92,185 EQUITY SHARES OF ₹2/-EACH ISSUED BY OUR COMPANY PURSUANT TO THE COMPOSITE SCHEME OF ARRANGEMENT

NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Equity Shares of our Company unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Equity Shares of our Company. For taking an investment decision, investors must rely on their own examination of our Company, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India, nor does it guarantee the accuracy or adequacy of the contents of this Information Memorandum. Specific attention of the investors is invited to the chapter titled “*Risk Factors*” on page 25 of this Information Memorandum.

COMPANY’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Information Memorandum contains all information with regard to our Company, which is material in the context of the listing of the Equity Shares, that the information contained in this Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares of our Company are proposed to be listed on the National Stock Exchange of India Limited (“NSE”) and the BSE Limited (“BSE”) (hereinafter, collectively, referred to as the “Stock Exchanges”). For the purposes of listing of our Equity Shares pursuant to the Scheme, BSE is the Designated Stock Exchange. Our Company shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, to the extent applicable to it on a continuous basis. Our Company has submitted this Information Memorandum with the NSE and the BSE, and the same is available on our Company’s website at <https://dsfcl.com>. This Information Memorandum will also be available on the website of NSE at www.nseindia.com and BSE at www.bseindia.com. Our Company has received ‘in-principle’ approval for listing from the NSE and the BSE vide letter nos. NSE/LIST/185 and DCS/AMAL/RG/IP/4020/2025-26 dated January 21, 2026 respectively. Further, our Company has been granted an exemption from the application of Rule 19(2)(b) of the Securities Contracts (Regulations) Rules, 1957, as amended, (“SCRR”) by the SEBI by way of letter no. I/3842/2026 dated February 02, 2026.

REGISTRAR AND SHARE TRANSFER AGENT



KFIN Technologies Limited

Selenium Building, Tower-B, Plot No 31 & 32,
Financial District, Nanakramguda,
Hyderabad - 500 032, Telangana, India

Toll Free No.: 1800 309 4001

Email: einward.ris@kfintech.com

Website: www.kfintech.com

Contact Person: Mr. S. R. Ramesh

SEBI Registration No. INR000000221

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SECTION I – GENERAL

DEFINITIONS, ABBREVIATIONS AND INDUSTRY RELATED TERMS

This Information Memorandum uses certain definitions, abbreviations and terms, which, unless the context otherwise indicates or implies, shall have the meanings ascribed to them herein, and references to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification will include any amendments or re-enactments thereto, from time to time. Unless repugnant to the context therein, terms not defined herein shall have meanings ascribed to them under the Scheme (defined below):

COMPANY AND SCHEME RELATED TERMS

TERM	DESCRIPTION
“The Company” or “DCM Shriram Fine Chemicals Limited” or “Resultant Company 1” or “DSFCL”	DCM Shriram Fine Chemicals Limited, a company incorporated under Companies Act, 2013 having its Registered Office at 6 th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi – 110001, India
“DCM Shriram Industries Limited” or “DCMSR” or “Residual Company” or “Demerged Company” or “Transferor Company”	DCM Shriram Industries Limited, a company incorporated under Companies Act, 1956, with its Registered Office situated at Kanchenjunga Building, 18 Barakhamba Road, New Delhi – 110001, India
“We” or “us” or “our” or “our Company”	Unless the context otherwise indicates or implies our Company, i.e., DCM Shriram Fine Chemicals Limited
“Appointed Date”	April 1, 2023
“Articles of Association”	The Articles of Association of the Company, as amended from time to time
“Associates”	None
“Audit Committee”	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Regulation 18 of the SEBI LODR Regulations and Section 177 of the Companies Act, 2013. For details, see chapter titled “ <i>Our Management</i> ” on page 86 of this Information Memorandum.
“Auditor” or “Statutory Auditors”	Kirtane & Pandit LLP, Chartered Accountants (Firm Registration Number: 105215W/W100057 272), Rajdhani Enclave, Pitampura, Delhi- 110034, India
“Board of Directors” or the “Board” or “our Board”	The Board of Directors of our Company or any duly constituted committee thereof, as the context may require.
“CEO”	Chief Executive Director

TERM	DESCRIPTION
“CFO”	Chief Financial Officer
“Chemical Business”	All business activities carried out, directly or indirectly, by the Demerged Company relating to (a) production and sale of chemicals and their by products and (b) contract manufacturing of chemical products
“Corporate Office”	6 th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi – 110001, India
“CSR”	Corporate Social Responsibility

TERM	DESCRIPTION
<p>Demerged Undertaking” or “Chemical Business Undertaking” or “Chemical Undertaking” or “Chemical Division”</p>	<p>“Chemical Undertaking” means the chemical business of DCMSR, comprising <i>inter alia</i> of ‘Daurala Organics’ and ‘Daurala Chemical Industries’ units of DCMSR, and shall include all the property of the chemical business being transferred by DCMSR so as to become property of the Resultant Company 1 by virtue of the demerger under this Scheme and all the liabilities relating to such chemical business immediately before the demerger being transferred by DCMSR to become liabilities of the Resultant Company 1 by virtue of the demerger; all of which constitutes the undertaking as a going concern basis, subject to any assets or liabilities transferred in the ordinary course of business. It is clarified that the Chemical Undertaking <i>inter alia</i> comprises of:</p> <p>(i) all the licences, approvals, permits and marketing authorisations and any and all of its licenses (including the licenses granted by any governmental, statutory or regulatory bodies pertaining to the Chemical Undertaking, including such licenses as set out in Schedule 1 to the Scheme or in connection therewith and all existing files and dossiers (in any form and on any support) related to or supporting such licenses or marketing authorisations, including pending applications), permissions, approvals, consents, exemptions, registrations, no-objection certificates, quotas, rights, entitlements, certificates, tenancies, accumulated balances of credits under any tax laws for the time being in force, benefit of any exemptions, privileges and benefits of all contracts, agreements and all other rights including lease rights, memberships, powers and facilities of every kind and description whatsoever pertaining to the Chemical Undertaking;</p> <p>(ii) any and all assets and property relating to or arising from the activities and operations of the Chemical Undertaking (whether movable or immovable, real or personal, corporeal or incorporeal, present, future, contingent, tangible or intangible) including such assets as set out in Schedule 2 to the Scheme, including but not limited to inventory (including all raw material inventory, work-in-process inventory, goods in transit and finished products inventory), office buildings, plant and machinery, capital work-in-progress, furniture, fixtures, office equipment, computer software and licenses, appliances, accessories, vehicles, cash and bank balance, current assets, sundry debtors, all outstanding loans, deposits, provisions, advances, receivables, funds, leases of all kinds of property, licences, tenancy rights, right of way, premises, hire purchase and lease arrangements, benefits of agreements, contracts and arrangements, insurance policies (other than those taken for DCMSR as a whole or without reference to specific assets relating to the Chemical Undertaking), authorisations, registrations, quotas, permits, allotments, all kinds of approvals, whether statutory or otherwise including by any central or state government or other local authority, consents, privileges, liberties, advantages, easements, exemptions, incentives receivable under applicable law or in terms of certain schemes or policies of the Government of India or any State Government, including in relation to any taxes and all the rights, title, interests, benefits, entitlement and advantages, contingent rights or benefits belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by DCMSR with respect to the Chemical</p>

TERM	DESCRIPTION
	<p>Undertaking and all other interests in connection with or relating to the Chemical Undertaking, continuing rights, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold, relating to the Chemical Undertaking, and plant, machinery, equipment, whether leased or otherwise, relating to the Chemical Undertaking;</p> <p>(iii) all debts, liabilities including contingent liabilities, present or future, relating to, or arising out of the activities or operations of the Chemical Undertaking, including specific loans and borrowings (if any), term loans from banks and financial institutions (if any), such liabilities raised, incurred and utilised solely for the activities or business or operation of the Chemical Undertaking, bank overdrafts (if any), working capital loans and liabilities, amounts due to small scale industrial undertakings, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability), pertaining to the Chemical Undertaking;</p> <p>(iv) all deposits and balances with government, quasi-government, local and other authorities and bodies, customers and other persons, earnest monies and/or security deposits paid or received by DCMSR directly or indirectly in connection with and pertaining to the Chemical Undertaking;</p> <p>(v) liabilities other than those referred to above, being the amounts of general or multipurpose borrowings of the Chemical Undertaking, if any, allocated to the Chemical Undertaking, in the same proportion which the value of the assets transferred under the Scheme bear to the total value of the assets of DCMSR immediately before giving effect to the Scheme;</p> <p>(vi) any and all investments of all kinds (including shares whether in dematerialised or physical form, scripts, stocks, bonds, debenture stock, units, pass through certificates or security receipts) connected with and pertaining to the Chemical Undertaking, including the investments in Daurala Foods & Beverages Private Limited, all cash balances with the banks, money at call and short notice, loans, advances, contingent rights or benefits, securitised assets, receivables, benefits of assets or properties or other interest held in trust, benefit of any security arrangements, authority, allotments, approvals, reversions, buildings, structures and offices held for the benefit of or enjoyed by the Chemical Undertaking or to which the Chemical Undertaking may be entitled;</p> <p>(vii) any and all permits, approvals, authorisations, rights to use and avail of telephones, telexes, facsimiles, e mail, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or in relation to the Chemical Undertaking;</p>

TERM	DESCRIPTION
	<p>(viii) all records relating to the Chemical Undertaking on and from the Effective Date, including without limitation all current and historical books, records, reports and other documents and information that pertain to business plans, budgets, financial and accounting data, brand insights and research, intellectual property, suppliers, manufacturing, customers, research and development of the Chemical Undertaking's products, devices and services, invoices, marketing and advertising operations, policies, procedures, techniques, systems, employee handbooks or manuals, training materials, operating manuals and documentation, and production manuals and documentation, in any form and on any support;</p> <p>(ix) the employees of the Chemical Undertaking, including all staff, workmen and employees of DCMSR employed in connection with or proposed to be reassigned to a position in relation to the Chemical Undertaking, including gratuity, employee insurance, provident fund contribution, superannuation benefits, any other liabilities, employee welfare benefits and applicable collective bargaining agreements associated with such employees of the Chemical Undertaking, as on the Effective Date, and including those employed at its offices and branches, and such employees of the corporate office of DCMSR who will be transferred and assigned to the operations of the Chemical Undertaking as approved by the Board of Directors of each of Resultant Company 1 and DCMSR;</p> <p>(x) all insurance policies, obtained in relation to the assets, Directors, employees or operations of the Chemical Undertaking, by DCMSR, whether or not updated to include the Resultant Company 1;</p> <p>(xi) all registrations, trademarks, trade names, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names used by or held for use by the Chemical Undertaking of DCMSR, as more particularly set out at Schedule 3 to the Scheme; and</p> <p>(xii) all contracts, agreements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, service agreements, sales orders, purchase orders or other instruments of whatsoever nature to which DCMSR is a party, exclusively relating to the Chemical Undertaking,</p> <p>it being clarified that the Chemical Undertaking shall not include any employees, assets, liabilities, rights or obligations belonging to and forming part of the Rayon Undertaking and the Residual Undertaking.</p> <p>Any question that may arise as to whether a specified asset, liability, employee or other action, matter or thing forms part of the Chemical Undertaking or the Rayon Undertaking or the Residual Undertaking shall be resolved by mutual agreement between the Board of Directors of each of DCMSR, the Resultant Company 1 and/or the Resultant Company 2 (as the case may be);</p>
“Designated Stock Exchange”	BSE Limited
“Director(s)”	The Director(s) of the Company, unless specified otherwise.

TERM	DESCRIPTION
“Effective Date”	December 17, 2025 (being date of filing of Form E-INC 28 with the Registrar of Companies by the Resultant companies).
“Equity Shares”	Fully paid-up equity shares of our Company of face value of ₹2/- each.
“Eligible Shareholders”	Shall mean eligible holder(s) of the equity shares of Demerged Company as on the Record Date.
“Financial Statements”	Restated Condensed Consolidated Financial Statements of the Company for the period ended September 30, 2025 and Restated Audited Consolidated Financial Statements of the Company for financial year 2024-25 (which also consists of comparative figures of financial year 2023-24), prepared in accordance with IND AS, duly audited and certified by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the Institute of Chartered Accountants of India, as required by ICDR Regulations.
“Financial Year” or “Fiscal” or “Fiscal Year” or “FY”	Period of 12 months ended March 31 of that particular year, except from the date of incorporation to March 31 in the year of incorporation.
“Group Company(ies)”	Includes companies (other than Subsidiary) with which our Company had related party transactions, during the period for which financial information is disclosed in this Information Memorandum, as covered under the applicable Accounting Standards and any other company as considered material by the Board of Directors of the Company.
“Income Tax Act / IT Act”	Income Tax Act, 1961, along with relevant rules, regulations, clarifications and modifications made thereunder, as amended from time to time.
“Independent Director(s)”	A non-executive, independent director as per the Act and the SEBI LODR Regulations who are currently serving on the Board of our Company.
“Information Memorandum”	The information memorandum dated February 05, 2026 of our Company for the listing of Equity Shares pursuant to the Scheme of Arrangement and filed with the Stock Exchanges in accordance with applicable laws.
“Key Managerial Personnel / KMPs”	The Key Managerial Personnel of our Company appointed in accordance with the SEBI LODR Regulations and the Companies Act and as identified in the chapter titled “ <i>Our Management</i> ” on page 86 of this Information Memorandum.
“Managing Director”	Managing Director
“Memorandum of Association // MoA”	The Memorandum of Association of the Company, as amended from time to time.
“Nomination and Remuneration Committee”	The Nomination and Remuneration Committee constituted in accordance with the SEBI LODR Regulations and Section 178 of the Companies Act, 2013. For details, see chapter titled “ <i>Our Management</i> ” on page 86 of this Information Memorandum.

TERM	DESCRIPTION
“Non-Executive Director”	A Non-executive Director of our Company, unless specified otherwise.
“Promoters”	The Promoters of our Company, being Mrs. Urvashi Tilakdhar, Mr. Akshay Dhar & Ms. Aditi Dhar. For details, see chapter titled “ <i>Our Promoter and Promoter Group</i> ” on Page 106 of this Information Memorandum.
“Promoter Group”	Persons and entities constituting the promoter group of our Company in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in the chapter titled “ <i>Our Promoter and Promoter Group</i> ” on Page 106 of this Information Memorandum.
“Rayon Undertaking”	Means the rayon business of DCMSR and <i>inter alia</i> includes all the property of the rayon business and engineering project section, being transferred by DCMSR so as to become property of the Resultant Company 2 by virtue of the demerger, and all the liabilities relating to the rayon business immediately before the demerger being transferred by DCMSR to become liabilities of the Resultant Company 2 by virtue of the demerger; all of which constitutes the undertaking as a going concern basis, subject to any assets or liabilities transferred in the ordinary course of business.
“Registered Office”	6 th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi – 110001, India
“Record Date”	December 26, 2025 being the date for determining the shareholders of DCM Shriram Industries Limited for allotment of New Equity Shares of the Resulting Companies.
“Registrar and Share Transfer Agent”	KFin Technologies Limited having registered office at Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Hyderabad - 500 032, Telangana, India
“Remaining Business” or “Residual Undertaking”	Means the remainder undertaking of DCMSR after demerger of the Chemical Undertaking and the Rayon Undertaking by virtue of the demergers under this Scheme, and <i>inter alia</i> includes sugar, alcohol and power businesses of DCMSR
“Resultant Company 1 New Equity Shares” or “New Equity Shares”	Fully paid-up Equity Shares of our Company having face value of ₹2 each allotted by our Company as consideration in terms of Clause 4.3.3 of the Scheme.
“Resultant Company 2” or “DCM Shriram International Limited”	DCM Shriram International Limited, a company incorporated under Companies Act, 2013 having its Registered Office at 6 th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi – 110001, India
“Resultant Companies”	Resultant Company 1 and Resultant Company 2.
“Sanction Order”	Order passed by Hon’ble National Company Law Tribunal, (NCLT) New Delhi bench dated November 21, 2025, sanctioning the Scheme of Arrangement.

TERM	DESCRIPTION
“Scheme” or “Scheme of Arrangement”	Composite Scheme of Arrangement amongst Lily Commercial Private Limited, DCM Shriram Industries Limited, DCM Shriram Fine Chemicals Limited and DCM Shriram International Limited and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.
“Senior Management”	The Senior Management of our Company appointed in accordance with the SEBI LODR Regulations, SEBI ICDR Regulations and the Act and as identified in the chapter titled “ <i>Our Management</i> ” on page 86 of this Information Memorandum.
“SEBI Schemes Master Circular”	Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, issued by SEBI regarding Schemes of Arrangement by Listed Entities and Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
“Share Capital”	Share Capital of our Company.
“Shareholder(s)”	The holder(s) of Equity Shares in our Company, unless otherwise specified.
“SMD”	Senior Managing Director.
“Stakeholders Relationship Committee”	The committee of the Board of Directors constituted as the Company’s Stakeholders Relationship Committee in accordance with the SEBI LODR Regulations and the Act. For details, see the chapter titled “ <i>Our Management</i> ” on page 86 of this Information Memorandum.
“Subsidiary”	Daurala Food & Beverages Private Limited.
“Wilful Defaulter or a fraudulent borrower”	A person or an issuer who or which is categorised as a wilful defaulter or a fraudulent borrower by any bank or financial institution (as defined under the Act) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India, in accordance with Regulation 2(1)(III) of the SEBI ICDR Regulations.
“WTD”	Whole-time Director

CONVENTIONAL, GENERAL, ABBREVIATIONS

Term	Description
AGM	Annual General Meeting
AY	Assessment Year
BSE	BSE Limited
BNS	The Bharatiya Nyaya Sanhita, 2023
CDSL	Central Depository Services (India) Limited
Companies Act or Act	Companies Act, 2013 including its rules made thereunder, as amended/ restated from time to time.
Companies Act, 1956	Erstwhile Companies Act, 1956, along with relevant rules made thereunder.
CrPC	The Code of Criminal Procedure, 1973
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
Depositories Act	The Depositories Act, 1996 including its rules thereunder, as amended/ restated from time to time.
DP	Depository Participant
DP ID	Depository Participant's Identity number
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
EGM	Extra-ordinary general meeting
EPS	Earnings per share
FEMA	The Foreign Exchange Management Act, 1999 read with rules, regulations, notifications, circulars and directions thereunder, as amended/ restated from time to time.
FY or Financial Year	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws
FPI(s)	Foreign Portfolio Investors registered with SEBI under applicable laws
GAAP	Generally Accepted Accounting Principles
GAAR	General Anti-Avoidance Rules

Term	Description
GDP	Gross Domestic Product
Central Government / Government	The Government of India
GST	Goods and Services Tax
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IPC	Indian Penal Code, 1860
Ind AS	Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as notified under Rule 3 of Companies (Indian Accounting Standard) Rules, 2015
INR / Rs. / Rupees / ₹	Indian Rupees, the lawful currency of the Republic of India
IT Act	Income-tax Act, 1961 including its rules thereunder, as amended/ restated from time to time
NR	Non-Resident
NRI(s) or Non-Resident Indian(s)	Non-Resident Indian(s), as defined under the Foreign Exchange Management (Depository) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent Account Number
RBI	Reserve Bank of India
RoC	Registrar of Companies
RoCE	Return on Capital Employed
SCRA	Securities Contract (Regulation) Act, 1956 as amended/ restated from time to time
SCRR	Securities Contract (Regulation) Rules, 1957 as amended/ restated from time to time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, including its rules and regulations thereunder, as amended from time to time

Term	Description
SEBI Master Circular	SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, issued by SEBI and as amended from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI PIT Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
Stock Exchanges	NSE and BSE
USA	The United States of America
USD	United States Dollar

INDUSTRY RELATED TERMS

Term	Description
API	Active Pharmaceutical Ingredients
CRAMS	Contract Research and Manufacturing Services
CDMO	Contract Development and Manufacturing Organisation
PCPIRs	Petroleum, Chemicals & Petrochemicals Investment Regions
R&D	Research and Development
PLI	Production Linked Incentive
EUs REACH	European Union law on Registration, Evaluation, Authorisation and Restriction of Chemicals
SMEs	Small and Medium Enterprises
GMP	Good Manufacturing Practices
ICC	Indian Chemical Council
B2B	Business to Business
ICD/TKD	Inland Container Depot, Tughalakabad, New Delhi
MNC	Multi-National Corporations
SIIR	Shriram Institute of Industrial Research
QC	Quality Control
MT	Metric Tonnes
HPLC	High Performance Liquid Chromatography. It is technique for chemical analysis
GC	Gas Chromatography. It is a technique for chemical analysis

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

In this Information Memorandum, the terms “our Company”, “the Company” or “we” or “us” or “our”, unless the context otherwise indicates or implies, refers to DCM Shriram Fine Chemicals Limited and references to “you” are to the Eligible Shareholders, as the case may be, in the Equity Shares.

All references in this Information Memorandum to “India” are to the Republic of India and all references herein to the “Government”, “Central Government” or the “State Government” are to the Government of India, Central Government or State, as applicable.

Unless stated otherwise, all references to page numbers in this Information Memorandum are to the page numbers of this Information Memorandum.

Financial Data

Unless stated otherwise, the financial data pertaining to our Company in this Information Memorandum are presented in ₹ Crores and pertain to the Demerged Undertaking transferred to the Company pursuant to the Scheme of Arrangement effective December 17, 2025. Our financial data, including the audit reports, included in Information Memorandum, is derived from Restated Condensed Consolidated Financial Statements of the Company for the period ended September 30, 2025 and Restated Audited Consolidated Financial Statements of the Company for financial year 2024-25 (which also consists of comparative figures of financial year 2023-24), prepared in accordance with IND AS, duly audited and certified by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the Institute of Chartered Accountants of India, as required by ICDR Regulations.

Our Company’s Financial Year is a twelve-month period commencing on April 1 of a calendar year and ending on March 31 of the succeeding calendar year, and all references to a particular Financial Year shall be construed accordingly. Unless the context requires otherwise, all references to a ‘Year’ in this Information Memorandum are to a calendar year and references to a ‘Fiscal/ Financial Year’ are to the year ended on March 31, of that calendar year.

Our Company was incorporated on September 29, 2021 with our first financial year commencing on September 29, 2021 and ending on March 31, 2022.

Currency and Units of Presentation

Unless otherwise specified or the context otherwise requires, all references to:

- “INR”, “Rs. ”, “₹”, “Indian Rupees” and “Rupees” are to the legal currency of India;
- “US\$”, “USD”, “\$” and “U.S. Dollars” are to the legal currency of the United States of America

In this Information Memorandum, our Company has presented certain numerical information. All figures have been expressed in Crores, unless otherwise stated. One Crore represents ‘10 million’ or ‘100 lakhs’ or ₹1,00,00,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than crores, such figures appear in this Information Memorandum expressed in such denominations as provided in their respective sources.

Industry and Market Data

Unless stated otherwise, market data used throughout this Information Memorandum was obtained from internal Company reports and data, public websites and industry publications. Industry publication data and public website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured.

Although, we believe market data used in this Information Memorandum is reliable, it has not been independently verified. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. Such data involves risk, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the chapter

titled “*Risk Factors*” on page 25 of this Information Memorandum. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Information Memorandum is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

FORWARD LOOKING STATEMENTS

This Information Memorandum contains certain “forward-looking statements”. Certain statements contained in this Information Memorandum that are not statements of historical fact constitute forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “continue”, “can”, “could”, “estimate”, “expect”, “future”, “forecast”, “intend”, “likely to”, “may”, “objective”, “plan”, “potential”, “project”, “propose”, “pursue”, “seek to”, “shall”, “should”, “target”, “will”, “will continue”, “will pursue”, “would” or other words or phrases of similar import. Similarly, statements that describe our Company’s objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements may include planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Information Memorandum that are not historical facts.

These forward-looking statements contained in this Information Memorandum (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. This may be due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in the industry and incidence of any natural calamities and/or acts of violence. Important factors that could cause our actual results, performances and achievements to differ materially from any of the forward-looking statements include, among others:

- The introduction of newer products, alternative technologies and increasing regulatory requirements, particularly in relation to sustainability and environmental compliance, may render certain existing products less competitive or obsolete.
- Our future profitability and cash generation depend on the successful execution of our business strategy and our ability to deliver targeted operational and financial performance. If we fail to compete effectively on costs or are unable to implement our strategic initiatives within the anticipated timelines and budgets, our returns on investments may be adversely affected
- Disruptions to our supply chains and shortages of key raw materials, could adversely affect our operations
- Failure to strengthen product positioning and product differentiation may reduce demand.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the section “*Risk Factors*” on page 25 of this Information Memorandum.

Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as on the date of this Information Memorandum and are not a guarantee of future performance. These statements are based on the management’s belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements

based on these assumptions could be incorrect. Neither our Company, our Promoter, our Directors, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI/Stock Exchange requirements, our Company will ensure that investors are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

SECTION II – INFORMATION MEMORANDUM SUMMARY

This section is a summary of specific disclosures included in this Information Memorandum and is not exhaustive nor does it purport to contain a summary of all disclosures or details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Information Memorandum, including the sections titled “Risk Factors”, “Industry Overview”, “Outstanding Litigation and other Material Developments”, “Our Promoter and Promoter Group”, “Financial Information”, “Our Business” and “Main Provisions of the Articles of Association”. For additional information and further details with respect to any of the information summarised below, please refer to the relevant sections of this Information Memorandum. Unless otherwise stated, the financial information in this section is derived from the “Financial Information”.

Summary of Primary Business of Our Company

The main object of our Company is to carry on the business of production and sale of chemicals and their by products and to undertake contract manufacturing of chemical products. For further details, please see “Our Business” on page 68 of this Information Memorandum.

Summary of the Industry in which our Company operates

The global fine chemicals market, valued at approximately \$281 billion in 2024, is a high-value, low-volume sector driven by demand from pharmaceuticals, agrochemicals, and specialty applications. The Indian fine and specialty chemicals industry, a key growth driver for the nation, is rapidly expanding, with its market share projected to triple by 2040 amid global supply chain realignments. India is a significant global player, ranking as the sixth-largest in Asia. The fine and specialty chemicals segment is its strongest pillar and a major focus for future growth.

For further details, please see “Industry Overview” on page 63 of this Information Memorandum.

Our Promoters and Promoter Group

The Promoters of our Company are Mrs. Urvashi Tilakdhar, Mr. Akshay Dhar and Ms. Aditi Dhar. Details of our Promoter Group is tabulated below:

Name of Person/Entity	Category
Lala Bansi Dhar & Sons – Mr. Alok Bansidhar Shriram, Karta	Promoter Group
Mrs. Karuna Shriram	Promoter Group
Mrs. Suman Bansi Dhar	Promoter Group
Tilakdhar & Sons HUF- Mr. Akshay Dhar, Karta	Promoter Group
Mr. Alok Bansidhar Shriram	Promoter Group
Mr. Madhav Bansidhar Shriram	Promoter Group
Mr. Rudra Shriram	Promoter Group
Mr. Rohan Shriram	Promoter Group
Mrs. Divya Shriram	Promoter Group
Ms. Kanika Shriram	Promoter Group
Mr. Uday Shriram	Promoter Group
Akshay Foundation	Promoter Group
Mr. Sushil Kumar Jain	Promoter Group

Shareholding of our Promoters and Promoter Group

As on the date of this Information Memorandum, the shareholding of the Promoters and the Promoter Group are detailed below.

Name of Person/Entity	Category	No. of Equity Shares Held	% of Post Scheme Equity Share Capital
Mrs. Urvashi Tilakdhar	Promoter	58,89,611	6.77
Mr. Akshay Dhar	Promoter	12,74,060	1.46
Ms. Aditi Dhar	Promoter	12,71,313	1.46
Mr. Alok B Shriram	Promoter Group	23,88,944	2.75
Mr. Madhav B Shriram	Promoter Group	42,99,224	4.94
Mr. Rohan Shriram	Promoter Group	33,593	0.04
Lala Bansi Dhar & Sons- Mr. Alok Bansidhar Shriram, Karta	Promoter Group	1,20,28,267	13.83
Mrs. Karuna Shriram	Promoter Group	41,38,462	4.76
Ms. Kanika Shriram	Promoter Group	14,56,332	1.67
Mr. Rudra Shriram	Promoter Group	9,58,802	1.10
Mrs. Suman Bansi Dhar	Promoter Group	17,57,160	2.02
Tilakdhar & Sons HUF- Mr. Akshay Dhar, Karta	Promoter Group	5,08,158	0.59
Mrs. Divya Shriram	Promoter Group	36,47,854	4.19
Mr. Uday Shriram	Promoter Group	9,61,628	1.11
Akshay Foundation	Promoter Group	29,76,389	3.42
Mr. Sushil Kumar Jain	Promoter Group	318	0
Total		4,35,90,115	50.11

Promoters' shareholding in the Company is same as the Promoters' holding in the residual company as on the Record Date, that is, December 26, 2025.

Financial Information

The following information has been derived from Audited Financial Statements:

(in ₹ crore except earnings and net asset value per share)

Particulars	For the period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024
Share Capital	17.40	17.40	17.40
Net Worth	215.29	214.94	201.84
Revenue from Operations	195.52	429.37	412.88
Profit/ (loss) after tax	0.35	18.90	23.74
Earning per equity share (basic) (in ₹)	0.06	2.21	2.77
Earning per equity share (Diluted) (in ₹)	0.06	2.21	2.77
Net asset value per equity share (in ₹)	24.75	24.71	23.20
Total Borrowings	8.34	10.69	16.13

Notes:

(1) Net worth has been computed in terms of Regulation 2(1)(s) of the SEBI Listing Regulations read with section 2(57) of the Companies Act, 2013, which defines it as aggregate value of the paid up share capital and all reserves created out of profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write

back of depreciation and amalgamation. It also includes advance for share capital.

- (2) Basic and diluted earnings per Equity Share are calculated in accordance with the Indian Accounting Standard 33- Earnings per share, as prescribed under the Companies (Indian Accounting Standards) Rules, 2015
- (3) Net asset value per equity share is calculated as Net worth divided by the average number of equity shares outstanding during the year.

For further details, please see “Financial Information” on Page 109 of this Information Memorandum.

Auditor Qualifications or Adverse Remarks

There have been no qualifications or adverse remarks by our Statutory Auditors in the Financial Statements.

Summary of outstanding litigation

Prior to the Scheme becoming effective, our Company was a wholly-owned subsidiary of DCM Shriram Industries Limited. The main object of our Company is to carry on the business of production and sale of chemicals and their by-products and to undertake contract manufacturing of chemical products. Pursuant to the Scheme becoming effective on December 17, 2025, the Chemical business of DCM Shriram Industries Limited has been demerged into and has vested in our Company with effect from April 1, 2023 i.e., the Appointed Date.

A summary of pending criminal proceedings, taxation proceedings, actions taken by statutory or regulatory authorities and other material litigation proceedings involving the Chemical business transferred to the Company pursuant to the effectiveness of the Scheme, our Directors, our Promoters, Subsidiary, KMPs and Senior Management, as applicable, on the date of this Information Memorandum is set out below:

(₹ in crores)						
Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or legal proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material civil litigations	Aggregate amount involved (₹ in crore)
Company						
By Our Company	NIL	NIL	NIL	NIL	NIL	NIL
Against our Company	NIL	NIL	NIL	NIL	NIL	NIL
Directors						
By Our Directors	NIL	NIL	NIL	NIL	NIL	NIL
Against Our Directors	NIL	NIL	NIL	NIL	NIL	NIL
Promoters						
By Our Promoters	NIL	NIL	NIL	NIL	NIL	NIL
Against our Promoters	NIL	NIL	NIL	NIL	NIL	NIL
KMPs and members of Senior Management						
By our KMPs and members of Senior Management	NIL	NIL	NIL	NIL	NIL	NIL
Against our KMPs and members of Senior Management	NIL	NIL	NIL	NIL	NIL	NIL

Subsidiary						
By Our Subsidiary	NIL	NIL	NIL	NIL	NIL	NIL
Against our subsidiary	NIL	NIL	NIL	NIL	NIL	NIL

For the above purpose, we have considered reporting material items – (a) items valued more than 2% of the capital employed of the demerged undertaking or (b) where the monetary liability is not quantifiable, but the outcome of such proceeding may have material bearing on the business, operations, performance, prospects or reputation of the company

For further details, please see “*Outstanding Litigation and Material Developments*” on page 239 of this Information Memorandum.

Risk Factors

For details of the risks associated with our Company, please see “*Risk Factors*” on page 25 of this Information Memorandum.

Contingent Liabilities

The details of the contingent liabilities as per the Audited Financials of the Company (as per Ind AS 37 and Schedule III to the Companies Act, 2013) are set forth below:

Contingent Liabilities	(₹ in crores)		
	For the period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024
Indirect tax matters	0.15	0.15	0.15
Claims against the Company not acknowledged as debts (excluding claims by employees, where amount is not ascertainable)	3.26	3.09	2.79

Summary of related party transactions

The following are the details of the related party transactions for year ended March 2025 and for the period ended September 30, 2025, as per Ind AS 24 – Related Party Disclosures:

Nature of transaction	Name of the related party	Rs. in Crores		
		For the period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024
Purchases	DCM Shriram Industries Limited	15.35	31.08	29.43
Balances as at period end	DCM Shriram Industries Limited	4.85	4.9	5.35

The related party here is DCMSR of which the Company was earlier a wholly-owned subsidiary.

Financing Arrangements

There have been no financing arrangements whereby our Promoter, members of the Promoter Group, or our Directors and their relatives have financed the purchase by any other person of Equity Shares of the Company during a period of six months immediately preceding the date of this Information Memorandum.

Weighted average price at which the Equity Shares were acquired by our Promoters in the one year preceding the date of this Information Memorandum

Other than the shares allotted pursuant to the Scheme, our Promoters have not acquired any Equity Share in the one year preceding the date of this Information Memorandum. Accordingly, the weighted average price at which Equity Shares were acquired by our Promoters in the one year preceding the date of this Information Memorandum is not applicable.

Price at which Equity Shares were acquired by the Promoters, members of Promoter Group and other shareholders with right to nominate directors or any other rights in the last three years

Other than the shares allotted pursuant to the Scheme, no equity shares have been acquired by the Promoters, Further there are no shareholders with the right to nominate directors or any other rights. Members of the Promoter Group and other shareholders with right to nominate directors or any other rights in the last three years.

Average cost of acquisition

The average cost of acquisition per Equity Share acquired by our Promoters is not applicable, as the Equity Shares were allotted pursuant to the Scheme of Arrangement.

Issue of equity shares for consideration other than cash in the last one year

Other than the Equity Shares allotted pursuant to the Scheme of Arrangement, as disclosed in “*Capital Structure*” on page 34 of this Information Memorandum, the Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Information Memorandum.

Spilt or consolidation

Our Company has not undertaken split or consolidation of the Equity Shares in the one year preceding the date of this Information Memorandum.

Exemption under securities law

The Company has been granted relaxation from the (i) application of Rule 19(2)(b) of the SCRR by the SEBI vide the letter no. I/3842/2026 dated February 02, 2026.

SECTION III – RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all the information in this Information Memorandum, including the risks and uncertainties described below.

The risks described below are not exhaustive and are not the only ones relevant to us or our Equity Shares, the industry in which we operate or to India. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our Company's business, results of operations and financial condition could suffer, the price of the Equity Shares could decline, and all or part of your investment may be lost. Unless otherwise stated our Company is not in a position to specify or quantify the financial or other risks mentioned herein. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Industry Overview", "Our Business", "Audited Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 63, 68, 109 and 218 respectively, as well as the other financial and statistical information contained in this Information Memorandum.

The risk factors detailed below pertain to our Chemical business which was transferred to the Company pursuant to the Scheme of Arrangement effective December 17, 2025.

This Information Memorandum also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Information Memorandum. For details, see "Forward Looking Statements" on page 18 of this Information Memorandum.

Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below.

RISKS RELATING TO OUR COMPANY'S BUSINESS

INTERNAL RISK FACTORS

1. Our ability to achieve business and strategic objectives is critical to sustaining profitability and returns

Our future profitability and cash generation depend on the successful execution of our business strategy and our ability to deliver targeted operational and financial performance. If we fail to compete effectively on costs or are unable to implement our strategic initiatives within the anticipated timelines and budgets, our returns on investments may be adversely affected.

While we seek to maintain and strengthen our market position, continued aggressive pricing by competitors, superior operational efficiencies by peers, or delays in achieving strategic milestones may result in erosion of margins, loss of market share and an adverse impact on our business, results of operations and financial condition.

2. Our long-term growth depends on timely innovation and our ability to respond to evolving customer requirements

The fine chemical industry is subject to rapid technological evolution and changing customer preferences, leading to risks of product obsolescence. The introduction of newer products, alternative technologies and increasing regulatory requirements, particularly in relation to sustainability and environmental compliance, may render certain existing products less competitive or obsolete. Some of our pharmaceutical intermediates are currently at mature stages of their product life cycles.

Our ability to mitigate these risks depends on sustained investments in research and development, proactive product lifecycle management, continuous expansion of our product portfolio and investments in modern manufacturing infrastructure. Failure to adapt in a timely manner may adversely affect our competitive position, revenue growth and profitability.

3. Disruptions in our supply chain or shortages of key raw materials could adversely affect our operations

Our operations are dependent on the timely and cost-effective availability of raw materials, intermediates and components, a significant portion of which are imported, particularly from China. This exposes us to risks related to geopolitical tensions, trade restrictions, tariffs, supply chain disruptions and global logistics challenges, including port congestion and transportation bottlenecks.

For certain inputs, we rely on single-source suppliers or smaller enterprises with higher insolvency risk. Additionally, volatility in the prices of crude oil and natural gas may lead to unpredictability in production costs and profit margins.

Any prolonged disruption, shortage or significant cost escalation in raw materials could negatively impact production schedules, operating efficiency, customer satisfaction and business reputation, thereby adversely affecting our results of operations and financial condition.

4. Failure to strengthen product positioning and product differentiation may reduce demand

The chemical sector is characterised by intense competition and continuous capacity additions by both existing and new market participants. Our ability to maintain and grow market share depends on effective product positioning, product performance, customer engagement and sustained investments in innovation and marketing.

External factors, including tariff wars, pricing pressures from global suppliers and oversupply situations, particularly arising from China-linked trade dynamics, may negatively impact demand and pricing realisation. Any inability to adequately promote and differentiate our products or to adapt to evolving customer expectations may adversely affect our revenues and profitability.

5. Information technology and cybersecurity risks may disrupt operations and compromise data integrity

Our operations rely extensively on information technology systems for manufacturing control, supply chain management, design processes and data management. Any failure, malfunction, cyberattack or system breach could result in operational disruptions, loss of confidential information, safety risks and regulatory non-compliance.

IT-related risks may impact us through:

- Strategic risks including theft of proprietary technology or trade secrets;
- Operational risks such as system downtime and production interruptions;
- Financial risks arising from penalties, remediation costs and regulatory sanctions; and
- Reputational risks resulting from data breaches or service disruptions.

While we have implemented data governance frameworks and cybersecurity protocols, there can be no assurance that such measures will prevent all future IT-related incidents.

6. Inability to attract, retain and develop skilled manpower may impact productivity and compliance

The chemical industry requires specialised technical expertise and is facing challenges due to an ageing workforce, declining enrolment in STEM disciplines and limited availability of skilled professionals, particularly in remote manufacturing locations. Any inability to attract and retain qualified personnel may impact operational efficiency, innovation and regulatory compliance.

Labour unrest, skill shortages or lack of engagement among employees could disrupt operations and negatively affect business continuity and financial performance. We seek to mitigate these risks through talent development initiatives, competitive compensation structures, inclusive workplace policies and continuous training programs. However, there can be no assurance that these measures will be sufficient to address all workforce-related challenges.

7. Liquidity constraints and adverse changes in credit ratings may impact financial flexibility

We are exposed to liquidity risks arising from high working capital requirements, volatile raw material prices and dependence on external funding sources. Any downgrade in our credit rating could lead to increased borrowing costs, reduced access to credit facilities and more restrictive lending terms.

Debt-funded acquisitions may further increase leverage levels, potentially triggering rating downgrades and exacerbating liquidity pressures. Failure to maintain adequate cash flows to meet operational and capital expenditure requirements may adversely affect our business operations and growth plans.

To mitigate these risks, we monitor key financial ratios, diversify funding sources and maintain prudent capital allocation strategies. However, there can be no assurance that our efforts will fully offset liquidity-related risks.

8. Pending or future legal proceedings may adversely affect our operations and reputation

We, along with our subsidiary, promoters, directors and key managerial personnel, may be subject to legal proceedings arising in the ordinary course of business. Such proceedings, irrespective of outcome, may consume significant management time, incur financial liabilities and adversely affect our reputation.

Unfavourable outcomes may result in financial penalties, operational restrictions or reputational damage, which could materially impact our business, financial condition and results of operations.

A summary of outstanding litigation against our Company, Subsidiary, Promoters, Directors, KMP and Senior Management Personnel are as follows:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or legal proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material civil litigations	Aggregate amount involved (₹ in crore)
Company						
By Our Company	NIL	NIL	NIL	NIL	NIL	NIL
Against our Company	NIL	NIL	NIL	NIL	NIL	NIL
Directors						
By Our Directors	NIL	NIL	NIL	NIL	NIL	NIL
Against Our Directors	NIL	NIL	NIL	NIL	NIL	NIL
Promoter						
By Our Promoters	NIL	NIL	NIL	NIL	NIL	NIL
Against our Promoters	NIL	NIL	NIL	NIL	NIL	NIL
KMPs and members of Senior Management						
By our KMPs and members of senior management	NIL	NIL	NIL	NIL	NIL	NIL
Against our KMPs and members of Senior Management	NIL	NIL	NIL	NIL	NIL	NIL
Subsidiary						
By Our Subsidiary	NIL	NIL	NIL	NIL	NIL	NIL
Against our Subsidiary	NIL	NIL	NIL	NIL	NIL	NIL

Note: Litigations involving the Company include litigations related to the Chemical Business that have been transferred to the Company pursuant to the Scheme of Arrangement effective December 17, 2025.

For the above purpose, we have considered reporting material items – (a) items valued more than 2% of the capital employed of the demerged undertaking or (b) where the monetary liability is not quantifiable, but the outcome of such proceeding may have material bearing on the business, operations, performance, prospects or reputation of the company.

9. Risks associated with mergers, acquisitions and divestments may affect performance

We may pursue inorganic growth opportunities through mergers, acquisitions, joint ventures or divestments. Such transactions entail risks related to valuation, integration challenges, cultural alignment, regulatory approvals and realisation of anticipated synergies.

Integration or separation activities may divert management attention, increase costs and create operational inefficiencies. There is no assurance that such strategic initiatives will achieve their intended objectives or generate expected returns.

EXTERNAL RISK FACTORS

1. Macroeconomic, geopolitical and policy changes may reduce demand for our products

Our business performance is influenced by macroeconomic conditions, geopolitical developments, global trade dynamics and changes in government policies. Economic slowdowns, shifts in consumer confidence and changes in interest rates may reduce demand from key end-user industries such as pharmaceuticals, agriculture and automotive sectors.

Geopolitical instability, trade restrictions and changes in incentive structures may disrupt supply chains, alter market access and impact pricing dynamics. Such factors may adversely affect demand, profitability and long-term growth prospects.

2. Force majeure events may significantly disrupt operations

Events such as natural disasters, fires, pandemics, terrorist attacks, civil unrest or armed conflicts can result in damage to manufacturing facilities, disruption of supply chains and operational downtime. Given the hazardous nature of materials handled in the chemical industry, such events may lead to environmental damage, safety incidents and regulatory penalties.

These disruptions may result in loss of production, increased costs, reduced revenues and liability exposure, materially affecting our business and financial condition.

3. Compliance burden as a listed company may strain resources

Upon listing, we will be subject to enhanced regulatory scrutiny and compliance requirements under the SEBI Listing Regulations. This will entail increased legal, accounting, governance and reporting obligations, requiring significant management time and financial resources.

Any failure to comply with these requirements in a timely manner may expose us to penalties and reputational damage and may divert management focus from core business operations.

4. Absence of prior trading history may result in volatility of Equity Share price

There is no prior trading history for our Equity Shares, and their market price may be volatile following listing. The trading price may be influenced by factors beyond our control, including market conditions, investor sentiment, economic developments and overall stock market trends.

There can be no assurance that an active or stable trading market will develop or be sustained for Equity Shares.

SECTION IV: INTRODUCTION

GENERAL INFORMATION

DCM Shriram Fine Chemicals Limited was incorporated on September 29, 2021 as a public limited company under the provisions of the Companies Act, 2013, and a certificate of incorporation dated September 30, 2021 was issued by Registrar of Companies, Central Registration Centre, Manesar. For further details, see the chapter titled “*History and Certain Corporate Matters*” on page 82 of this Information Memorandum.

Registered and Corporate Office of our Company:

The address of our Registered Office and Corporate Office are as follows:

6th Floor, Kanchenjunga Building

18 Barakhamba Road, New Delhi – 110001, India

Tel: +91 (011) 43207700

Company Registration Number and Corporate Identity Number (CIN):

The Registration Number and CIN of our Company are as follows:

- a. **Registration Number:** 387429
- b. **CIN:** U24296DL2021PLC387429

Registrar of Companies

Our Company is registered with the Registrar of Companies, Delhi & Haryana which is situated at following address:

Registrar of Companies, Delhi & Haryana

4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019, India

Board of Directors

The Board of Directors of our Company as on the date of this Information Memorandum are as under:

S. No.	Name	Designation	DIN	Address
1.	Mrs. Urvashi Tilakdhar	Senior Managing Director	00294265	27-A, Sardar Patel Marg, Chanakyapuri, New Delhi – 110021
2.	Mr. Akshay Dhar	Managing Director	01078392	27-A, Sardar Patel Marg, Chanakyapuri, New Delhi – 110021
3.	Dr. Sandeep Bajaj	Director- Business Development	11362256	E-22, Pallavpuram, Phase-1, Modipuram, Meeuut-250110, U.P.
4.	Mr. Siddhartha Mukjherjee	Independent Director	11385631	B-5/51, 2nd Floor, Safdarjung Enclave, New Delhi – 110029
5.	Ms. Rama Sanjay Kirloskar	Independent Director	07474724	Plot No. 22/23, Pallod Farms, Sr. No. 270, Baner Road, Opp Mauli Petrol Pump, Pune – 411045,

				Maharashtra
6.	Mr. Venkata Rama Subbu Behara	Independent Director	00289721	1/23, Shantiniketan, Tyabji House, Delhi – 110021
7.	Mr. Vijay Anand	Independent Director	06431219	Flat No. 303, Salarpuria Paradise, 31 Aga Abbas Ali Road, Ulsoor, Bengaluru – 560042, Karnataka
8.	Mr. Rohit Bhandari	Independent Director	11389548	The World Spa East, Apartment No. A2-1401, Sector 30, Gurgaon - 122001, Haryana
9.	Ms. Aditi Dhar	Non-Executive, Non Independent Director	10844764	1509, Crawford Building, 112, Whitechapel High Street Station, Aldgate East, London, United Kingdom

For further details, see the section titled “*Our Management*” on page 86 of this Information Memorandum.

Company Secretary and Compliance Officer & Legal Advisor

Ms. Kokila Arora

DCM Shriram Fine Chemicals Limited
6th Floor, Kanchenjunga Building
18 Barakhamba Road, New Delhi – 110001, India
Tel No.: +91 -11- 43207700
Email: kokilaarora@dsfcl.com
Website: <https://dsfcl.com>

Registrar and Share Transfer Agent

KFin Technologies Limited

Selenium Building, Tower-B,
Plot No 31 & 32, Financial District, Nanakramguda,
Hyderabad - 500 032, Telangana, India
Tel: 040-7961 1000 and 1800 309 4001 (toll free)
Email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: Mr. S. R. Ramesh
SEBI Registration No. INR000000221

Statutory Auditors

Kirtane & Pandit LLP, Chartered Accountants

272, Rajdhani Enclave,
Pitampura, Delhi- 110034, India
Tel No.: +91 9911814171
Email: kpcadelhi@kirtanepandit.com
Website: www.kirtanepandit.com
Firm registration number: 105215W/W100057
Peer review number: 022443

Bankers to the Company

Axis Bank Limited

Statesman House, Barakhamba Road, New Delhi – 110001. Tel No. +91 958280007. Email: customer.service@axisbank.com

Change in Auditors

On incorporation, M/s. Agarwal Nikhil & Co. Chartered Accountants (Registration No: 017613N), Noida was appointed as First Auditors to hold office till the conclusion of First Annual General Meeting.

Pursuant to Section 139 of the Companies Act, 2013, in the First Annual General Meeting, M/s S.C. Kwatra & Co., Chartered Accountants (Firm Registration No. 004232N), was appointed as Auditors of the Company, to hold office for a period of five years from the conclusion of First Annual General Meeting till the conclusion of the Sixth Annual General Meeting to be held in the year 2027.

In May, 2025, M/s. S.C. Kwatra & Co. expressed inability to continue as Statutory on the ground of health issues of one of the two Partners of the firm. Consequently, M/s. S.C. Kwatra & Co., Chartered Accountants, resigned from the position of Statutory Auditors (effective from close of business hours of 29.05.2025), causing a causal vacancy in the office of Statutory Auditors of the Company as envisaged under Section 139(8)(i) of the Companies Act, 2013. In the Fourth Annual General Meeting held on July 11, 2025, M/s. Kirtane & Pandit, Chartered Accountants LLP (FRN:105215W/W100057), was appointed as Statutory Auditors to hold the office from 30.05.2025 till the conclusion of the 9th AGM to be held in the year 2030.

These changes are tabulated below:

Name of Auditor/ Audit Firm	Address	Email ID	Peer Review No.	Firm Registration Number	Reason for change
M/s. Agarwal Nikhil & Co. Chartered Accountants	787, RWA Marg, Arun Vihar, Sector 37, Noida, U.P.	nikhil@ancca.com	-	017613N	Appointed as First Auditors pursuant to Section 139(6) of the Companies Act, 2013
M/s. S.C. Kwatra & Co., Chartered Accountants	303-A, SASCO Bhawan, Azadpur Commercial Complex, Delhi – 110033	mmk@kwatra.in	-	004232N	Appointed as Auditors of the Company to hold office for a period of five years from the conclusion of First Annual General Meeting till the conclusion of the Sixth Annual General Meeting to be held in the year 2027. In May, 2025, M/s. S.C. Kwatra & Co. expressed inability to continue as Statutory on the ground of health issues of one of the two Partners of the firm
M/s. Kirtane & Pandit, Chartered Accountants LLP	272, Rajdhani Enclave, Pitampura, Delhi – 110034	kpcadelhi@kirtanepandit.com	022443	105215W/W100057	Not applicable

Filing

A copy of the Information Memorandum is being filed with NSE and BSE.

Authority for Listing

The NCLT New Delhi bench, through its Order dated November 21, 2025, has sanctioned the Scheme with respect to the transfer of the Demerged Undertaking of the Transferor Company to our Company. In accordance with the Scheme, the Equity Shares of our Company issued pursuant to the Scheme shall be listed and admitted to trading on the Stock Exchanges. Such admission and listing of the Equity Shares of our Company is not automatic and will be subject to fulfilment of the respective listing criteria of the BSE and NSE and also subject to such other terms and conditions as may be prescribed by the Stock Exchanges at the time of the application made by our Company to the Stock Exchanges for seeking approval for listing.

Eligibility Criteria

There being no initial public offering or rights issue, the eligibility criteria prescribed under the SEBI ICDR Regulations are not applicable. However, SEBI vide its letter number I/3842/2026 dated February 02, 2026 granted relaxation of Rule 19(2)(b) of the SCRR to our Company pursuant to an application made by our Company to SEBI under sub-rule (7) of Rule 19 of the SCRR as per the SEBI Master Circular. Our Company has submitted this Information Memorandum, containing information about our Company, making disclosures in line with the disclosure requirement for public issues, as applicable, to NSE and BSE and the Information Memorandum shall be made available to public through the respective websites of the Stock Exchanges at www.nseindia.com and www.bseindia.com.

The Information Memorandum shall also be made available on our Company's website at <https://dsfcl.com>. Our Company shall also publish an advertisement in the newspapers containing the details in terms of Part II (A)(5) of the SEBI Schemes Master Circular. The advertisement shall draw specific reference to the availability of the Information Memorandum on our Company's website.

General Disclaimer from our Company

The Company accepts no responsibility for statements made otherwise than in this Information Memorandum, or otherwise than in the advertisements published by the Company in terms of Annexure I Para II (A)(5) of the SEBI Schemes Master Circular or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by the Company to the public at large and no selective or additional information would be available for a section of the investors in any manner.

CAPITAL STRUCTURE

The capital structure of our Company, as of the date of this Information Memorandum is set forth below:

A. Equity Share Capital of our Company prior to the Scheme of Arrangement:

	Particulars	Amount (in ₹)
A	Authorised Share Capital	
	12,50,00,000 Equity Shares of face value of ₹ 2/- each	25,00,00,000
	Total	25,00,00,000
B	Issued, Subscribed and Paid-up Capital	
	10,00,00,000 Equity shares of face value of ₹ 2/- each	20,00,00,000
	Total	20,00,00,000

B. Share Capital of our Company post effectiveness of the Scheme and as on the date of filing of this Information Memorandum:

	Particulars	Amount (in ₹)
A	Authorised Share Capital	
	20,26,25,000 Equity Shares of ₹ 2/- each	40,52,50,000
	Total	40,52,50,000
B	Issued, Subscribed and Paid-up Capital	
	8,69,92,185 Equity Shares of ₹ 2/- each	17,39,84,370
	Total	17,39,84,370

NOTES TO CAPITAL STRUCTURE

1. Share Capital history of our Company

Date of Allotment of Equity Shares	Nature of Allotment	Nature of Consideration	No. of Equity Shares	Face Value (in ₹)	Issue Price (in ₹)	Cumulative no. of Equity Shares	Cumulative Paid-up Equity Share Capital (in ₹)	Name of Allottees
September 29, 2021	Subscription to the Memorandum of Association	Cash	50,000	2	2	50,000	1,00,000	Allotment of 50,000 equity shares of ₹2 each fully paid-up to DCM Shriram Industries Limited including 6 equity shares held by individual shareholders jointly with DCM Shriram Industries Limited
September 29, 2022	Allotment of additional shares	Cash	9,99,50,000	2	2	10,00,00,000	10,00,00,000	Allotment of 9,99,50,000 equity shares of ₹2 each fully paid-up to DCM Shriram Industries Limited including 6 equity shares held by individual shareholders jointly with DCM Shriram Industries Limited
31.12.2025	Cancellation of initial share capital pursuant to Scheme of Arrangement	N.A.	(10,00,00,000)	2	N.A.	0	0	Pursuant to Scheme of Arrangement
31.12.2025	Allotment of Equity shares to the eligible shareholders pursuant to the Scheme of Arrangement	-	8,69,92,185	2	2	8,69,92,185	17,39,84,370	Allotment of 8,69,92,185 Equity Shares of ₹2 each fully paid-up to the shareholders of DCM Shriram Industries Limited whose name is recorded in the register of members and records of the depository as members of DCM Shriram Industries Limited as on December 26, 2025 record date fixed pursuant to the scheme of arrangement.

(b) Preference Share Capital

Our Company does not have any preference shares issued on the date of this Information Memorandum.

2. Shares issued pursuant to the Scheme of Arrangement approved under Sections 230 to 232 of the Companies Act, 2013

The NCLT New Delhi bench, through its Sanction Order dated November 21, 2025, has sanctioned the Scheme with respect to the transfer of the Demerged Undertaking of Transferor company to our Company. Pursuant to the Scheme, our Company has issued and allotted 8,69,92,185 Equity Shares of face value of ₹ 2 each fully paid-up to the shareholders of DCM Shriram Industries Limited, as on the Record Date i.e. December 26, 2025.

3. Offer of shares for consideration other than cash or by way of bonus issue or out of revaluation reserves

- Our Company has not issued any Equity Shares out of its revaluation reserves since its incorporation.
- Except as stated in paragraph 2 above, our Company has not issued any Equity Shares for consideration other than cash, as on the date of this Information Memorandum. Our Company has not issued any bonus shares, as on the date of this Information Memorandum.

4. Shareholding Pattern of our Company prior and post Scheme of Arrangement

- A. The Shareholding pattern of the Company, prior to the Scheme and allotment of equity shares, under the Scheme, is as under (based on shareholding pattern dated 16th December, 2025):

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares			Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	Sub-categorization of shares					
								No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	Shareholding (No. of shares) under							
								Class X	Class Y								Total		Sub category (i)	Sub category (ii)	Subcategory (iii)			
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)			(XIII)		(XIV)						
(A)	Promoter & Promoter Group	7*	10,00,00,000	0	0	10,00,00,000	100.00	10,00,00,000	0	10,00,00,000	100	0	100	100.00	0	0	0	0	0	9,99,99,999	0	0	0	
(B)	Public	0	0	0	0	0	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
(C)	Non Promoter-Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held by Employees Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total:	7*	10,00,00,000	0	0	10,00,00,000	100.00	10,00,00,000	0	10,00,00,000	100	0	100.00	0	0	0	0	0.00	0	9,99,99,999	0	0	0	

* In addition to DCM Shriram Industries Limited, 6 equity shares are held jointly by 6 individual shareholders jointly with DCM Shriram Industries Limited

B. The Shareholding pattern of the Company, post the Scheme and allotment of equity shares, under the Scheme, is as under (based on shareholding pattern dated January 02, 2026)

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C 2))	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding and in convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	Sub-categorization of shares			
								No of Voting Rights					Total as a % of (A+B+C)	No.	As a % of total Shares held	No.		As a % of total Shares held	Shareholding (No. of shares) under		
								Class X	Class Y	Total									Sub category (i)	Sub category (ii)	Sub category (iii)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(IX)			(X)	(XI)	(XII)		(XIII)	(XIV)						
(A)	Promoter & Promoter Group	16	4,35,90,115	0	0	4,35,90,115	50.11	4,35,90,115	0	4,35,90,115	50.11	0	0.00	0	0.00	4,35,90,115	0	0	0		
(B)	Public	57006	4,34,02,070	0	0	4,34,02,070	49.89	4,34,02,070	0	4,34,02,070	49.89	0	0.00	0	0	4,23,37,625	4036025	0	0		
(C)	Non Promoter-Non Public	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0		
(C 1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0.00	0	0	0.00	NA	NA	0	0	0	0		
(C 2)	Shares held by Employees Trusts	0	0	0	0	0	0.00	0	0	0.00	0	0	0.00	0	0	0	0	0	0		
	Total:	57022	86992185	0	0	86992185	100.00	86992185	0	86992185	100.00	0	0.00	0	0.00	85927740	4036025	0	0		

C. Details of the major Shareholders of our Company (i) holding 1% or more of the paid-up Share Capital of the Company; and (ii) aggregating 80% of the equity share capital as on the date of this Information Memorandum:

S. No	Name of Shareholder	No. of Equity Shares	% Shareholding
1	LALA BANSI DHAR & SONS	12028267	13.83
2	URVASHI TILAK DHAR	5889611	6.77
3	MADHAV B SHRIRAM	4299224	4.94
4	KARUNA SHRIRAM	4138462	4.76
5	LIFE INSURANCE CORPORATION OF INDIA	4036025	4.64
6	DIVYA SHRIRAM	3647419	4.19
7	H B PORTFOLIO LIMITED	3350001	3.85
8	AKSHAY FOUNDATION	2976389	3.42
9	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	2946484	3.39
10	ABAKKUS EMERGING OPPORTUNITIES FUND-1	2490000	2.86
11	ALOK B. SHRIRAM	2388944	2.75
12	SUMAN BANSI DHAR	1757160	2.02
13	KANIKA SHRIRAM	1456332	1.67
14	AKSHAY DHAR	1273560	1.46
15	ADITI DHAR	1270813	1.46
16	UDAY SHRIRAM	961628	1.11
17	RUDRA SHRIRAM	958802	1.10
18	NEGEN UNDISCOVERED VALUE FUND	836025	0.96
19	ASIAN MARKETS SECURITIES PVT LTD.	752500	0.87
20	TILAK DHAR & SONS	508158	0.58
21	BHAVESH DHIRESHBHAI SHAH	439415	0.51
22	ACADIAN EMERGING MARKETS SMALL CAP EQUITY FUND, LLC	429585	0.49
23	YR INVESTMENT OPPORTUNITIES FUND	345512	0.40
24	ARVINDKUMAR J SANCHETI HUF	330842	0.38
25	VIJAY KUMAR REDDY VEERAMREDDY	240127	0.28
26	SHALINI VIKAS MAHESHWARI	233112	0.27
27	ASHA KAILASH BIYANI	221250	0.25
28	RADHIKA BHANDARI	217637	0.25
29	URVIJA BHAVESHBHAI SHAH	189000	0.22
30	ACADIAN EMERGING MARKETS MICRO-CAP EQUITY MASTER FUND	182079	0.21
31	ASHISH CHUGH .	160557	0.18
32	NARENDER KUMAR ARORA	155954	0.18
33	VISHAL SINGHANIA	145000	0.17

S. No	Name of Shareholder	No. of Equity Shares	% Shareholding
34	KALYANI P JAIN	141760	0.16
35	D NAVEEN REDDY	138349	0.16
36	POONAM ARORA	137083	0.16
37	EMERGING MARKETS CORE EQUITY 2 PORTFOLIO OF DFA INVESTMENT DIMENSIONS GROUP INC.	134379	0.15
38	TARUN RADHAKRISHIN TAHILIANI	134204	0.15
39	RAHUL SONI	128865	0.15
40	VINOD HARDATTARAI BIYANI	125000	0.14
41	SANTRADEVI HARDATTRAJ BIYANI	125000	0.14
42	MAHENDRA GIRDHARILAL	118346	0.14
43	GALAXY STOCKS AND SECURITIES LIMITED	115533	0.13
44	VIKABH SECURITIES PVT.LTD.	110000	0.13
45	RAMAKANT R KASAT	101850	0.12
46	MUKESH SHARMA FAMILY TRUST	100000	0.11
47	VIJAY MOHAN	100000	0.11
48	SAKET AGARWAL	100000	0.11
49	UMA VASUKI RAVI SOMESWARA SWAMY SRIPADA	100000	0.11
50	ARVINDKUMAR SANCHETI	96353	0.11
51	VIKAS MAHESHWARI	94714	0.11
52	MUKESH SHARMA	91929	0.11
53	RAJASTHAN GLOBAL SECURITIES PRIVATE LIMITED	88003	0.10
54	ISHA SECURITIES LIMITED	83540	0.10
55	Lalit Bhasin	75000	0.09
56	TARA CHAND JAIN	71670	0.08
57	KAKARALA RAJENDRA VARA PRASADA RAO HUF	67235	0.08
58	Sunita Subodh Shinkar	65000	0.07
59	SUSHANT BANSAL	62530	0.07
60	SRI NARAYAN MERCANTILES PVT LTD	62157	0.07
61	MADHU ARORA	61955	0.07
62	RENU GUPTA	61230	0.07
63	SONAL DEEPAK SHAH	60500	0.07
64	GAURAV SUD	60000	0.07
65	EDELCP SECURITIES LIMITED	60000	0.07
66	BUDGE BUDGE REFINERIES	60000	0.07
67	TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS - ACADIAN ASSET MANAGEMENT LLC - EM SMALL CAP	57535	0.07
68	MANISHA KRISHNA	57000	0.07
69	KULDIP SINGH RATHEE	56833	0.07
70	DIMENSIONAL EMERGING MARKETS CORE EQUITY 2 ETF OF DIMENSIONAL ETF TRUST	55583	0.06
71	TARA CHAND JAIN	53738	0.06
72	MEGHA SINGHANIA	51000	0.06

S. No	Name of Shareholder	No. of Equity Shares	% Shareholding
73	ACADIAN EMERGING MARKETS EQUITY II FUND,LLC	50189	0.06
74	YOGESHBHAI GHUSABHAI VIRADIYA	50000	0.06
75	DEVARSONS INDUSTRIES PRIVATE LIMITED	50000	0.06
76	SAURABH SHRIVASTAVA	50000	0.06
77	LUNAR COMMERCIALS PRIVATE LIMITED	50000	0.06
78	NISHANTH RAVICHANDRAN	50000	0.06
79	SACHIN AGARWAL	50000	0.06
80	WALLFORT FINANCIAL SERVICES LTD	50000	0.06
81	NEO APEX VENTURE LLP	49997	0.06
82	AMAN GUPTA	49820	0.06
83	VISHAL SANJAY SURANA	49618	0.06
84	PANKAJ YADAV	48456	0.06
85	MILI CONSULTANTS & INVESTMENT PVT. LTD.	48199	0.06
86	TARADEVI MUKTILAL PALDIWAL	48098	0.06
87	S KRISHNA	48000	0.06
88	AMARJIT SINGH SUDAN	47080	0.05
89	MANGAL BABULAL JAIN	46500	0.05
90	GAYLORD SALES PRIVATE LIMITED	46000	0.05
91	NARENDER KUMAR ARORA	43994	0.05
92	MAHENDRA KUMAR BACHHAWAT	43800	0.05
93	KASHISH BABULAL JAIN	43000	0.05
94	KANWALJEET KAUR	42003	0.05
95	ASHOK SHANUBHAI PATEL	41630	0.05
96	PRADEEP HARI THAKUR	41445	0.05
97	BHAVESH DHIRESHBHAI SHAH	40780	0.05
98	ANDREW EDWARD GRACIAS	40000	0.05
99	VLS FINANCE LTD	39000	0.04
100	ANDREW GRACIAS	37750	0.04
101	ROHAN DIPAK RANDERY	37500	0.04
102	SHAH CHIRANJIV BHAVESH	37500	0.04
103	SOBHA RANI SURYADEVARA	36900	0.04
104	BUMA-UNIVERSAL-FONDS I	36011	0.04
105	SQUARICLE INNOVATIONS PRIVATE LIMITED	36000	0.04
106	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	35291	0.04
107	VARSHA BHAVESH SHAH	35180	0.04
108	SANDEEP DIPAK RANDERY	35000	0.04
109	SRI NARAYAN MERCANTILES PRIVATE LIMITED	35000	0.04
110	JAYA ANILKUMAR ASHER	34535	0.04
111	PRAKASH SURAJMAL JAIN	34510	0.04
112	VASANT SHAMJI KENIA	33992	0.04
113	RISHI ARORA	33750	0.04
114	ROHAN SHRIRAM	33593	0.04

S. No	Name of Shareholder	No. of Equity Shares	% Shareholding
115	ACADIAN EMERGING MARKETS EQUITY UCITS	33177	0.04
116	AVS EQUINVEST LLP	33168	0.04
117	JAYANTI SINGH	33134	0.04
118	VARDHMAN ARVIND SANCHETI	33086	0.04
119	SARITA ARVIND SANCHETI	33050	0.04
120	AVS EQUISERVE LLP	33000	0.04
121	PRAKASH SURAJMAL JAIN	32960	0.04
122	PHYTO LIFE SCIENCES PRIVATE LIMITED	31270	0.04
123	DHYAN CHINNAPPA	31174	0.04
124	JAYESH KANTILAL SUCHAK	31001	0.04
125	BERZELIUS CHEMICALS PRIVATE LIMITED	31000	0.04
126	ACADIAN ACWI EX US SMALL-CAP FUND LLC	30123	0.03
127	MANISH PAL ARORA	30075	0.03
128	SRI NARAYAN MERCANTILES PVT LTD	30000	0.03
129	SUPRIYA RAMAMURTHY	30000	0.03
130	KAKARALA RAJENDRA VARA PRASADA RAO	30000	0.03
131	SANDEEP RAVINDRA SHAH	30000	0.03
132	A.S.VENKHATARAMANI (HUF)	30000	0.03
133	ASHISH DUBEY	30000	0.03
134	JEEWAN JYOTI BHAGAT .	30000	0.03
135	ARCHANA SONI	29368	0.03
136	Jai Maa Vinimay Pvt. Ltd.	29161	0.03
137	AJAY GIRDHARILAL BHARTIYA	29000	0.03
138	ADEPU SHIVA KUMAR	29000	0.03
139	PRITI TRIVEDI	28000	0.03
140	ARCHANA SONI	27650	0.03
141	KAMLA DEVI MUNDHRA	27500	0.03
142	DINESH BALSINGH	27170	0.03
143	MEGA TELEMATICS	27148	0.03
144	SUMAN GANDHI	27000	0.03
145	EDIBLE AGRO PRODUCTS LIMITED	26745	0.03
146	BABULAL MOHANRAJ JAIN	26500	0.03
147	KSHITIJ SINGH	26000	0.03
148	RANI BANSAL	25950	0.03
149	VENKATA RAMANI ADEPU	25464	0.03
150	VIJAY SURESH PARIKH	25315	0.03
151	AMERICAN CENTURY ETF TRUST-AVANTIS EMERGING MARKETS EQUITY ETF	25127	0.03
152	LAL TOLANI	25000	0.03
153	MVD APPAREL LLP	25000	0.03
154	MRS NEETA AJAY KAMRA	25000	0.03
155	DILIP KUMAR KHANDELWAL	25000	0.03
156	KAKU PRADEEP NAKHATE	25000	0.03

S. No	Name of Shareholder	No. of Equity Shares	% Shareholding
157	SANGEET MEHROTRA	25000	0.03
158	MANJU PURUSHOTTAM LOHIA	25000	0.03
159	AANYA AGARWAL	25000	0.03
160	GOPAL DAS MUNDHRA	24574	0.03
161	KAMLAKANT CHHOTALAL EXPORTERS PRIVATE LIMITED	24051	0.03
162	BATTULA DASARADHARAM	24000	0.03
163	HARSHAD MOHANLAL PATEL	23900	0.03
164	ARADHANA PANDEY	23757	0.03
165	ANAND L SHAH	23370	0.03
166	APOORVA LALIT SHAH	23141	0.03
167	PRAMILA PARESHKUMAR SHAH	23110	0.03
168	BRIJRAJ MALANI	23000	0.03
169	PRAKASH JAIN	22670	0.03
170	MUKTILAL GANULAL PALDIWAL	22656	0.03
171	EMERGING MARKETS CORE EQUITY FUND OF DIMENSIONAL FUNDS ICVC	22491	0.03
172	Pankaj B Shah	22476	0.03
173	UNITED NATIONS FOR AND ON BEHALF OF THE UNITED NATIONS JOINT STAFF PENSION FUND	22093	0.03
174	SURESH KUMAR JALAN	22024	0.03
175	VT CAPITAL MARKET PRIVATE LIMITED	22000	0.03
176	VIVEK GUPTA	22000	0.03
177	PARUL HEMANT PATEL	22000	0.03
178	SHRADHA GUPTA	21900	0.03
179	GLOBE CAPITAL MARKET LIMITED	21507	0.02
180	ARCHANA SONI .	21245	0.02
181	CHARANJEEV SINGH	21102	0.02
182	SHASHI KUMAR GUPTA	20655	0.02
183	VARSHABEN BHAVESHBHAI SHAH	20535	0.02
184	ASHWIN JAIN	20400	0.02
185	PURVI VIKAS SHAH	20295	0.02
186	ANDRA VINDHYA VASINI	20260	0.02
187	INDU GUPTA	20180	0.02
188	VANDANA JAIN	20001	0.02
189	HITESH PATEL	20000	0.02
190	VIJAYKUMAR .	20000	0.02
191	JAHAN TARUN TAHILIANI	20000	0.02
192	ANAND CANVAS MILLS PVT LTD	20000	0.02
193	DHEERAJ KUMAR ALORIA	20000	0.02
194	VINAY KUMAR HUF .	20000	0.02
195	GIRIDHAR GUPTA SOMISETTY	20000	0.02
196	SOMISETTY MALATHI LATHA	20000	0.02
197	LALIT MOHANLAL RATADIA	20000	0.02
198	RAJESH VASANTLAL SANGHVI	20000	0.02

S. No	Name of Shareholder	No. of Equity Shares	% Shareholding
199	VINODKUMAR SHANKARLAL AGARWAL	19900	0.02
200	DHANANJAY COMMUNICATIONS PRIVATE LIMITED	19898	0.02
201	MONETARY AUTHORITY OF SINGAPORE ACCOUNT 1	19858	0.02
202	VIKRAM AGGARWAL	19645	0.02
203	FALGUNI SUNIL PARAKH	19250	0.02
204	MADURI VEDAPRAKASH	19000	0.02
205	M AND K SECURITIES AND INSURANCE MARKETING SERVICES PVT LTD	18500	0.02
206	RATANDEVI CHOUDHARY	18500	0.02
207	SAURABH DHAWAN	18500	0.02
208	VELAGAPUDI LAKSHMANA DUTT	18500	0.02
209	PRASAD REDDY VATHYARAM	18423	0.02
210	AMITA .	18194	0.02
211	CHAITANYA AGARWAL	18000	0.02
212	ALOK KUMAR GOYAL	18000	0.02
213	PUNIT GUPTA	18000	0.02
214	VIMALKUMAR MISHRILAL SHAH	18000	0.02
215	KANISHKA JAIN	17788	0.02
216	NISHI GUPTA	17760	0.02
217	PATEL GUNVANT KESHAVLAL	17500	0.02
218	BHAVDIP BHARATBHAI SANGHAVI	17500	0.02
219	VIKAS MOHAN	17500	0.02
220	ALOK LODHA .	17500	0.02
221	PRACHI DARSHAN SHAH	17465	0.02
222	SUNITA ARORA	17435	0.02
223	SANTOSH GOYAL	17205	0.02
224	AJAY GOVINDRAM KAMRA	17100	0.02
225	SUCHIR CHEMICALS PVT LTD	17028	0.02
226	PENGUIN TRADING & AGENCIES LTD	16725	0.02
227	EMERGING MARKETS EX CHINA CORE EQUITY PORTFOLIO OF DFA INVESTMENT DIMENSIONS GROUP INC.	16478	0.02
228	JIGISH BHOGILAL MEHTA	16460	0.02
229	NALLABANTU LAKSHMI .	16351	0.02
230	ALKA SHAH	16325	0.02
231	BHARAT HARDATTARAI BIYANI	16250	0.02
232	PURUSHOTHAMAN K	16200	0.02
233	RUTUJA BABULAL JAIN	16000	0.02
234	KAMAL KUMAR GOYAL	15700	0.02
235	SWATI .	15500	0.02
236	DHILMON SREENIVAS	15250	0.02
237	BHAKTI BHASKAR PARIKH	15183	0.02
238	CHOWDRY ASSOCIATES	15125	0.02
239	PMS VANTAGE IMPEX	15120	0.02

S. No	Name of Shareholder	No. of Equity Shares	% Shareholding
240	ARVIND PARAKH	15020	0.02
241	DURAIBALASUBRAMANI .	15002	0.02
242	KAAA INFRA AND FINANCIAL SERVICES LLP	15000	0.02
243	SUSHIL KUMAR BABEL	15000	0.02
244	RAMESH PADMANABHAN	15000	0.02
245	PRATIBHA TANVIR KANJI	15000	0.02
246	RAJESH KUMAR PAJNI	15000	0.02
247	PATEL HARSHADBHAI KESHAVLAL	15000	0.02
248	KASHISH BABULAL JAIN	15000	0.02
249	SHREEGOPAL KANKANI	15000	0.02
250	MANOJ KUMAR TRIVEDI	15000	0.02
251	NILESH ANANT NAIK	15000	0.02
252	PREETI GUPTA	15000	0.02
253	PRAGNA PANKAJ DESAI	15000	0.02
254	DEAR SHARES PRIVATE LIMITED	15000	0.02
255	ANKITA JAIN	15000	0.02

Note: The above table includes shareholding on a consolidated basis, as per the PAN details of the shareholders.

D. As on the date of this Information Memorandum, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments.

E. Details of the major Shareholders of our company holding 1% or more of the Paid-up Share Capital of the Company as on 2 (two) years prior to the date of this Information Memorandum:

Our Company was incorporated on September 29, 2021 as a wholly-owned Subsidiary of DCM Shriram Industries Limited (DCMSR) along with 6 shareholders jointly (to comply with Section 187 of the Act) and as such DCMSR was the major shareholder.

F. Details of the major Shareholders of our Company holding 1% or more of the paid-up Share Capital of the Company as on 1 (one) year prior to the date of this Information Memorandum:

S.No.	Name of Shareholder	No. of Equity Shares	Percentage of the paid-up share capital (%)
1.	DCM Shriram Industries Limited	*10,00,00,000	100.00
	Total	*10,00,00,000	100.00

*including 6 (six) equity shares held by individual shareholders jointly with DCM Shriram Industries Limited to comply with the requirement of minimum shareholders prescribed under the Companies Act, 2013.

G. Details of major Shareholders of our Company holding 1% or more of the Paid-up Share Capital of the Company as on 10 days prior to the date of this Information Memorandum

S. No.	Name of Shareholder	No. of Equity Shares	% shareholding
1.	DCM Shriram Industries Limited	*10,00,00,000	100.00
	Total	*10,00,00,000	100.00

*including 6 (six) equity shares held by individual shareholders jointly with DCM Shriram Industries Limited to comply with the requirement of minimum shareholders prescribed under the Companies Act, 2013.

4. History of the Equity Share Capital held by our Promoters

As on the date of this Information Memorandum, the Promoters hold 84,34,984 Equity Shares, equivalent to 9.69% of the issued, subscribed and paid-up Equity Share capital of our Company and members of the Promoter Group hold 3,51,55,131 Equity Shares, equivalent to 40.42% of the issued, subscribed and paid-up Equity Share capital of our Company. Together, the Promoters and the members of the Promoter Group hold 4,35,90,115 Equity Shares, equivalent to 50.11% of the issued, subscribed and paid-up Equity Share capital of our Company. The details regarding our Promoters' shareholding are set forth below:

Build-up of Promoters' equity shareholding in our Company:

The build-up of the equity shareholding of our Promoters since incorporation of the Company is set forth below:

Name of the Promoter	Nature of the Transaction	Date of allotment	No. of Equity Shares	Face value of Equity Shares in ₹	Issue Price/ Transfer Price in ₹	Nature of Consideration
Mrs. Urvashi Tilakdhar	Allotment of shares pursuant to Scheme of Arrangement	December 31, 2025	58,89,611	2	N/A	On Demerger of the Chemical Undertaking as per Scheme of Arrangement (other than cash)
Mr. Akshay Dhar		December 31, 2025	12,74,060			
Ms. Aditi Dhar		December 31, 2025	12,71,313			

All equity shares held by our Promoters are fully-paid up on the date of allotment. Further, as on the date of this Information Memorandum, all the equity shares by the Promoters are in dematerialised form and have not been pledged in any manner.

The details of the shareholding of our Promoters & Promoter Group as on the date of the Information Memorandum are set forth below:

Pre Scheme:

S.No	Name of Shareholder	No. of Equity Shares	Percentage of the paid-up share capital (%)
1.	DCM Shriram Industries Limited	9,99,99,994	100
2.	Alok B. Shriram jointly with DCM Shriram Industries Limited (Promoter)	1	-
3.	Madhav B. Shriram jointly with DCM Shriram Industries Limited (Promoter)	1	-
4.	Vineet Manaktala jointly with DCM Shriram Industries Limited (Promoter)	1	-
5.	Yagya Datt Gupta jointly with	1	-

	DCM Shriram Industries Limited (Promoter)		
6.	Rohan Shriram jointly with DCM Shriram Industries Limited (Promoter)	1	-
7.	Ashish Jha jointly with DCM Shriram Industries Limited (Promoter)	1	-
TOTAL		10,00,00,000	100

Post Scheme:

Sr. No.	Name of the Shareholder	Pre- Scheme number of Equity Share	Percentage of the pre- Scheme Equity Share capital (on a fully diluted basis) (%)	Post- Scheme number of Equity Shares	Percentage of the post Scheme Equity Share capital (%)
Promoters					
1.	Mrs. Urvashi Tilakdhar	-	-	58,89,611	6.77
2.	Mr. Akshay Dhar	-	-	12,74,060	1.46
3.	Ms. Aditi Dhar	-	-	12,71,313	1.46
Promoter Group					
3.	Mr. Alok B Shriram	-	-	23,88,944	2.75
4.	Mr. Madhav B Shriram	-	-	42,99,224	4.94
5.	Mr. Rohan Shriram	-	-	33,593	0.04
6.	Alok Shriram- Karta Lala Bansi Dhar & Sons (HUF)	-	-	1,20,28,267	13.83
7.	Mrs. Karuna Shriram	-	-	41,38,462	4.76
8.	Ms. Kanika Shriram	-	-	14,56,332	1.67
9.	Mr. Rudra Shriram	-	-	9,58,802	1.10
10.	Mrs. Suman Bansi Dhar	-	-	17,57,160	2.02
11.	Mr. Akshay Dhar-Karta Tilakdhar & Sons HUF	-	-	5,08,158	0.59
12.	Mrs. Divya Shriram	-	-	36,47,854	4.19
13.	Mr. Uday Shriram	-	-	9,61,628	1.11
14.	Akshay Foundation	-	-	29,76,389	3.42
15.	Mr. Sushil Kumar Jain	-	-	318	0

5. None of the members of our Promoter Group, our Promoters, our Directors and their relatives have purchased or sold, directly or indirectly, any securities of our Company during the period of six months immediately preceding the date of this Information Memorandum.
6. There have been no financing arrangements whereby our Promoters, any member of our Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of this Information Memorandum.
7. Details of Lock-in: In accordance with paragraph A(4) of Part II of the SEBI circular bearing no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, the shareholding of our Promoters and the shareholders of our Company is exempt from lock-in, since the shareholding of our Company post effectiveness of the Scheme is identical to the shareholding pattern of DCM Shriram Industries Limited.
8. None of our Directors or Key Managerial Personnel or Senior Management Personnel holds Equity Shares in our Company, except as stated in the chapter titled “*Our Management*” beginning on page 86 of this Information Memorandum.

9. There shall be no further issue of capital by our Company whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of approval of the Scheme till listing of the Equity Shares allotted as per the Scheme.
10. Our Company and our Directors have not entered into any buyback arrangements and or any other similar arrangements for the purchase of Equity Shares of our Company.
11. The issuance of Equity Shares by the Company since incorporation until the date of this Information Memorandum has been undertaken in accordance with the provisions of the Companies Act, 2013, as applicable.
12. There shall be only one denomination of equity shares of our Company, subject to applicable regulations and our Company shall comply with such disclosure and accounting norms, as specified by SEBI from time to time.
13. Except for the allotment of the Equity Shares pursuant to the Scheme, no Equity Shares have been issued pursuant to a scheme approved under Sections 230 to 232 of the Companies Act, 2013.
14. As on the date of this Information Memorandum, all Equity Shares held by our Promoters are held in dematerialised form.

REPORT ON STATEMENT OF POSSIBLE TAX BENEFITS
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KIRTANE & PANDIT^{LLP}

Chartered Accountants

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REPORT ON STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Date: December 01, 2025

The Board of Directors
DCM Shriram Fine Chemicals Ltd
6th Floor, Kanchenjunga Building,
18, Barakhamba Road, New Delhi,
Delhi- 110001, India

Subject: Statement of possible special tax benefits ("the Statement") available to DCM Shriram Fine Chemicals Ltd ("DSFCL"/ "the Company") and its shareholders.

Dear Sirs,

This report is issued by us in accordance with the Engagement Letter dated 24th November, 2025.

We hereby report that the enclosed Annexure I and Annexure II prepared by the Company, initiated by us for identification purpose, states the possible special tax benefits available to the Company and its shareholders, under direct and indirect taxes (together the "Tax Laws"), presently in force in India as on the signing date, which are defined in Annexure III (List of Direct and Indirect Tax Laws ("Tax Laws")) prepared by the Company, initiated by us for identification purpose. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits depends upon fulfilling such conditions, which are based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfil. This Statement has been issued at the request of the Company's management and is intended solely for the purpose of inclusion in the Information Memorandum to be submitted by the Company in connection with the proposed listing of equity shares of the Company subsequent to approval of Composite Scheme of Arrangement by the National Company Law Tribunal vide its order dated 21st November, 2025.

The benefits discussed in the enclosed Annexure I and Annexure II cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure I and Annexure II and its contents are the responsibility of the management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Information Memorandum for the Proposed listing particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ("Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued



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Chartered Accountants

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by the Institute of Chartered Accountants of India. Our scope of work did not involve the performance of any audit tests in this context of our examination. Accordingly, we do not express an audit opinion.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

- 1) the Company and its shareholders will continue to obtain these possible special tax benefits in future; or
- 2) the conditions prescribed for availing of the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexure I, Annexure II and Annexure III are based on the information, explanation and representations obtained from the Company, and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to updating the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company or any other person in respect of this report, except as per applicable law.

We hereby give consent to include this report in the Information Memorandum and in any other material used in connection with the Proposed listing, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

For KIRTANE & PANDIT LLP
(Chartered Accountants)
FRN 105215W/W100057



CA Chirag Garg
Partner

M. No. 540579

UDIN: 25540579BMOSEM5143



Date: December 01, 2025

Place: New Delhi

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DCM SHRIRAM FINE CHEMICALS LIMITED

ANNEXURE I

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO DCM SHRIRAM FINE CHEMICALS LIMITED ("DSFCL"/ "THE COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT TAX LAWS

This Statement has been prepared by the Company's management and is intended solely for the purpose of inclusion in the Information Memorandum to be submitted by the Company in connection with the proposed listing of equity shares of the Company subsequent to approval of Composite Scheme of Arrangement (the Scheme') by the National Company Law Tribunal vide its order dated 21st November, 2025.

Outlined below are the Possible Special Tax Benefits available to the Company and its shareholders under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

UNDER THE TAX LAWS

UNDER THE INCOME-TAX ACT, 1961 (hereinafter referred to as "the Act") as amended by the Finance Act 2025 read with the Income-tax Rules, 1962, i.e. applicable for the Financial Year 2025-26 relevant to the Assessment Year 2026-27 and the New Income-tax Act (No. 2), 2025 ("IT Act, 2025"), 2025 (together, the Direct Tax Laws).

A. *Possible Special tax benefits available to the Company under the Act*

There are no special tax benefits available to the Company under the Act.

B. *Possible Special tax benefits available to Shareholders*

There are no special tax benefits available to the shareholders of the Company.

NOTES:

1. The above Annexure of special tax benefits sets out the provisions of Direct Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences.
2. The above Annexure of special tax benefits is as per the current Direct Tax Laws relevant for the Assessment / relevant Tax Years. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
3. The above Annexure covers only the special tax benefits under the Direct Tax Laws and does not cover any benefit under any other law in force.



4. Benefit of lower rate of tax under section 115BAA of the Act (section 200 in IT Act, 2025) and corresponding exemption from applicability of Minimum Alternate tax ('MAT') provisions under section 115JB of the Act (section 206 in IT Act, 2025):

Section 115BAA of the Act (section 200 in IT Act, 2025) provides an option to the domestic companies to opt for a reduced rate of corporate taxes subject to certain conditions specified therein. The said section provides that, all domestic companies shall have an option to pay income tax at the rate of 22% (plus 10% surcharge and 4% cess), subject to the condition that they will not avail specified tax exemptions or incentives and other conditions as specified in sub-clause 2 of section 115BAA of the Act (section 200 in IT Act, 2025). Proviso to section 115BAA(4) of the Act (section 200 in IT Act, 2025) provides that once the Company opts for paying tax as per section 115BAA of the Act (section 200 in IT Act, 2025), such option cannot be subsequently withdrawn for the same or any other previous tax years.

The Company incorporated on September 29, 2021 and is considering opting for lower tax rate under section 115BAA of the Act (section 200 in IT Act, 2025) in its modified tax returns to be filed for the year ended March 2024 and March 2025. Lower corporate tax rate under section 115BAA of the Act (section 200 in IT Act, 2025) is available in general and hence may not be treated as a special tax benefit to the Company.

5. The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of section 32 of the Act (section 33 in IT Act, 2025) read with IT Rules. The depreciation rates in respect of specified tangible and intangible assets will be according to the rates prescribed by the Income Tax Act/ Rules. Allowance for depreciation is available in general and hence may not be treated as a special tax benefit to the Company.

Further, the Company shall not be entitled for the additional depreciation under section 32(1)(ia) if it opts for the benefit of lower rate of tax under section 115BAA of the Act (section 200 in IT Act, 2025).

6. With regard to block of assets received pursuant to demerger, as per Explanation 2B to section 43(6) of the Act (section 39, 41, 66 in IT Act, 2025), the written down value of the block of assets in the case of the resulting company (i.e. 'the Company') shall be the written down value of the transferred assets in the hands of DCM Shriram Industries Limited ('Demerged company', 'DCMSR') immediately before the demerger.

7. The Company is entitled to claim deduction in respect of expenditure on scientific research (not being capital expenditure) or expenditure on research and development related to its business in accordance with the provisions of section 35(1)(i) of the Act (section 45 in IT Act, 2025). Further it is entitled to claim deduction in respect of any expenditure of a capital nature on scientific research related to its business in the year of incurrence in accordance with the provisions of section 35(1)(iv) of the Act (section 45 in IT Act, 2025). Allowance for expenditure for scientific research in accordance with section 35(1)(i)/35(1)(iv) is available in general and hence may not be treated as a special tax benefit to the Company.

8. Dividend income earned by the shareholders of the Company would be taxable in their hands at the applicable rates. However, in the case of domestic corporate shareholders, deduction under section 80M of the Act (section 148 in IT Act, 2025) would also be available on fulfilling applicable conditions. Further, in case of shareholders who are individuals, Hindu undivided family, association of persons, body of individuals, whether incorporated or not and every artificial juridical person, maximum surcharge on the tax on dividend income would be restricted to 15%, irrespective of the amount of dividend income. Such a deduction of 80M of the Act (section 148 in IT Act, 2025) and the cap on surcharge are available in general and hence may not be treated as a special tax benefit to the Company.



9. Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction under the provisions of section 80JJAA of the Act (section 146 in IT Act, 2025), of an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided. The deduction u/s 80JJAA of the Act (section 146 in IT Act, 2025) shall be applicable even if the company opts for concessional rate of tax u/s 115BAA of the Act (section 200 in IT Act, 2025). Such deduction u/s 80JJAA of the Act (section 146 in IT Act, 2025) is available in general and hence may not be treated as a special tax benefit to the Company.
10. Section 112A of the Act (section 198 in IT Act, 2025) provides for a concessional tax rate of 12.5% (plus applicable surcharge and cess) on long-term capital gains (exceeding Rs. 1,25,000) arising from the transfer of equity shares of the Company if Security Transaction Tax (STT*) has been paid on acquisition and transfer of equity shares and subject to fulfilment of other prescribed conditions (including Notification No. 60/2018/F.No.370142/9/2017-TPL dated 1 October 2018). However, the benefit of foreign currency exchange difference and indexation, as provided under the first and second proviso to section 48 of the Act (section 72 in IT Act, 2025), may not be applicable for computing long-term capital gains taxable under section 112A of the Act (section 198 in IT Act, 2025). The provisions of section 112A of the Act (section 198 in IT Act, 2025) shall be applicable once the shares of the Company are listed on the Indian stock exchanges. In addition, the maximum surcharge on the tax on such long-term capital gains would be restricted to 15%. These lower tax provisions are available in general and hence may not be treated as a special tax benefit to the Company.
11. As per the provisions of section 111A of the Act (section 196 in IT Act, 2025), short-term capital gains arising from transfer of equity shares in the Company which is chargeable to STT and subject to fulfilment of other prescribed conditions (including Notification No. 60/2018/F.No.370142/9/2017-TPL dated 1 October 2018) shall be taxable at a concessional rate of 20% (plus applicable surcharge and cess, if any). The provisions of section 111A of the Act (section 196 in IT Act, 2025) shall be applicable once the shares of the Company are listed on the Indian stock exchanges. In addition, the maximum surcharge on the tax on such short-term capital gains would be restricted to 15%. These lower tax provisions are available in general and hence may not be treated as a special tax benefit to the Company.
12. As per section 47(vii) of the Act (section 70 in IT Act, 2025), any transfer or issue of shares by the Company, in the scheme of demerger to the shareholders of DSFCL in consideration for demerger of the Fine Chemical business of DCMSR shall not be subject to any capital gains tax under the Act. The provisions relating to such transfer under Section 47(vii) of the Act are available in general and hence may not be treated as a special tax benefit to the Company.
13. Subject to satisfaction of prescribed underlying conditions (as provided under section 2(19AA) of the Act (section 2 in IT Act, 2025) in context of ongoing demerger, there may not be any income tax implications in hands of the Company or corresponding implications in the hands of its shareholders under section 56(2)(x) (section 92 in IT Act, 2025) of the Act. The provisions under Section 2(19AA) of the Act are available in general and hence may not be treated as a special tax benefit to the Company.
14. As per the provisions of section 49(2C) of the Act (section 73 in IT Act, 2025), cost of acquisition of shares of the Company is to be computed by applying the proportion of net book value of the assets of DCMSR transferred in the demerger to the net worth of DSFCL immediately before the Demerger, to the cost of acquisition of the original shares held by the shareholders in DCMSR. The provisions relating to



computation of cost of acquisition of shares of the Company under Section 49(2C) of the Act are available in general and hence may not be treated as a special tax benefit to the Company.

- 15: As per the provisions of section 2(42A)(g) of the Act (section 2 in IT Act, 2025), the period for which the shares of DCMSR were held by the shareholders shall be included to determine the period of holding of the shares of the Company. The provisions relating to such a holding period under Section 2(42A)(g) of the Act are available in general and hence may not be treated as a special tax benefit to the Company.
16. Depending upon the nature of the assessee (Resident or Non-resident) and classification of income and / or exemption status, relevant provisions of withholding tax as laid down under the Act will be applicable. In respect of non-resident shareholders of the Company, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident shareholder(s) has fiscal domicile. The above Annexure covers only certain relevant benefits under the Direct Tax Laws and does not cover any tax benefit under any other law.
17. The above Annexure is based upon the provisions of the specified Direct Tax Laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws.
18. The above Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
19. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes in provisions of law and its interpretations. The above Statement of possible special tax benefits sets out the provisions of Direct Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
20. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

For DCM Shriram Fine Chemicals Ltd



Naresh Handa
Authorized Signatory

Place: New Delhi

Date: December 01, 2025

Signed for Identification
For KIRTANE & PANDIT LLP



DCM SHRIRAM FINE CHEMICALS LIMITED

ANNEXURE II

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO DCM SHRIRAM FINE CHEMICALS LIMITED ("DSFCL"/ "THE COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE INDIRECT TAX LAWS

This Statement has been prepared by the Company's management and is intended solely for the purpose of inclusion in the Information Memorandum to be submitted by the Company in connection with the proposed listing of equity shares of the Company subsequent to approval of Composite Scheme of Arrangement (the Scheme) by the National Company Law Tribunal vide its order dated 21st November, 2025.

Under the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 ("GST Act"), the applicable State incentive policies, the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") as amended from time to time, and Foreign Trade Policy 2023 ("FTP") (together, the Indirect Tax Laws)

1. Possible Special tax benefits available to the Company

There are no special indirect tax benefits available to the Company under the Indirect Tax Laws other than those specified herein below.

2. Possible Special tax benefits available to Shareholders

There are no special indirect tax benefits available in the hands of the shareholders for investing in the shares of the Company under the Indirect Tax Laws.

Special Tax benefits available to the Company: Indirect Taxes

1. Foreign Trade Policy 2023:

a) **Remission of Duties and Taxes on Exported Products (RoDTEP):**

The Company is entitled for rebate of taxes / duties borne on exported products including goods and services used in the production of such exported products under the 'Remission of Duties and Taxes on Exported Products' scheme as notified by *Notification to, 7072023 dated 8th March 2024*, as amended from time to time, from the date of IT integration of SEZs with Customs Automated System (ICEGATE), i.e., 1st July 2024 till 31st December 2024, Vide *Notification 3572025 dated 30th September*, this scheme has been extended till 31st March 2026.

The rebate is granted in the form of a transferable duty credit/ electronic scrip at a notified rate which is a percentage of Free on Board (FOB) value, subject to realization of sale proceeds within the period prescribed by Reserve Bank of India.

b) **Export Promotion Capital Goods Scheme (EPCG) and Advance Authorization Scheme:**

The Company is availing export incentives under Foreign Trade Policy with respect to duty free import of inputs under Advance Authorization Scheme and capital goods under Export Promotion Capital Goods Scheme subject to fulfilment of Export Obligation and other conditions prescribed in the relevant notifications.



2. Customs Act, 1962:

a) Duty Drawback:

The company is availing of drawbacks of duty paid on import of materials used in the manufacture of exported goods under Section 75 of the Customs Act 1962 subject to fulfillment of conditions prescribed therein.

3. Integrated Goods and Services Tax Act, 2017 (IGST Act, 2017) and Central Goods and Services Tax Act, 2017 (CGST Act, 2017):

a) Refund for exports made without payment of tax under Letter of Undertaking (LUT):

The Company exports goods without payment of IGST by availing the benefit of LUT in terms of Section 54 of CGST Act, 2017 read with Rule 96 of CGST Rules, 2017.

4. Other Incentives (Based on MOU/GO with State Government):

There are no incentives available to the company plants situated in Daurala, Meerut from the State Government.

Notes:

1. The above Annexure is based on our understanding of the specific activities carried out by the Company, which is relevant from the Financial Year 2023-24 onwards.
2. The above Annexure is based upon the provisions of the specified Indirect Tax Laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
3. The Company may be eligible for the following exemptions/benefits upon the Scheme becoming effective:
 - Zero-rated export of goods or services in terms of section 16 of Integrated Goods and Service Tax (IGST) Act, 2017.
 - Fiscal and non-fiscal incentives as available under various State incentive policies.
 - Imports from countries with which India has a preferential / free trade agreement, exemption from payment of duty / benefit of reduced duty of customs is available subject to fulfillment of prescribed conditions.
 - Exemption from payment of custom duty, additional duty, safe-guarding duty and anti-dumping duty, integrated goods and services tax and compensation cess on import of Capital Goods against Export Promotion Capital Goods (EPCG) license in terms of Foreign Trade Policy 2023.
 - Exemption from duty of customs (specified in First Schedule to Customs Tariff Act) in terms of Notification 50/2017- Customs dated June 30, 2017, (and as amended from time to time) as is in excess of the amount calculated at the standard rate specified in the Notification and from so much of integrated tax leviable thereon under section 3(7) of the said Customs Tariff Act, in excess of the rate specified in the Notification, subject to fulfillment of prescribed conditions.

The above exemptions/benefits are available in general and hence may not be treated as special tax benefits to the Company.

4. The above Annexure covers only certain relevant benefits under the Indirect Tax Laws and does not cover any



tax benefit under any other law.

5. The above Annexure is based upon the provisions of the specified Indirect Tax Laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws.
6. The above Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes in provisions of law and its interpretations. The above Statement of possible special tax benefits sets out the provisions of Indirect Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.

7. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

For DCM Shriram Fine Chemicals Ltd



Naresh Handa
Authorized Signatory

Place: New Delhi
Date: December 01, 2025

Signed for Identification
For KIRTANE & PANDIT LLP



DCM SHRIRAM FINE CHEMICALS LIMITED

ANNEXURE III

LIST OF DIRECT AND INDIRECT TAX LAWS

Sr. No:	Details of Tax Laws
1.	Income-tax Act, 1961 and Income-tax Rules, 1962
2.	New Income-tax Act (No. 2), 2025 ("IT Act, 2025")
3.	Central Goods and Services Tax Act, 2017
4.	Integrated Goods and Services Tax Act, 2017
5.	State Goods and Services Tax Act, 2017
6.	Foreign Trade Policy 2023
7.	Customs Act, 1962
8.	Customs Tariff Act, 1975

For DCM Shriram Fine Chemicals Ltd

Signed for Identification
For KIRTANE & PANDIT LLP

Authorised Signatory

Place: New Delhi

Date: December 01, 2025



COMPOSITE SCHEME OF ARRANGEMENT

Details of the Scheme of Arrangement

The Scheme of Arrangement filed under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 *inter alia* involves:

- (i) amalgamation of Lily Commercial Private Limited (the "Transferor Company") into and with Transferee Company ("DCMSR") with an objective of streamlining promoter shareholding of Transferee Company by eliminating shareholding tiers and simplification of promoter shareholding into a clear structure directly identifiable with the Promoters, in accordance with the provisions of Section 2(1B) and other relevant provisions of the Income Tax Act and consequent dissolution of the Transferor Company without being wound up; and
- (ii) subsequent demerger, transfer and vesting of the Chemical Undertaking, comprising of the Chemical Business, from the Residual Company into the Resultant Company 1 on a going concern basis, and issue of shares by the Resultant Company 1 to the shareholders of the Residual Company, in accordance with Share Entitlement Ratio (as defined hereinafter) in consideration thereof, in accordance with the provisions of Section 2(19AA) and other relevant provisions of the Income Tax Act 1961; and
- (iii) demerger, transfer and vesting of the Rayon Undertaking, comprising of the Rayon Business, from the Residual Company into the Resultant Company 2 on a going concern basis, and issue of shares by the Resultant Company 2 to the shareholders of the Residual Company, in accordance with Share Entitlement Ratio (as defined hereinafter) in consideration thereof, in accordance with the provisions of Section 2(19AA) and other relevant provisions of the Income Tax Act 1961; and
- (iv) various other matters consequential or otherwise integrally connected therewith in the manner set out in the Scheme.

Rationale for the Scheme of Arrangement

The Scheme was primarily proposed to:

- (i) streamline promoter shareholding of Transferee Company by eliminating shareholding tiers and simplification of promoter shareholding into a clear structure directly identifiable with the promoters;
- (ii) segregate the Chemical Undertaking, Rayon Undertaking and Residual Undertaking for greater management focus on each business vertical;

The effectiveness of the Scheme would result in creation of three listed companies, with identical shareholding (including common promoters) with the Resultant Company 1 housing the Chemical Business, Resultant Company 2 housing the Rayon Business, and the Residual Company housing the remainder undertaking, which *inter alia* contains sugar, alcohol and power businesses. This will result in focused approach to respective line / steam of business and provide scope for independent growth, collaboration and expansion of the three segregated business verticals, resulting into including for enhancing their valuations and efficient capital allocation.

The Scheme is in the best interests of the stakeholders of each of the companies involved in this Scheme, *inter alia* for the reasons explained below and shall result in amalgamation and demergers leading to several benefits to the shareholders, primarily:

- a) better administrative efficiency;
- b) operational rationalisation, organisational efficiency and optimum utilisation of resources;
- c) ability to leverage financial and operational resources for each business;
- d) allows shareholder to have a choice of investment in some and not all the businesses;
- e) better price discovery as performance of each business can be evaluated and projected without counter balancing of other businesses;

- f) unlocking shareholder value and opportunity for the public shareholders to exploit the individual potential of DCMSR and each of the Resultant Companies, pursuing options of independent joint ventures, collaborations on a sectoral basis i.e., separate ventures for sugar, chemical and rayon and creating a strong and distinctive platform with more focused management teams, which will enable greater flexibility to pursue long term objectives and independent business strategies;
- g) provide diversity in decisions regarding use of cash flows and exploring various opportunities;
- h) allowing the Chemical Undertaking, the Rayon Undertaking and the Residual Undertaking, which are independent, self-sufficient and standalone undertakings (with no critical business inter-dependencies), to continue to function with efficiency and efficacy, and synergies with a seamless transition;
- i) streamlining promoter shareholding of Residual Company by eliminating shareholding tiers and simplification of promoter shareholding into a clear structure directly identifiable with the promoters; focused management and direct commitment, attention and long term stable leadership to chemical, rayon and sugar businesses of Residual Company, comprising the Chemical Undertaking, the Rayon Undertaking and the Residual Undertaking, respectively; and
- j) facilitating succession planning in the future in an orderly and strategic manner, without any business disruption, which is key to secure the long-term stability, leadership, transparency and operational clarity of DCMSR and the Resultant Companies.

Unless otherwise defined, capitalised terms used but not defined in this section shall have the same meaning assigned to such terms in the Scheme.

Appointed Date and Effective Date

The Scheme has become effective on December 17, 2025.

In terms of the Scheme “Appointed Date” means 1 April 2023 and the “Effective Date” means date on which the last of the approvals or events specified in Clause 7.1 of the Scheme are satisfied or have occurred or obtained or the requirement of which have been waived (in writing) in accordance with the Scheme.

The NCLT, through its order dated November 21, 2025 (certified copy of the order was received on December 5, 2025), sanctioned the Scheme.

Accordingly, the Board of Directors of DCM Shriram Industries Limited at its meeting held on December 23, 2025 and the Committee for implementation of Scheme of arrangement of the Company and DCM Shriram International Limited, have, at their meetings held on December 31, 2025, mutually acknowledged that all the conditions specified in Clause 7.1 of the Scheme have been fulfilled and satisfied, and accordingly, decided to keep the Effective Date of the Scheme as December 17, 2025, being the date of filing of Form INC 28 by the Resultant companies, in accordance with the terms of the Scheme.

Key Features of the Scheme (as more particularly described in the Scheme)

Key clauses of the Scheme that highlight the salient features of the Scheme, have been reproduced from the Scheme, below. Please note that the provisions reproduced below are not exhaustive and have been limited to key provisions, in the interest of brevity. Please refer to the Scheme for detailed provisions.

This Scheme seeks to undertake:

- (i) amalgamation of the Transferor Company (i.e., Lily Commercial Private Limited) into and with DCM Shriram Industries Limited; and
- (ii) subsequent to the aforesaid amalgamation, demerger of the Chemical Undertaking and the Rayon Undertaking of the residual company, into 2 (two) separate companies, i.e., the Resultant Company 1 (DCM Shriram Fine Chemicals Limited) and Resultant Company 2 (DCM Shriram International Limited), respectively.

Transfer and Vesting of the Transferor company into and with DCMSR

Upon this Scheme becoming effective and with effect from the Appointed Date and subject to the provisions of Part III of the Scheme and pursuant to the sanction of the Scheme by the Tribunal or any other competent authority and pursuant to Sections 230 to 232 and other applicable provisions of the Act, the Transferor Company shall stand transferred to and vest in DCMSR, as a going concern, together with all its properties, assets, rights, benefits and interest therein, shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in DCMSR, so as to become on and from the Appointed Date, the assets and liabilities of the Transferor Company by virtue of operation of law or otherwise, and in the manner provided in the Scheme.

Transfer and Vesting of the Demerged Undertaking

With effect from the Appointed Date and upon this Scheme becoming effective, the Demerged Undertaking shall, in accordance with Section 2(19AA) and other applicable provisions of the Income Tax Act and pursuant to Sections 230 to 232 and other applicable provisions of the Act, and pursuant to the Sanction Order, without any further act, instrument or deed, be demerged from the Residual Company and stand transferred to and vested in or be deemed to be transferred to and vested in the Resultant Company 1 as a going concerns, so as to become the business undertaking, assets, liabilities, properties, permits, contracts, right, title, interest and authorities of the Resultant Company 1 by virtue of operation of law or otherwise and in the manner provided in the Scheme.

Consideration

As per Clause 4.3 of the Scheme of Arrangement:

- 4.3.1 Upon this Scheme coming into effect and upon vesting of the Chemical Undertaking in the Resultant Company 1, DCMSR shall provide to the Resultant Company 1, the list of equity shareholders of DCMSR as on the Record Date, who are entitled to receive fully paid-up equity shares, in the Resultant Company 1, in terms of this Scheme.
- 4.3.2 Upon this Scheme coming into effect, the shareholders of DCMSR as of the Record Date shall be entitled to receive equity shares of the Resultant Company 1 as detailed in this Clause 4.3.
- 4.3.3 The Boards of Directors of DCMSR and the Resultant Company 1 have determined to issue equity shares, on a fully diluted basis, to the shareholders of DCMSR, based on price arrived at per the share entitlement ratio report dated 14 November 2023, prepared by Mr. Mukesh Chand Jain, Registered Valuer (registration number: IBBI/RV/05/2020/13666) and TRC Corporate Consulting Private Limited (CIN - U74140DL1999PTC101355). Upon this Scheme coming into effect the Resultant Company 1 shall, without any further act or deed, issue and allot to the shareholders of DCMSR whose name is recorded in the register of members of DCMSR on the Record Date, equity shares of the Resultant Company 1 in the ratio of 1:1 i.e., 1 (one) fully paid-up equity share having a face value of Rs. 2 each of the Resultant Company 1 for every 1 (one) fully paid-up equity share having a face value of Rs. 2 each of DCMSR, each equity share being fully paid-up.

Name Change

Not applicable as there has been no change in the name of the Company since incorporation.

Employee Stock Option Scheme

Not applicable.

Legal Proceedings

The transfer and vesting of the assets, liabilities and obligations of the Chemical Undertaking in accordance with the provisions of this Scheme and the continuance of the legal proceedings by or against the Resultant Company 1 shall not affect any transaction or proceedings already completed by DCMSR on or before the Effective Date and the Resultant Company 1 accepts all acts, deeds and things done and executed by and/or on behalf of DCMSR as acts, deeds and things done and executed by and on behalf of the Resultant Company 1.

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

You should read the following summary together with the risk factors and the more detailed information about us and our financial results included elsewhere in this Information Memorandum. The information presented in this Chapter has been obtained from publicly available information from various sources including industry websites, from publications and government and company estimates. The data may have been re-classified by us for the purpose of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

The information in this section has not been independently verified by us or any of our respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Further, there is no assurance that the basis of the data included in the said report or the findings thereof are completely accurate or reliable. Industry and government publications are also prepared based on information as on specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information.

Further the industry Chapter may be updated from time to time subject to availability of updated data from websites, reports and other documents referenced in this chapter.

Global Economy

According to IMF World Economic Outlook, 2025 (October 2025), the global economy is adjusting to a landscape reshaped by new policy measures. Some extremes of higher tariffs were tempered, thanks to subsequent deals and resets. But the overall environment remains volatile, and temporary factors that supported activity in the first half of 2025—such as front-loading—are fading.

As a result, global growth projections in the latest World Economic Outlook (WEO) (October 2025) are revised upward relative to the April 2025 WEO but continue to mark a downward revision relative to the pre-policy-shift forecasts. Global growth is projected to slow from 3.3 percent in 2024 to 3.2 percent in 2025 and 3.1 percent in 2026, with advanced economies growing around 1.5 percent and emerging market and developing economies just above 4 percent. Inflation is projected to continue to decline globally, though with variation across countries: above target in the United States—with risks tilted to the upside—and subdued elsewhere.

Indian Economy

The International Monetary Fund (IMF) has predicted that India will continue to be one of the fastest-growing 'emerging market and developing economies' in 2025-26, growing at a rate of 6.6 per cent, according to the World Economic Outlook (WEO) report. This upward revision is attributed to strong economic performance in the first quarter, which has more than offset the effects of increased US tariffs on Indian goods. India is set to outpace China, which is expected to grow at 4.8 per cent. The IMF released its revised projections following the effects of US tariffs across various economies and the subsequent deals made between countries amid growing uncertainty. India achieved a stupendous 8.2% GDP growth in the second quarter surpassing the past six quarters, This is an encouraging in indicator of the upward movement of Indian economy amidst uncertainties.

Source:https://www.business-standard.com/economy/news/imf-projects-indian-economy-to-grow-at-6-6-in-2025-26-outpacing-china-125102500042_1.html

Segment wise structure of Indian Fine Chemical Industry

The structure of the Indian fine chemical industry is characterised by its major product segments, which cater to a wide array of downstream industries:

- **Active Pharmaceutical Ingredients (APIs) & Nutraceuticals:** This is the largest application segment in India, driven by the nation's significant generic medicine production. Fine chemicals are critical raw materials for small-molecule drug synthesis and key pharmaceutical intermediates.
- **Agrochemicals:** This segment includes pesticides, fungicides, and herbicides. India has a strong agrochemical industry, with significant export capabilities, and depends extensively on fine chemicals for developing advanced crop protection agents.
- **Dyes and Pigments:** India is a major global producer and exporter of dyes and dye intermediates, with a large concentration of manufacturing in Gujarat and Maharashtra. These are used in the textile, paper, and leather industries.
- **Flavors and Fragrances:** These high-value chemicals are used in consumer products, including personal care items, cosmetics, and food & beverage applications.
- **Construction Chemicals:** This is a rapidly growing segment, including additives, sealants, and other compounds used to enhance the quality and durability of building materials.
- **Personal Care and Cosmetic Chemicals:** This segment produces ingredients for a wide range of products like soaps, detergents, skin care, and hair care, driven by increasing domestic demand and a growing middle class.
- **Specialty Polymers and Additives:** Fine chemicals serve as additives, stabilizers, and modifiers to improve the performance of various polymers used in industries like automotive, packaging, and electronics.
- **Other Segments:** The industry also includes other niche areas such as water treatment chemicals, oilfield chemicals, paper chemicals, catalysts, and electronic chemicals.

Manufacturing model

Manufacturers in the fine chemical industry typically operate under three main categories:

- **Tolling:** Companies primarily sell their manufacturing capabilities and infrastructure.
- **Custom Chemical Production (CRAMS/CDMO):** Producers support the synthesis of chemicals developed for individual customers, often under long-term contracts.
- **Proprietary Chemical Production:** Companies own the intellectual property for the molecules or formulated products they manufacture and sell.

This structure allows Indian companies to leverage their expertise in process chemistry and offer customized solutions to a global clientele, positioning India as a key player in the global fine chemicals market.

Global and Indian Fine Chemicals Industry

The global fine chemicals market, valued at approximately **\$281 billion in 2024**, is a high-value, low-volume sector driven by demand from pharmaceuticals, agrochemicals, and specialty applications. The Indian fine and specialty chemicals industry, a key growth driver for the nation, is rapidly expanding, with its market share projected to triple by 2040 amid global supply chain realignments.

Global Fine Chemicals Industry Overview

- **Market Size & Growth:** The global chemicals market is valued at over \$4.7 trillion. The fine chemicals segment is a significant, high-margin component, projected to reach over \$517 billion by 2031, growing at a CAGR of 9.1%.

- **Key Segments & Drivers:** Demand is primarily driven by the need for high-purity inputs for Active Pharmaceutical Ingredients (APIs), agrochemicals, and various specialty applications like cosmetics, electronics, and food additives.
- **Major Players & Shifts:** China continues to dominate with a large market share. However, global supply chains are diversifying (the "China+1" strategy) to mitigate geopolitical risk and enhance supply chain resilience, benefiting countries like India.
- **Trends:** The industry is focusing on sustainability, green chemistry, and digital transformation to improve efficiency and meet stringent global regulatory standards.

Indian Fine Chemicals Industry Overview

India is a significant global player, ranking as the sixth-largest chemical producer worldwide and third-largest in Asia. The fine and specialty chemicals segment represents one of the fastest-growing verticals and a major focus for future growth.

- **Market Size & Projections:** The overall Indian chemical market was approximately \$220 billion in 2024 and is expected to reach \$300 billion by 2028, with a potential to hit \$1 trillion by 2040. The specialty chemicals segment is growing at a faster CAGR of 12-16%.
- **Core Strengths:**
- **Agrochemicals and Dyes:** India is the world's third-largest exporter of agrochemicals and a key global supplier of dyes and dye intermediates, accounting for approximately 16% of global production.
 - **Cost Competitiveness & Talent:** India offers competitive manufacturing costs, lower infrastructure costs, and a strong, skilled scientific workforce.
 - **Government Support:** Initiatives such as the Production Linked Incentive Scheme, 'Make in India', and plans for dedicated Petroleum, Chemicals & Petrochemicals Investment Regions (PCPIRs) are boosting domestic manufacturing and attracting investment.
 - **Opportunities & Challenges:** India has a significant opportunity to capture a larger global market share, driven by increasing domestic demand and global supply chain shifts. Challenges include a reliance on imported feedstock, infrastructure gaps, and the need for increased R&D investment to move further up the value chain into high-value niche segments.

Overall, the Indian fine chemicals industry is well-positioned for substantial growth, transitioning from a bulk chemical producer to a key global supplier of high-value, specialized products

Sources: above information is sourced from various market analysis reports, industry associations and Government publications including NITI Ayog, Invest India, Mckinsey & Co.

Long term Growth Drivers for Indian Fine Chemicals Industry

The growth of the Indian fine chemicals industry is driven by a combination of robust domestic demand, strategic global supply chain shifts, supportive government policies, and key competitive advantages

- **Rising Domestic Consumption:** A large and expanding Indian middle class, increasing urbanization, and improving living standards are boosting demand for a wide range of consumer products, including personal care, home care, and automotive products, all of which use fine and specialty chemicals. Consequently, there is significant potential for expansion of the end user industries such as pharmaceuticals, Agrochemicals, construction and automotives.
- **Global Supply Chain Diversifications ("China + 1" Strategy):** Geopolitical tensions and supply chain disruptions have prompted global companies in the US, Europe, and Japan to seek alternative, reliable sourcing destinations outside of China. India is emerging as a key beneficiary of this diversification, leveraging its manufacturing base to capture a larger global market share.

- **Cost-Effective Manufacturing:** India offers competitive advantages in terms of lower labor and manufacturing costs compared to many developed economies, making it an attractive destination for global companies to set up manufacturing plants.
- **Supportive Government Initiatives:** The Indian Government is actively promoting the sector through various policies:
 - Production Linked Incentive (PLI) Scheme, primarily focusing on pharmaceuticals and other key sectors
 - “Make in India” & “Aatmanirbhar Bharat”, with the objective of promoting the domestic manufacturing, attracting investments and improve ease of doing business
 - Petroleum, chemicals & Petrochemicals Investment Regions (PCPIRs) - dedicated industrial regions with shared infrastructure to facilitate large-scale chemical manufacturing and attract significant investment.
- **Skilled Workforce & R&D:** India benefits from a large pool of skilled scientific talent and a growing focus on research and development (R&D) and innovation to produce advanced, high-value products.
- **Focus on Green Chemistry:** Increasing global and domestic awareness of environmental sustainability is driving demand for eco-friendly and bio-based chemical solutions. Indian companies are investing in sustainable manufacturing practices (e.g., zero liquid discharge plants) to meet these new standards and enhance their global competitiveness.

Risk to the growth

- **Heavy Reliance on Imports: India is highly dependent on imports for critical raw materials, basic feedstocks (like petrochemicals), and advanced intermediates,** many of which come from China. This dependency exposes the domestic industry to global price volatility, supply chain disruptions, and geopolitical tensions.
- **Price Volatility:** Fluctuations in global crude oil and natural gas prices directly impact the cost of key chemical inputs, making it difficult for Indian manufacturers to predict costs and maintain stable profit margins.
- **Supply Chain & Logistics Bottlenecks:** Inefficient logistics infrastructure, including poor port connectivity, inadequate warehousing, and high transportation costs, create delays and increase the cost of doing business.
- **Stringent Environmental Regulations:** The chemical industry is inherently prone to environmental concerns (pollution, waste management). Increasingly strict local and international environmental regulations (like the EU's REACH) require significant investment in compliance, pollution control equipment, and sustainable practices (e.g., Zero Liquid Discharge systems). Meeting these standards can be challenging and costly, particularly for Small and Medium Enterprises (SMEs)
- **Regulatory Complexity:** Navigating complex and sometimes unclear regulatory framework for product registration, safety and emissions can lead to delays and operational challenges
- **R&D and Innovation Gap:** The Indian chemical industry generally invests less in Research and Development (R&D) compared to global competitors like China. This limits the industry's ability to innovate, move into high-value niche segments, and develop patented products, leading to a focus on generic or bulk chemicals with lower margins.
- **Shortage of Skilled Talent:** Despite having a large workforce, India faces a shortage of highly skilled professionals with technical expertise in advanced chemical processes, automation, and environmental management. Attracting and retaining top talent remains a significant challenge.
- **Technology Lag:** The adoption of advanced manufacturing technologies (Industry 4.0, AI, automation) is not yet widespread in the Indian chemical sector, resulting in lower operational efficiency compared to global leaders.
- **Intense Competition from China:** Chinese manufacturers, benefiting from economies of scale, lower raw material costs, and government subsidies, offer highly competitive pricing, creating significant price pressure for Indian companies in both domestic and international markets.

- **Global Headwinds & Trade Barriers:** Geopolitical instability, trade wars, and non-tariff barriers (such as carbon taxes like the EU's Carbon Border Adjustment Mechanism) in export markets can impact the competitiveness and profitability of Indian chemical exports.
- **Underutilization of Capacity:** Some manufacturers operate below optimal capacity due to inconsistent demand or market penetration issues, which impacts profitability and efficiency

Our competitive positioning in Indian fine chemical industry

Our chemical business has established a strong competitive position as a specialized, high value pharmaceutical intermediate producer and a reliable contract manufacturing partner for Global multinational corporations. Its competitive edge lies in its technological expertise and integrated operations. We have developed core competencies in complex processes like Optical Isomer Separation, Photochlorination of Toluene, Cyanation, and Racemisation, allowing it to produce high-purity, high-value products. Our manufacturing facilities are maintained according to Good Manufacturing Practices (GMP) and robust documentation standards, making it an attractive partner for international clients

Outlook for the Fine Chemical Business in India

The outlook for the fine chemical industry in India is highly positive and poised for significant growth, driven by strong domestic demand, global supply chain realignments, and supportive government policies. The sector is expected to expand at a healthy rate, with projections estimating a Compound Annual Growth Rate (CAGR) of 11-13% for the specialty and fine chemicals segment in the coming years.

NITI Aayog, the Government of India's policy think tank released a report titled "*Chemical Industry: Powering India's participation in Global Value Chains*" in July 2025, which outlines a strategic roadmap and ambitious targets for the sector, including the potential to reach a **\$1 trillion market size by 2040**

McKinsey & Company and the Indian Chemical Council (ICC) have given a joint report titled "*India: The next chemicals manufacturing hub*" projecting the industry's growth rate (11-12% during 2021-27), the tripling of global market share, and the forecast for **net exports of specialty chemicals to reach \$21 billion by 2040**.

These sources collectively emphasize the role of global supply chain shifts ("China+1" strategy), strong domestic demand, and policy support as key drivers for the industry's transformative growth phase.

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “Forward Looking Statements” on page 18 for a discussion of the risks and uncertainties related to such statements and also “Risk Factors” on page 25 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements contained in this Information Memorandum.

The industry information contained in this section is derived from Industry Reports. Neither we, nor any of our affiliates or advisors, nor any other person connected with the Information Memorandum has independently verified this information.

Unless otherwise stated, references in this section to “we”, “our” or “us” (including in the context of any financial information) are to the Demerged Undertaking/Chemical Business transferred to the Company pursuant to the Scheme of Arrangement. To obtain a complete understanding of our Chemical Business, prospective investors should read this section in conjunction with “Risk Factors” and “Industry Overview” on pages 25 and 63 respectively, as well as the financial, statistical and other information contained in this Information Memorandum.

Overview

Our Company was incorporated as a public limited company on September 29, 2021 under the Companies Act, 2013 with the name DCM Shriram Fine Chemicals Limited and a certificate of incorporation dated September 30, 2021 was issued by Central Registration Centre.

Prior to the Scheme becoming effective, our Company was a wholly owned subsidiary of DCM Shriram Industries limited. The main object of our Company is, *inter alia*, to carry on the production and sale of chemicals and their by-products and to undertake contract manufacturing of chemical products. Pursuant to the scheme becoming effective on December 17, 2025, the chemical business of DCM Shriram Industries Limited got demerged and vested in our Company with effect from April 1, 2023 (i.e. the Appointed Date).

Fine Chemical business started in early 1970s with a manufacturing facility in Daurala (near Meerut), Uttar Pradesh using chemical processes with Photochlorination of Toluene, Cyanation etc. Over time, DCMSR leveraged its process expertise to develop and manufacture value-added products and derivatives, with Photochlorination and Cyanation forming its core technological strengths. In 1994, a new unit was set up as a separate company namely Daurala Organics Limited, to produce high value/ high technology drug intermediates. Affiliations with three European companies were established to obtain state-of-the-art technology. This company was later merged into DCM Shriram Industries Limited. It is now one of leading producers in the world for Pharmaceuticals Intermediates, particularly in the Anti-Infective segment. With the restructuring of our business, the focused business vertical is expected to enhance our agility, accountability and will help aligning us closely with evolving needs of our customers.

Our Product Portfolio

Our chemical business offers a diverse range of fine chemicals that serve various industries including pharmaceuticals, agrochemicals, dyes, paints, coatings, perfumery and fragrances. Our product portfolio comprises several specialized compounds with applications tailored for these sectors. We have the following broad product categories:

- **Pharmaceutical Intermediates:** Key products includes, D (-) Para Hydroxy Phenyl Glycine Base & its derivatives (Methyl Ester & Dane Salt) and D (-) Alpha Phenyl Glycine Base & its derivatives (Chloride Hydrochloride & Dane Salt). Other pharma intermediates in our portfolio are DL-2-Chlorophenyl Glycine which is used for Cardiovascular drugs & Sodium Phenoxy acetate which is used for Penicillin-V. These intermediates are essential for developing antibiotics and other drugs, and Our chemical units specialize in anti-infective & cardiovascular segments that support self-reliance in pharma manufacturing.
- **Agrochemicals:** Chemicals utilized in crop protection and agricultural processes, supporting sustainable farming practices.
- **Dyes, Paints & Coatings:** Fine chemicals such as Benzaldehyde and Ortho Chloro Benzaldehyde, used in the synthesis of dyes, pigments, and coatings for varied industrial and commercial applications.
- **Perfumery & Fragrance:** Aromatic compounds like Benzyl Alcohol and Phenyl Acetic Acid etc. for manufacture of perfumes, deodorants, and air fresheners.

Product Name	Application
Ortho Chloro Benzaldehyde (OCB)	Dyes, Pharma, Agrochemicals
Ortho Chloro Benzoic Acid (OCBA)	Dyes, Pharma
Benzyl Cyanide	Pharma intermediates
Phenyl Acetic Acid	Perfumes, Pharmaceutical
Benzyl Alcohol	Perfumes, Pharmaceutical
Benzaldehyde	Agrochemicals, Dyes, Pharma
D (-) Alpha Phenyl Glycine Base & its derivatives (Chloride Hydrochloride & Dane Salt)	Pharma
D (-) Para Hydroxy Phenyl Glycine Base & its derivatives (Methyl Ester & Dane Salt)	Pharma
DL-2-Chlorophenyl Glycine	Pharma
Sodium Phenoxy acetate	Pharma

In addition to above, our chemical business started contract manufacturing with a single product in 2012. After conducting the process development in collaboration with customers, we are currently manufacturing two statin intermediates on a contract basis for a pharma multinational and conducting research and development to explore further products/ molecules.

Extensive Capabilities

Our Chemical business is recognized for:

- Advanced quality control and research and development laboratories to ensure product integrity, process development and innovation.
- Two Pilots plants for development and scale up.
- Flexible manufacturing facilities to quickly adapt to market and customer demand for new chemical products.
- Extensive effluent treatment infrastructure to ensure compliance with environmental.
- Strong IT infrastructure, supporting robust supply chain and quality.

Sales and Service network

Our Chemical Business primarily operates through a **business-to-business (B2B)** model, supplying high-purity fine chemicals to other large industrial and pharmaceutical companies both domestically and internationally. Our sales and service network are structured around direct engagement with these industrial customers and strategic global partners.

- **Direct Sales to Industrial Customers:** The core of our network involves direct sales to major manufacturers in the pharmaceutical, agrochemical, paints, dyes, and perfumery industries. This approach ensures technical support and specific product requirements are met.
- **Global Export Market:** We have a significant international presence, exporting to a global customer base and adding many global pharma majors to its customer list. Our proximity to key logistics infrastructure such as ICD/TKD Tughlakabad facilitates efficient global dispatches.
- **Contract Manufacturing (CRAMS):** A key part of our business involves contract manufacturing for reputed multinational companies (MNCs). This involves direct business relationships with these global partners, leveraging their technological expertise and customized production capabilities.
- **Agents:** In certain cases, agents have been appointed for domestic distribution of specific products; however, the majority of sales are through direct industrial channels.
- **Corporate Office and Plant Locations:** We manage our sales and customer service from our Corporate office and plant locations.
 - **Corporate Office:** Located at 6th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi, which serves as the primary commercial and customer relations hub.
 - **Manufacturing Plant:** Located at Sardhana Road, Daurala, District Meerut, Uttar Pradesh, where production, quality control, and technical support teams are based.
- **Quality Assurance & Certifications:** Our commitment to quality assurance and certifications (e.g., ISO 9001:2015, ISO 14001:2015, ISO 45001:2018) is a key aspect of building long-term relationships with customers who demand top-notch quality and reliable supply.
- **Research & Development Tie-ups:** Our R&D facilities and our ties with the Shriram Institute for Industrial Research (SIIR) facilitate collaborative service and product development, including process improvement and new product development as per client requirements.

Our Strategies

Our Chemical Business focuses on leveraging technological advancements, expanding our product offerings, increasing market penetration, and maintaining high standards in quality and efficiency. Integral to this approach is the continuous upgrade of our R&D through technology absorption and collaborations with European companies for advanced methods in drug intermediates. The Chemical business specializes in flexible manufacturing to swiftly adapt to changing client and industry requirements, especially in pharmaceuticals and fine chemicals.

Core Strategic Pillars

- **Innovation and Technology Absorption:** We invest significantly in acquiring and deploying cutting-edge technologies, especially for drug intermediates in cardio-vascular and anti-infective segments.
- **Market Expansion:** We implement multipronged strategies to boost domestic and international market penetration, with a particular focus on exports, which have grown steadily.
- **Operational Efficiency:** Ongoing initiatives aim to improve manufacturing throughput and reduce costs, supported by advanced and flexible production facilities.
- **Quality and R&D:** We have robust QC and R&D capabilities, driving process improvements, efficiency gains, and the introduction of new products that support import substitution and address client needs.
- **Customer Responsiveness:** Flexible plant design and a responsive operations model help in adapting to changing customer segments and market trends.

These strategies ensure that we remain competitive, innovative, and capable of sustaining growth in both domestic and global markets.

Technology and Innovation Focus:

We place a strong emphasis on technology and innovation, primarily through the strategic absorption of advanced manufacturing techniques and continuous investment in R&D. By collaborating with European companies, the business introduced high-technology drug intermediates, particularly excelling in the use of optical isomer separation, —a key innovation in pharmaceutical manufacturing. This success in expanding into drug intermediates for lifestyle and cardio-vascular segments demonstrates our ability to leverage contract manufacturing and global partnerships for technological development.

Technology and R&D Focus

- Our chemical business maintains comprehensive and advanced QC and R&D laboratories, supporting robust research efforts and contract research capabilities for global clients.
- The flexible plant design allows for rapid adaptation to new technologies, customer requirements, and changing product segments, reinforcing our innovative operational model.
- Significant strides have been made in technology absorption, leading to a broader product spectrum in pharmaceuticals and fine chemicals, especially those requiring high technical expertise like optical isomer separation.

Innovation Highlights

- Strategic collaborations with European technology partners have established us as a world leader in certain pharmaceutical intermediates.
- Ongoing investments in research, modern production infrastructure, and skilled personnel support and sustain a culture of innovation and technological growth.

These efforts provide our chemical business with a solid foundation for meeting future industry demands and maintaining a leadership position in advanced chemical and pharmaceutical manufacturing.

Domestic Manufacturing Emphasis:

- We emphasize domestic manufacturing with well-established facilities located in Daurala near Meerut, Uttar Pradesh, which serve as the core production site for fine chemicals and intermediates.
- Two fine chemicals plants at the Daurala site with advanced utilities and strong quality control and R&D labs support innovation and product quality.
- The plant's capacity and infrastructure are being regularly upgraded to expand the product basket, including high-technology drug intermediates and contract manufacturing services for global pharma clients.
- Emphasis on self-reliance through in-house production of critical intermediates for life-style and anti-infective drugs, reducing dependency on imports.

Volumes and financial summary

The volumes for the chemical business for the period ended September 30, 2025, year ended March 31, 2025 and year ended March 31, 2024 are as follows:

(Qty in MT)

Volumes	For the period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024
Domestic	5,007	10,050	9,033
Export	364	1,157	1,141
Total	5,371	11,206	10,173

(₹ in crores)

Particulars	For the period ended September 30, 2025	For the year ended March 30, 2025	For the year ended March 30, 2024
Revenue from operations	194.15	426.95	406.58
Other operating income	1.37	2.42	6.29
Total revenue from operations	195.52	429.37	412.87
Other income	1.62	3.89	3.71
Total income	197.14	433.26	416.58
Cost of material consumed	112.27	251.40	229.64
Changes in inventories of finished goods and work-in-progress	2.76	-3.65	1.27
Employee benefits expense	24.76	54.83	52.99
Depreciation and amortisation expense	4.34	8.80	8.87
Finance costs	0.52	1.77	2.33
Other expenses	49.88	94.20	88.33
Profit before exceptional items and tax	2.61	25.91	33.15
Share of profit of joint ventures and associates (net)	-	-	-
Profit before exceptional items and tax	2.61	25.91	33.15
Exceptional items loss/ (gains) (net)	0.15	0.29	0.39

Profit before tax from continuing operations	2.46	25.62	32.76
Tax expense/ (credit) (net)	2.11	6.73	9.02
Profit for the period from continuing operations	0.35	18.89	23.74
Profit/ (loss) before tax from discontinued operations	-	-	-
Tax expense (net)	-	-	-
Profit/ (loss) for the period from discontinued operations	-	-	-
Profit for the year	0.35	18.89	23.74
Capital Employed	226.29	228.98	221.55

For further details, please refer to the *Management Discussion and Analysis of the Financial Condition and Results of Operations* on page no. 218 of this information memorandum.

Plant Locations and Installed Capacity, Capacity Utilization in FY25 for the Demerged Undertaking

Our chemical business operates through two plants situated in Daurala (near Meerut) in Uttar Pradesh. The first plant named Daurala Chemicals was set up in 1970 and second plant named Daurala Organics was set up as a separate company in 1994 which was subsequently merged with our Company.

The installed capacity and production volumes across the plants are as shown below:

(Quantity in MT)

Plant	Installed Capacity	Production		% to installed capacity	
		FY 25	FY 24	FY 25	FY 24
Daurala Chemicals	14,430	12,192	10,726	84%	74%
Daurala Organics	9,363	5,681	5,070	61%	54%
Total	23,793	17,872	15,796	75%	66%

Manufacturing process and Technology

Our chemical business uses advanced technology for its fine chemicals manufacturing, including Photochlorination and Cyanation, which form the basis for its drug intermediates. Our Company has a flexible plant with reactors, centrifuges, distillation kettles, and dryers, supported by comprehensive utilities and sophisticated process instruments like HPLC, GC, and a polarimeter for optical isomer separation. We are also engaged in contract manufacturing and research for global pharmaceutical companies, leveraging these technologies to produce intermediates for various drug segments. The Chemical business has successfully absorbed "state-of-the-art" technologies through affiliations with European companies, which have been crucial for upgrading its manufacturing processes and product portfolio.

Our Suppliers

Our Chemical business maintains a robust and diversified supplier network that plays a crucial role in delivering quality, reliability and cost effective purchases. We work closely with suppliers to ensure compliance with the applicable regulatory standards, quality benchmarks and cost efficiency. Through structured engagement, supplier assessments and vendor development programs, our chemical business fosters long term partnerships that enable agile, innovative and dependable value chain. In this process, we procure our key raw materials and other chemicals from a network of local and international chemical dealers and manufacturers.

R & D and Focus Areas

Our chemical business places significant emphasis on R&D with a focus on process development, chemical intermediates, and specialty pharmaceutical compounds, targeting anti-infective and statin segments. The company maintains in-house process development capabilities and innovation units geared towards enhancing product pipelines and manufacturing technology absorption.

The company's philosophy centers on leveraging core competencies in photochlorination, Cyanation, optical isomer separation and Enzymatic reaction to develop high-value specialty chemicals with continual technology absorption. It aims at innovation-led growth, quality assurance, and sustainability in manufacturing practices.

Awards

Daurala Organics, part of DCM Shriram Industries Ltd., has received the Green India Award from Frost & Sullivan for its sustainable manufacturing practices. Additionally, as part of DCM Shriram, the company adheres to high standards, including ISO 9001:2015 certification, and is recognized by the Department of Scientific and Industrial Research (DSIR).

Corporate Social responsibility

Our Corporate Social Responsibility (CSR) initiatives is an integral part of its parent company, DCM Shriram Industries Ltd. The company's CSR philosophy focuses on community well-being and sustainable development, primarily in the areas surrounding its manufacturing facility in Daurala, Meerut in following areas:

- **Education and Skill Development:** The company supports educational initiatives, including providing scholarships and improving school infrastructure, aimed at enhancing literacy and creating employment opportunities for local youth.
- **Healthcare and Sanitation:** Initiatives often include organizing medical camps, improving sanitation facilities, and raising health awareness in surrounding villages to improve overall community health outcomes.
- **Environmental Sustainability:** This includes tree plantation drives, water conservation efforts, and ensuring the company's manufacturing processes minimize environmental impact on the local ecosystem. The company emphasizes a strong commitment to environmental compliance and sustainability within its operations.
- **Rural Development:** Broader community development programs are implemented to improve the quality of life in the rural areas surrounding the Daurala complex, often in collaboration with local government and NGOs.

DSFCL is fully committed to social responsibility and sustainable practices.

IT Data protection and Data security

We have adopted a comprehensive approach to IT data protection, data security, and information security measures with emphasis on cyber security excellence and maintaining data management system integrity through regular internal audits and continuous updates to their security systems.

Information Security Measures:

- Automated compliance tracking through a tool called "Complinty e-Software," which monitors adherence to all applicable laws, including those related to labour and human rights.
- The chemical Business has well established procedures for reviewing and revising policies, monitoring risk mitigation, ensuring business continuity, and overseeing risk evaluations specific to cyber security.
- Regular training and capacity building for employees to enhance awareness and safeguard data and systems.
- Policies focused on privacy and data protection reflecting a strong commitment to respecting privacy and building digital trust with stakeholders.

Overall, the business integrates IT data protection into its broader governance, risk management, and

compliance structures, ensuring robust information security practices aligned with regulatory and stakeholder expectations.

Employees

The details of the permanent employees of DSFCL as of the date of the information memorandum are as shown below:

Type of Employees	No. of Employees
Junior Management	61
Middle Management	44
Management cadre	18
Non-Management	406
Total permanent employees	529

Immovable properties

Our corporate office is situated at 6th Floor Kanchenjunga Building, 18 Barakhamba Road, New Delhi – 110001 on leased property. Manufacturing facilities at Daurala (near Meerut) in Uttar Pradesh are located on freehold properties as per following details:

Serial No.	Location	Khasra No.	Area (in Sq. Mtr.)	Type of Asset
1.	Village Daurala.	1732	2,696	Freehold.
2.	Village Daurala.	1733	6,557	Freehold.
3.	Village Daurala.	313, 314, 315	10,243	Freehold.
4.	Village Mohd. Pur Hayak.	298	120	Freehold.
5.	Village Mohd. Pur Hayak.	297	370	Freehold.
6.	Village Mohd. Pur Hayak.	312	5,550	Freehold.
7.	Village Mohd. Pur Hayak.	294	10,484	Freehold.
8.	Village Mohd. Pur Hayak.	296	700	Freehold.
9.	Village Mohd. Pur Hayak.	295	643	Freehold.
10.	Village Mohd. Pur Hayak.	288	450	Freehold.
11.	Village Mataur.	421	5,850	Freehold.
12.	Village Mataur.	433	2,956	Freehold.
13.	Village Mataur.	434	17,057	Freehold.
14.	Village Mataur.	435	6,551	Freehold.
15.	Village Mataur.	436	4,086	Freehold.
16.	Village Mataur.	437	3,110	Freehold.
17.	Village Mataur.	438	7,564	Freehold.
18.	Village Mataur.	439	1,250	Freehold.
19.	Village Mataur.	440	1,250	Freehold.
20.	Village Mataur.	441	1,239	Freehold.
21.	Village Mataur.	442 & 492	8,985	Freehold.
22.	Village Mataur.	443	1,680	Freehold.
23.	Village Mataur.	444	1,701	Freehold.
24.	Village Mataur.	445	3,856	Freehold.
25.	Village Mataur.	446	2,177	Freehold.
26.	Village Mataur.	447	2,177	Freehold.
27.	Village Mataur.	70 (Ka)	18,676	Freehold.
28.	Village Daurala.	63	5,108	Freehold.
29.	Village Daurala.	70	251	Freehold.
30.	Village Daurala.	60	16,258	Freehold.
Total			1,49,595	

KEY REGULATIONS AND POLICIES

The following is an overview of certain key laws, rules, regulations and policies in India which are or may be applicable to the Company and the business and operations undertaken or planned to be undertaken by the Company. The information stated below has been obtained from various legislations, rules and regulations made thereunder and other regulatory requirements that are available in public domain. The description of regulations and policies set out below may not be exhaustive and is only intended to provide general information. The statements below are based on the current provisions of Indian law and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative actions, or regulatory, administrative, or judicial decisions.

A. INDUSTRY RELATED LAWS & POLICIES

The Bureau of Indian Standards Act, 2016 (the “BIS Act”)

The BIS Act provides for the establishment of a national standards body for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems, and services. The BIS Act provides for establishment of Bureau of Indian Standards which takes necessary steps for promotion, monitoring and management of quality of goods, services, articles, processes and systems.

Petroleum Act, 1934 (“Petroleum Act”) and Petroleum Rules, 2002 (“Petroleum Rules”)

The Petroleum Act regulates the import, transport, production, refining, storage, blending of petroleum. The Petroleum Rules require every person importing, transferring, or storing petroleum of certain grades to do so only in accordance with a licence granted under the Petroleum Rules.

Petroleum Act, 1934 (“Act”) and Petroleum Rules, 2002 (“Rules”)

This Act regulates the import, transport, production, refining, storage and blending of petroleum. The Rules require every person to import, transfer, or store petroleum of certain grades to do so only in accordance with a license granted under the Petroleum Rules.

Explosives Act, 1884 (“Act”) and Explosives Rules, 2008

This Act is a central legislation enacted to regulate the manufacture, possession, use, sale, transport, import, and export of explosives in India. The rules made thereunder govern all aspects of explosives, including licensing requirements, safety standards, storage conditions, and procedures for inspection.

Gas Cylinder Rules, 2016 (“Rules”)

The Rules govern the manufacture, storage, transportation, and use of gas cylinders to ensure safety. They require cylinders to comply with specific design and construction standards, mandate licenses for manufacturing and importing, and enforce periodic testing.

Poison Act, 1919 (“Act”)

This Act is a legislation enacted to regulate the import, possession, sale, and use of poisons in India. Its primary objective is to prevent the misuse of poisonous substances and to ensure that they are handled, stored, and distributed in a safe and controlled manner.

Chemical Weapons Convention Act, 2000 (“Act”)

This Act mainly prohibits the development, production, stockpiling, and use of chemical weapons. It also controls toxic chemicals, requiring registration and record-keeping for industries handling such substances. It provides detailed procedures for registration, reporting, inspections, and compliance by entities dealing with scheduled chemicals.

Drugs and Cosmetics Act, 1940 (“Act”) and the Drug and Cosmetics Rules, 1945 (“Rules”)

The Act is a central legislation enacted by the Government of India to regulate the import, manufacture, distribution, and sale of drugs and cosmetics. Its primary objective is to ensure that drugs and cosmetics sold in India are safe, effective, and of standard quality. The Rules detail the procedures and standards that every stakeholder must follow.

B. ENVIRONMENT RELATED

Environment (Protection) Act, 1986 (“Environment Act”), Environment Protection Rules 1986 (“Environment Rules”) and the Environmental Impact Assessment Notification, 2006 (the “EIA Notification”)

The Environment Act has been enacted with the objective of protection and improvement of the environment. The Environment Act is an umbrella legislation designed to provide a framework for the Central Government to coordinate activities of various state and central authorities established under previous environmental laws. The Environment Act specifies that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environment pollutants in excess of such standards as may be prescribed. Under the Environment Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the Act, including the power to direct the closure, prohibition or regulation of any industry, operation or process. The Environment Act also contains provisions with respect to furnishing information to authorities in certain cases, the establishment of environment laboratories and the appointment of government analysts.

Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

The Noise Pollution (Regulation & Control) Rules, 2000 (“The Noise Regulation Rules”)

The Noise Regulation Rules regulate noise levels in industrial (75 decibels), commercial (65 decibels) and residential zones (55 decibels). The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The Rules also assign regulatory authority for these standards to the local district courts.

The Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)

The Air Act stipulates that no person shall, without prior written consent of the relevant state pollution control board, establish or operate any industrial plant in an air pollution control area, as notified by the state pollution control board.

The Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)

The Water Act aims to prevent and control water pollution and to maintain or restore water purity and any person intending to establish any industry, operation or process or any treatment and disposal system which is likely to discharge sewage or trade effluent into a stream or well or sewer or on land is required to obtain prior consent of the relevant state pollution control board.

The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to obtain an approval from the relevant state pollution control board and to dispose of such waste without harming the environment.

C. COMMERCIAL & CONSUMER RELATED

The Competition Act, 2002 (“the Competition Act”)

The Competition Act, overseen by the Competition Commission of India (CCI), is designed to prevent practices that have a negative impact on competition in the market. It prohibits anti-competitive agreements, such as cartels or price-fixing, and the abuse of a dominant market position. For the automobile industry, this law is particularly relevant in the context of agreements with dealers, spare parts suppliers, and other players in the value chain.

Consumer Protection Act, 2019 (the “Consumer Protection Act”) and the rules made thereunder

The Consumer Protection Act which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, inter alia to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. It also provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances.

Legal Metrology Act, 2009 (“LM Act”)

The LM Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure, or number. The LM Act provides for, inter alia, standard weights and measures and requirements for verification and stamping of weight and measure. It lays down that the Central Government may prescribe the kinds of weights and measures for which the verification is to be done through the government approved test centre. Further, the LM Act lays down penalties for various offences, including but not limited to, using non-standard weight or measure, making any transaction, deal or contract in contravention of prescribed standards, counterfeiting of seals and tampering with license.

Sale of Goods Act, 1930 (the “Sale of Goods Act”)

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one, or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

D. EMPLOYMENT & LABOUR LAWS

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws other than state-wise shops and establishments acts, which may be applicable to our Company due to the nature of our business activities:

- Contract Labour (Regulation and Abolition) Act, 1970;
- Payment of Gratuity Act, 1972;
- Payment of Bonus Act, 1965;
- The Maternity Benefit Act, 1961;
- The Payment of Wages Act, 1936;
- The Industrial Disputes Act, 1947;
- Industrial Employment (Standing Orders) Act, 1946;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Equal Remuneration Act, 1976; and
- The Child Labour (Prohibition and Regulation) Act, 1986.

In order to rationalise and reform labour laws in India, the Government of India has notified four labour codes namely:

- (i) the Code on Wages, 2019 which will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976 and the Payment of Wages Act, 1936,
- (ii) the Industrial Relations Code, 2020 which will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947,
- (iii) the Code on Social Security, 2020 which will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the Payment of Gratuity Act, 1972, and
- (iv) the Occupational Safety, Health and Working Conditions Code, 2020 which will repeal certain enactments including the Factories Act, 1948, Motor Transport Workers Act, 1961 and the Contract Labour (Regulation and Abolition) Act, 1970.

While the above four labour codes have been implemented by the Government of India with effect from 21.11.2025, the rules under these codes are yet to be notified. Substantive provisions of these labour codes are not yet in force or pending implementation. The Company will need to closely monitor the changes in the regulatory regime w.r.t. the labour laws and implement the same accordingly.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act")

The POSH Act aims to provide a safe and secure working environment for women by preventing and addressing sexual harassment at the workplace. The Act mandates all employers to establish an Internal Complaints Committee (ICC) to receive and investigate complaints, ensure timely redressal, and maintain confidentiality. It outlines procedures for filing complaints, conducting inquiries, and imposing penalties on offenders. The Act also emphasizes awareness, training, and preventive measures to foster a respectful workplace culture. Its primary objective is to protect women's rights, promote equality, and ensure accountability in professional settings

E. PROPERTY RELATED LAWS

The Transfer of Property Act, 1882 ("TP Act")

The TP Act establishes the general principles relating to transfer of property in India. It deals with the various methods in which transfer of property including transfer of immovable property or any interest in relation to that property, between individuals, firms and companies takes place. The TP Act stipulates the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The TP Act also provides for the rights and liabilities of the vendor and purchaser, and the lessor and lessee in a transaction of sale or lease of land, as the case may be. The TP Act also covers provisions with respect to mortgage of property.

The Registration Act, 1908

The Registration Act, 1908 ensures authenticity and fraud prevention in property transactions by mandating document registration. It specifies registrable documents, confers legal validity, and serves as public notice. The Registration Act, 1908 prescribes procedures, maintains public registers, and renders unregistered documents inadmissible in court, ensuring transaction legality.

Other property related

Apart from the laws mentioned above, several other statutes, rules, and regulations have been issued by the Central Government, the respective State Governments, and various authorized agencies and bodies including the Ministry of Urban Development, state-level land development or planning authorities, and local municipal or village bodies. These govern matters related to land and real estate, such as acquisition, ownership, possession, development, zoning, and planning. Additionally, every state and city has its own legal framework that regulates planned development and construction requirements, including norms related to floor area ratio or floor space index.

F. INTELLECTUAL PROPERTY LAWS

Trade Marks Act, 1999 (the “Trade Marks Act”) and the relevant rules made thereunder

The Trade Marks Act provides for the application, registration and assignment of trademarks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. The registration of a trademark is valid for a period of 10 years, and can be renewed in accordance with the specified procedure. Application for the registration of trademarks has to be made to Controller- General of Patents, Designs and Trade Marks who is the Registrar of Trademarks for the purposes of the Trade Marks Act. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compound among others. It also provides for penalties for infringement, falsifying and falsely applying trademarks.

The Patents Act 1970 (the “Patents Act”) and the relevant rules made thereunder

The Patents Act governs the patent regime in India. A patent under the Patents Act is an intellectual property right relating to inventions and grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or produce that product. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention must satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria.

The Copyright Act, 1957 (“the Copyright Act”) and the relevant rules made thereunder

The Copyright laws governs copyright protection in India. The Copyright Act protects literary and dramatic works, musical works, artistic works including photographs and audio-visual works (cinematograph films and video). The Copyright Act specifies that for the purposes of public performance of Indian or international music, a public performance license must be obtained. All those who play pre-recorded music in the form of gramophone records, music cassettes or compact discs in public places have to obtain permission for sound recordings. Whilst copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright laws acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions.

G. TAXATION LAWS

The tax related laws that are pertinent, include the Income Tax Act 1961 and the relevant rules and regulations made thereunder and GST which includes the Central Goods and Services Tax Act, 2017, various State Goods and Services Tax legislations and the Integrated Goods and Services Tax Act, 2017 and the rules made thereunder.

H. FOREIGN INVESTMENT AND TRADE RELATED LAWS

Foreign Exchange Management Act (FEMA), 1999 and the rules and directions made thereunder

FEMA is the primary legislation that regulates all foreign exchange transactions in India. Its main objective is to facilitate external trade and payments and promote the orderly development and maintenance of the foreign exchange market in India. For an automobile company, FEMA is crucial for managing transactions related to the import of raw materials and finished components, as well as the export of vehicles or parts.

For exports, FEMA mandates that every exporter must realize and repatriate the proceeds of their exports to India within a specified time frame. The Reserve Bank of India (RBI) issues guidelines for this, and a manufacturer must ensure timely receipt of payments from foreign buyers.

For imports, FEMA governs the process of making payments to foreign suppliers. There are specific rules regarding advance remittance, payment for imports and import procedures.

Foreign Trade (Development and Regulation) Act, 1992 (the “FTA”)

The FTA seeks to provide for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTA provides that no person shall make any import or export except under an importer-exporter code number (“IEC”) granted by the Director General of Foreign Trade, Ministry of Commerce (“DGFT”). The IEC granted to any person may be suspended or cancelled inter alia in case the person contravenes any of the provisions of FTA or any rules or orders made thereunder or the DGFT or any other officer authorized by him has reason to believe that any person has made an export or import in a manner prejudicial to the trade relations of India. Any person who makes any export or import in contravention of any provision of this Act or any rules or orders made thereunder or the foreign trade policy would become liable to a penalty under the FTA.

Customs Act, 1962 (the “Customs Act”)

Under the Customs Act, the Central Government has the power to prohibit either absolutely or subject to such conditions, the import or export of goods of any specified description. Further, the Central Government may specify goods of such class or description, if it is satisfied that it is necessary to take special measures for the purpose of checking the illegal import, circulation or disposal of such goods.

I. MISCELLANEOUS

Information Technology Act, 2000

The IT Act is India’s foundational law for e-commerce and cybersecurity, providing legal validity to electronic transactions, contracts, and digital signatures, which are essential for online business operations. It holds companies accountable for securing their digital infrastructure and defines various cybercrimes, compelling businesses to adopt robust cybersecurity measures to protect sensitive data and prevent cyber-attacks, thereby safeguarding operational continuity and customer trust.

The Digital Personal Data Protection Act, 2023 (“DPDP Act”)

The DPDP Act is India’s primary legislation for protection of personal data in digital form. It aims to ensure that individuals’ personal data is collected, processed, and stored responsibly by organizations while promoting trust in the digital ecosystem. The main objective of this Act is to protect individual privacy, promote responsible data processing, and strengthen trust in digital services while enabling lawful use of personal data for business and governance. The Rules provide detailed guidance on consent management, data security standards, grievance redressal, and reporting obligations

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

DCM Shriram Fine Chemicals Limited (the “**Company**”) was incorporated on September 29, 2021 as a public limited company under the Companies Act, 2013, and a certificate of incorporation dated September 30, 2021 was issued by Central Registration Centre.

The Company is engaged in the business of production and sale of chemicals and their by-products and also contract manufacturing of chemical products.

Changes in the Registered Office of our Company

The Registered Office of our Company is located at 6th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi – 110001, India. There has been no change in the registered office of our Company since incorporation.

Amendments in the Memorandum of Association since incorporation

Except as stated below, there has been no change in the Memorandum of Association since incorporation.

Pursuant to the Hon’ble NCLT Order dated November 21, 2025, Clause V (Capital Clause) of the Memorandum of Association, was amended as follows:

Date of Shareholders’ resolution / Effective date	Nature of change	Revised Capital Clause
December 17, 2025 (effective date)	Hon’ble NCLT’s Order dated 21st November, 2025	“The Authorized Share Capital of the Company is INR 40,52,50,000 (Indian Rupees Forty Crores Fifty-Two Lakhs and Fifty Thousand only) divided into 20,26,25,000 equity shares of Rs. 2 (Indian Rupees Two only) each”

Main Objects of the Memorandum of Association of Our Company

The Main Objects of the Memorandum of Association of Our Company are as follows:

1. To carry on the business as manufacturer, exporters, importers, buyers and sellers of and dealers in all kinds of chemicals and their by-products in particular Organic /Inorganic fine chemicals, Camphor and derivates, Perfumery products, Chloro Toluenes and derivates, Amino acids and derivates, drugs/agro/ dyes/intermediaries, Industrial chemicals, bio technology based products, Alkalies and acids, Pharma products and to undertake contract manufacturing of any chemical products.
2. To manufacture, buy, sell, import, deal in and carry on business in casein, hydrochloric acid, bleaching powder, sodium silicate lime, copper sulphate, alum, urea and phenol formaldehyde, synthetic resin, PVC resin and other glues, chlorinated paraffin wax, chlorinated rubber, and other chemicals and ingredients for the manufacture of glue, cement or bonding materials.
3. To manufacture, produce, refine, process, formulate, mix or prepare mine or otherwise acquire, buy, sell, exchange, distribute, trade, deal in, import and export any and all kinds of chemicals, fertilizers, linden, pesticides, manures, their mixtures, and formulation and any and all Classes and kinds of chemicals, sources, materials ingredients, mixtures, derivates and compounds thereof and all kinds of products of which any of the foregoing constitutes an ingredient or in the production of which any of the foregoing is used, including fertilizers, and agricultural and industrial chemicals of all kinds, and industrial and other preparations of or products arising from or required in the manufacturing, refining of any of fertilizer, their mixture and formulations.

Major events in the history of our Company

Financial Year	Events and Milestones
2021-2022	Incorporation of Our Company
2023-2024	As per the Clause 1.4.2 of the Scheme, Appointed Date means 1 April 2023, being the date from which this Scheme shall be effective for the purposes of amalgamation of the Transferor Company into and with DCMSR, and subsequently, the segregation and purposive reconstruction of DCMSR into companies having separate undertakings namely, Chemical Undertaking (in Resultant Company 1), Rayon Undertaking (in Resultant Company 2) and the Residual Undertaking (continuing in DCMSR).
2025-2026	Transfer and vesting of the Demerged Undertaking pursuant to the Scheme

Key awards, accreditations and recognition

The Chemical undertaking has received the Green India Award from Frost & Sullivan for its sustainable manufacturing practices. Additionally, the Company adheres to high standards, including ISO 9001:2015 certification, and is recognized by the Department of Scientific and Industrial Research (DSIR).

Time/cost overrun in setting up projects

As on the date of this Information Memorandum, there are no time and cost overruns pertaining to the Company's business operations.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

As on the date of this Information Memorandum, there are no defaults or re-scheduling/restructuring in relation to borrowings availed by the Company from any financial institutions or banks.

Significant financial or strategic partnerships

As on the date of this Information Memorandum, the Company does not have any significant financial or strategic partnerships.

Launch of key products or services, entry into new geographies or exit from existing markets

For details of key products or services launched by Chemical Business (which has been subsequently transferred to our Company pursuant to the Scheme of Arrangement), entry into new geographies or exit from existing markets, please see "Our Business" on page 68 of this Information Memorandum.

Location of Plants

Our chemical business operates through two plants situated in Daurala (near Meerut) in Uttar Pradesh. The first plant named Daurala Chemicals was set up in 1970 and second plant named Daurala Organics was set up as a separate company in 1994 which was subsequently merged with our Company.

The installed capacity and production volumes across the plants are as shown below:

(Quantity in MT)

Plant	Installed Capacity	Production		% to installed capacity	
		FY 25	FY 24	FY 25	FY 24
Daurala Chemicals	14,430	12,192	10,726	84%	74%
Daurala Organics	9,363	5,681	5,070	61%	54%
Total	23,793	17,872	15,796	75%	66%

Details regarding material acquisitions or divestments of business/undertakings/mergers and amalgamations, any revaluation of assets

Other than pursuant to the Scheme of Arrangement, as disclosed above, as on the date of this Information Memorandum, there have been no material acquisitions or divestments of business, undertakings, mergers, amalgamations or revaluation of assets since the incorporation of the Company.

Our Holding Company

As on the date of this Information Memorandum, the Company does not have any Holding company in terms of Section 2(46) of the Companies Act, 2013.

Our Subsidiary

As on the date of this Information Memorandum, our Company has a wholly-owned Subsidiary, namely, Daurala Foods and Beverages Private Limited ('DFBL'). This company was incorporated vide Certificate of Incorporation dated November 11, 1994 issued by Registrar of Companies, NCT of Delhi and Haryana. The Corporate Identification Number ("CIN") of the Company is U74899DL1994PTC062686. The Registered Office of the Company is located at 6th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi – 110001, India. The Authorised Share Capital of DFBL is ₹12,00,00,000/- (Rupees Twelve Crores only). The Paid-up Equity Share capital of DFBL is ₹7,50,00,000 (Rupees Seven Crores Fifty Lakhs only) comprising of 75,00,000 (Seventy-Five Lakhs) fully paid-up equity shares of ₹ 10/- (Rupees Ten only) each.

As on the date of this Information Memorandum, the shareholding pattern of DFBL is as follows:

Name of Shareholder	No. of Equity Shares of ₹10 each/-	Shareholding %
DCM Shriram Fine Chemicals Limited [@]	75,00,000	100%

[@] along with six individuals who hold shares as nominees jointly with the Company.

Our Associates

As on the date of this Information Memorandum, our Company does not have any associate company in terms of Section 2(6) of the Companies Act, 2013.

Joint Ventures

As on the date of this Information Memorandum, our Company does not have any joint venture in terms of Explanation to Section 2(6) of the Companies Act, 2013.

Material Agreements

Shareholders' agreements

As on the date of this Information Memorandum, there are no subsisting shareholder's agreements among our shareholders vis-à-vis our Company.

Other material agreements

Our Company has not entered into any material contract other than in the ordinary course of business carried on or intended to be carried on by our Company immediately preceding the date of this Information Memorandum.

Agreements with Key Managerial Personnel, Senior Management Personnel, Promoters, Directors, or any other employee

As on the date of this Information Memorandum, there are no agreements entered into by a Key Managerial Personnel or Senior Management Personnel or Promoters or Directors or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company. The appointments of above category of personnel are made through Board resolutions and Shareholders' resolution, wherever applicable.

Guarantees given by the Promoters

Our Promoters are not offering any Equity Shares and accordingly the confirmation pertaining to guarantees extended in favour of third parties is not applicable.

OUR MANAGEMENT

Subject to the provisions of the Companies Act, the number of Directors on our Board shall not be less than 3 (three) and not more than 15 (fifteen) including nominees of the lending institutions, if any. Presently, the Board comprises of 9 (nine) Directors.

Board of Directors

The following table sets forth details of our Board as of the date of filing of this Information Memorandum with the Stock Exchanges:

Sr. No.	Name, Designation, Address, Occupation, Term period of Directorship, DIN	Date of Birth and Age (years)	Address	Other Directorships
1.	<p>Mrs. Urvashi Tilakdhar Designation: Senior Managing Director Occupation: Business Current Term: 5 years Period of Directorship: December 24, 2025 to December 23, 2030 (Appointed as an Executive Director w.e.f. December 6, 2022 and change in designation to Senior Managing Director and Key Managerial Personnel w.e.f. December 24, 2025) DIN: 00294265</p>	<p>69 years July 27, 1956</p>	<p>27, Sardar Patel Marg, Chanakyapuri, New Delhi -110021</p>	<p>Indian Companies 1. Breinworks Services Private Limited Foreign Companies: Nil</p>
2.	<p>Mr. Akshay Dhar Designation: Managing Director Occupation: Business Current Term: 5 years Period of Directorship: December 24, 2025 to December 23, 2030 (Appointed as WTD & CEO w.e.f. December 6, 2022 and change in designation to Managing Director w.e.f. December 24, 2025) DIN: 01078392</p>	<p>42 years August 29, 1983</p>	<p>A-14/16, G/F Vasant Vihar near Park, New Delhi – 110057</p>	<p>Indian Companies 1. Kirloskar Ebara Pumps Limited 2. Breinworks Services Private Limited 3. Daurala Foods And Beverages Private Limited Foreign Companies: Nil</p>

3.	<p>Dr. Sandeep Bajaj Designation: Director-Business Development Occupation: Service Current Term: 2 years Period of Directorship: December 24, 2025 to December 23, 2027 DIN: 11362256</p>	<p>55 years June 19, 1970</p>	<p>E-22, Pallavpuram, Phase-1, Modipuram, Meeuut- 250110, U.P.</p>	<p>Indian Companies : Nil Foreign Companies: Nil</p>
4.	<p>Mr. Siddhartha Mukherjee Designation: Non-Executive, Independent Director Occupation: Professional Current Term: 5 years Period of Directorship: December 1, 2025 to November 30, 2030 DIN: 11385631</p>	<p>71 years March 26, 1954</p>	<p>B-5/51, 2nd Floor, Safdarjung Enclave, New Delhi – 110029</p>	<p>Indian Companies : Nil Foreign Companies: Nil</p>
5.	<p>Ms. Rama Sanjay Kirloskar Designation: Non-Executive, Independent Director Occupation: Professional Current Term: 5 years Period of Directorship: December 1, 2025 to November 30, 2030 DIN: 07474724</p>	<p>36 years September 21, 1989</p>	<p>Plot No. 22/23, Pallod Farms, Sr. No. 270, Baner Road, Opp Mauli Petrol Pump, Pune – 411045, Maharashtra</p>	<p>Indian Companies 1. KPT Industries Limited 2. Karad Projects And Motors Limited 3. Kirloskar Brothers Limited 4. Kirloskar Ebara Pumps Limited 5. Prakar Investments Private Limited Foreign Companies: Nil</p>
6.	<p>Mr. Venkata Rama Subbu Behara Designation: Non-Executive, Independent Director Occupation: Professional Current Term: 5 years Period of Directorship: December 1, 2025 to November 30, 2030 DIN: 00289721</p>	<p>71 years February 14, 1954</p>	<p>1/23, Shantiniketan, Tyabji House, Delhi – 110021</p>	<p>Indian Companies 1. Gabriel India Limited 2. Altius Trucks Sales & Service Private Limited 3. Beyond Visual Range Consulting Private Limited 4. Octogence Technologies Private Limited 5. Eurofinance Training and Publishing Private Limited 6. NMC Automotive Infrastructure Private Limited 7. Eurofinance Training Private Limited 8. MTAR Technologies Limited 9. Octogence Digital Systems Private Limited 10. Altius Leo Automotive Private Limited Foreign Companies: Nil</p>

7.	<p>Mr. Vijay Anand Designation: Non-Executive, Independent Director Occupation: Professional Current Term: 5 years Period of Directorship: December 1, 2025 to November 30, 2030 DIN: 06431219</p>	<p>69 years August 18, 1956</p>	<p>Flat No. 303, Salarpuria Paradise, 31 Aga Abbas Ali Road, Ulsoor, Bengaluru – 560042, Karnataka</p>	<p>Indian Companies 1. Pandy Oxides and Chemicals Limited 2. MFAR Holdings Private Limited 3. SASMOS Het Technologies Limited Foreign Companies: Nil</p>
8.	<p>Mr. Rohit Bhandari Designation: Non-Executive, Independent Director Occupation: Professional Current Term: 5 years Period of Directorship: December 1, 2025 to November 30, 2030 DIN: 11389548</p>	<p>71 years September 10, 1954</p>	<p>The World Spa East, Apartment No. A2-1401, Sector 30, Gurgaon - 122001, Haryana</p>	<p>Indian Companies : Nil Foreign Companies: Nil</p>
9.	<p>Ms. Aditi Dhar Designation: Non-Executive, Non Independent Director Occupation: Professional Current Term: Director liable to retire by rotation Period of Directorship: upto ensuing Annual General Meeting DIN: 10844764</p>	<p>36 years August 18, 1989</p>	<p>1509, Crawford Building, 112, Whitechapel High Street Station, Aldgate East, London, United Kingdom</p>	<p>Indian Companies 1. Breinworks Services Private Limited Foreign Companies: Nil</p>

Brief Profiles of the Directors

Mrs. Urvashi Tilakdhar

Mrs. Urvashi Tilakdhar, 69 years, serves as the Senior Managing Director of our Company, bringing leadership experience and a deep understanding of the organisations people, history, culture, and strategic direction.

A post-graduate in Sociology from the Jawaharlal Nehru University of Delhi, with over 7 years of experience, she has held several key roles within DCM Shriram Industries Limited (Organics and Fine Chemicals divisions) overseeing Human Resources, CSR, and Corporate Affairs, where she led innovation, and sustainable growth initiatives.

She has previously served as a Whole Time Director of DCM Shriram Industries Limited for several years in-charge of Human Resources, CSR and Corporate Affairs overseeing the Chemical Division. Throughout her tenure, Mrs. Urvashi Tilakdhar has been recognised for her people-centric approach and her ability to foster trust and collaboration across all levels of the organisation. Her balanced judgment and steady guidance have made her a respected and stabilising presence on the management team, ensuring an alignment between the Company's business objectives and its core values.

Beyond her corporate responsibilities, Mrs. Urvashi Tilakdhar actively supports cultural and social initiatives, promoting education, community development and women's empowerment. Her prior experience in market research continues to inform her strategic insight and understanding of stakeholder needs.

Mrs. Tilakdhar is also on the Board of Breinworks Services Private Limited. She serves as the President of the Board of Governors of The Shriram Research Institute in Bengaluru, an independent, self-sustaining not-for-profit organisation dedicated to fostering Indian industrial R&D and quality certification. It is recognised by leading government and private bodies.

Mr. Akshay Dhar

Mr. Akshay Dhar, 42 years, is the Managing Director of our Company and a fifth-generation member of the Shriram business family. As one of the Company's promoters, he brings over 17 years of diverse experience across manufacturing, chemicals, consumer products, and strategic business development.

A Business Administration Graduate with Honours in Marketing and a Minor in Human Resources from Bradford University (UK), Mr. Dhar began his professional journey in 2006 with EID Parry at their factories in Tamil Nadu, gaining hands-on exposure to manufacturing, HR management, project execution,

He joined DCM Shriram Industries Ltd. in 2008 as a Management Trainee, progressing through multiple roles within the Organics and Fine Chemicals divisions. He played a key role in the company's expansion into new product lines and in establishing strategic partnerships for dedicated contract manufacturing.

As President (Daurala Sugar Works), he and his team led a successful revival of the retail sugar segment, drove a complete brand transformation across consumer products, and oversaw the launch of the company's sanitisers business in 2019, serving both institutional and retail markets. Since 2023, he has been leading the next phase of growth at DSFCL, steering its next evolution.

Mr. Akshay Dhar is also on the Boards of Kirloskar Ebara Pumps Ltd. (as an Independent Director), Daurala Foods & Beverages Pvt. Ltd. (a subsidiary of DCM Shriram Fine Chemicals Ltd.), and Breinworks Services Private Limited. He is also an active Member of the Board of Governors of The Shriram Research Institute in Bengaluru, an independent, self-sustaining not-for-profit organisation dedicated to fostering Indian industrial R&D and quality certification. It is recognised by leading government and private bodies.

Beyond his corporate responsibilities, he has a strong creative streak, having worked as a freelance correspondent with leading publications such as Hindustan Times and Indiatimes between 2004 and 2008.

In 2013, he founded a small-press publishing imprint, continuing to pursue his interests in writing and art alongside his professional career and has won awards for his published works.

Dr. Sandeep Bajaj

Dr. Sandeep Bajaj is Director - Business Development of our Company. Dr. Bajaj is a PhD in Synthetic Organic Chemistry from Rohilkhand University and M.Sc. in Organic Chemistry from Bareilly College (Bareilly), Rohilkhand University, Dr. Bajaj has more than 35 yrs of experience in Chemical Sectors, particularly in Quality Assurance/ Quality Control, R&D and Production.

Dr. Bajaj joined DCM Shriram Industries Limited (Chemicals division) in 1994 and prior to joining here as Officer, he was working as Chemist in Synthetics and Chemicals Ltd. He was elevated to Vice President (Tech) in 2024 to act as Factory In charge for both DO & DC plants.

His expertise also extends to Project Execution & Engineering. He has been actively involved in running the chemical plant in the areas of Operations, QA/ QC, R&D and Engineering. This cross-functional experience has enabled him to gain deep insight in all aspects in the chemical business operations.

Ms. Aditi Dhar

Ms. Aditi Dhar, 36, is a Non Executive Director of our Company. Ms. Dhar is a fifth-generation member of the Shriram business family and one of the Promoters of the Company.

A Psychodynamic Psychotherapist by profession, she has completed three Masters Degrees and Clinical Qualifications and is an accredited Clinical Practitioner and Supervisor from the United Kingdom. She earned her undergraduate degree from St. Stephen's College, New Delhi.

Ms. Dhar has been working for the National Health Service since 2016 as Clinician, Lecturer and Supervisor, as well as working within the Higher Education sector and in private practice. She also provides Supervision, Training and Reflective Practice within different Organisations.

Through her deep expertise in human behavior, leadership dynamics, and organizational psychology, Ms. Dhar brings a distinctive perspective to the Company's Board. Her insights into motivation, communication, and team development strengthen the Company's approach to leadership effectiveness, cultural alignment, and strategic decision-making. By integrating behavioral understanding with business strategy, she contributes meaningfully to fostering a resilient, people-focused, and performance-driven organization.

Mr. Siddhartha Mukherjee

Mr. Siddhartha Mukherjee is a Non-Executive Independent Director of our Company. Mr. Mukherjee has completed his post-graduation in MBA from the University of Hull, UK, and his graduation in MA from Jawaharlal Nehru University of Delhi. Mr. Mukherjee has over 35 years of extensive experience in Tax Law and Administration. He Retired as Chief Commissioner of Income Tax in 2014. He is Indian Revenue Servant 1979 batch.

Ms. Rama Sanjay Kirloskar

Ms. Rama Sanjay Kirloskar is a Non-Executive Independent Director of our Company. Ms. Kirloskar holds a double major in Mathematics and Biology from Bryn Mawr College, USA. After graduation, she went on to work at Polaris Partners, a multi-stage venture capital firm that principally invests in technology, healthcare and consumer products, headquartered at Boston, MA, USA. Subsequently, she worked at the Koch Institute at Massachusetts Institute of Technology (MIT), USA. Her research led her and the team to begin working with Visterra Inc., an MIT biotechnology start-up company that currently uses its proprietary platform to design therapeutics for infectious diseases. She is one of the authors of a publication in the journal Cell (Robinson et al., 2015, Cell 162,1–12, doi:10.1016/j.cell.2015.06.057), in the paper titled "Structure-Guided Design of an Anti-Dengue Antibody Directed to a Non-Immunodominant Epitope.

Ms. Kirloskar also serves as Joint Managing Director of Kirloskar Brothers Limited and Managing Director of Kirloskar Ebara Pumps Limited. She is also on the Boards of KPT Industries Limited, Karad Projects and Motors Limited and Prakar Investments Private Limited.

Mr. Venkata Rama Subbu Behara

Mr. BVR Subbu is a Non-Executive Independent Director of our Company. Mr. Subbu completed a Masters in Economics from New Delhi's prestigious Jawaharlal Nehru University, and a Post Graduate Diploma in International Trade from the Indian Institute of Foreign Trade. In 1977, he joined the Tata Administrative Service.

He was seconded to TELCO (now TATA Motors Ltd) and held a variety of line and staff responsibilities in marketing, sales, after-sales-service, spare parts and retail finance. (1978 -1996). He manages a boutique strategy consulting firm 'Beyond Visual Range', which is specialized in 'actionable strategy' focused primarily on the automotive, aerospace, defense and engineering industries and advises some of the world's best known PE funds on these areas.

As an Independent Director, Mr. Subbu presently serves on the Boards of MTAR Technologies Limited (as Chairman), Beyond Visual Range Consulting Private Limited and Gabriel India Ltd. He also holds Directorships at Altius Leo Automotive Private Limited, Eurofinance Training Private Limited, Altius Trucks Sales & Service Private Limited, Octogence Digital Systems Private Limited, Octogence Technologies Private Limited, Eurofinance Training And Publishing Private Limited, NMC Automotive Infrastructure Private Limited.

Mr. Vijay Anand

Mr. Vijay Anand is a Non-Executive and Independent Director of our Company. Mr. Anand has over 30 years of experience in Defence and Aerospace industries.

Mr. Anand has a deep understanding of project management, government regulations etc. He has strong ability to provide strategic guidance and support to companies operating in industries. Mr. Anand is presently an Advisor in the National Textile Corporation and the Indian Space Research Organisation. He is the former Chairman/ member of various Project Management Boards at ISRO.

As an Independent Director, Mr. Anand serves on the Boards of Sasmos HET Technologies Limited and Pondy Oxides and Chemicals Limited. He is also on the Board of MFAR Holdings Private Limited.

Mr. Rohit Bhandari

Mr. Rohit Bhandari is a Non-Executive and Independent Director of our Company. Mr. Bhandari holds a Post Graduate Diploma in International Trade from the Indian Institute of Foreign Trade and a Bachelor of Technology in Chemical Engineering from IIT Delhi. Mr. Bhandari is a veteran engineering and operations executive with over four decades of leadership experience in international trade, technical sales, industrial services, and multi-division management.

Mr. Bhandari began his career in export marketing with Larsen & Toubro, developing deep expertise in global business development, turnkey project coordination, and client engagement in the petrochemical and heavy engineering sectors. Since 1980, he has been a key executive at Al-Najim Saudi International Company (NASICO), Saudi Arabia, where he progressed to General Manager and is currently a management consultant to this company.

He has a strong track record in expanding operations, turning around underperforming units, driving revenue growth, and managing large multicultural teams. He played a pivotal role in business leadership and executive-level engagement with NASICO's most important customers, including Saudi Aramco and SABIC, the world's leading energy and petrochemical companies.

Details of directorship in companies suspended or delisted

None of our Directors have held or are holding Directorship in any listed companies whose shares have been or were suspended from being traded on the Stock Exchanges or whose shares have been or were delisted from the Stock Exchange.

Relationship between our Directors or Key Managerial Personnel or Senior Management

As on the date of this Information Memorandum, none of the Directors are related to each other except Mrs. Urvashi Tilakdhar who is mother of Mr. Akshay Dhar. None of the Key Managerial Personnel or Senior Management are related to any of the Directors.

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors or member of Senior Management have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

Service contracts with Directors

There are no service contracts entered into between any of our Directors and our Company for provision of any benefits upon termination of directorship.

Borrowing Powers of the Board

Shall be subject to the Scheme of Arrangement and borrowing as approved as per Section 179(3) and 180(1)(c) of the Companies Act, 2013.

Terms and conditions of employment of our Executive Directors

A. Mrs. Urvashi Tilakdhar

Subject to Shareholders' approval, the Board of Directors of the Company, at its meeting held on December 24, 2025, approved the appointment of Mrs. Urvashi Tilakdhar as the Senior Managing Director ('SMD') of the Company for a period of 5 years w.e.f., December 24, 2025 and entrusted her with the overall responsibility of DCM Shriram Fine Chemicals' operations.

- a. Basic Salary: ₹6,00,000/- per month
- b. Benefits, Perquisites and Allowances:

Details of Benefits, Perquisites and Allowances are as per the rules of the Company, as follows:

- The SMD will be eligible for the benefits/perquisites as per applicable policies
- Housing – Company maintained accommodation or house rent allowance @ 60% of the salary as may be opted for.
- Gas, Electricity, Water, Furniture/ Furnishings and house maintenance – Actual
- Medical expenses – Reimbursement of actual medical expenses incurred for self and family.
- Leave travel Concession/Leave – For self and family, as per Company rules. Privilege Leave not availed to be encashed at the time of cessation of service.
- Club Fees – Fees of Clubs, subject to a maximum of two clubs; admission and life membership fees not being allowed.
- Personal Accident Insurance: as per Company rules.
- Retirement benefits: Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity Fund as per the rules of the Company.
- Gratuity – As per Company rules.

- c. Commission on profits:

Commission on profits as may be decided by the Board from year to year, provided that the total remuneration i.e. salary, perquisites and commission, shall not exceed 5% of the Net Profits of the

Company computed in the manner laid down in Section 198 of the Companies Act, 2013, in a particular year, subject to the overall limits under Section 197 of the said Act, or any amendments thereto or any other applicable Regulations.

The Commission on profit would be payable subject to such parameters as may be considered appropriate from time to time by the Board which will be payable annually after the Annual Accounts have been approved.

B. Mr. Akshay Dhar

Subject to Shareholders' approval, the Board of Directors of the Company, at its meeting held on December 24, 2025, approved the appointment of Mr. Akshay Dhar as the Managing Director ('MD') of the Company for a period of 5 years w.e.f., December 24, 2025 and entrusted him with the responsibility of overseeing the management of DCM Shriram Fine Chemicals' operations under SMD.

- a. Basic Salary: ₹4,75,000/- per month
- b. Benefits, Perquisites and Allowances:

Details of Benefits, Perquisites and Allowances are as per the rules of the Company, as follows:

- The MD will be eligible for the benefits/perquisites as per applicable policies
- Housing – Company maintained accommodation or house rent allowance @ 60% of the salary as may be opted for.
- Gas, Electricity, Water, Furniture/ Furnishings and house maintenance – Actual
- Medical expenses – Reimbursement of actual medical expenses incurred for self and family.
- Leave travel Concession/Leave – For self and family, as per Company rules. Privilege Leave not availed to be encashed at the time of cessation of service.
- Club Fees – Fees of Clubs, subject to a maximum of two clubs; admission and life membership fees not being allowed.
- Personal Accident Insurance: as per Company rules.
- Retirement benefits: Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity Fund as per the rules of the Company.
- Gratuity – As per Company rules.

- c. Commission on profits:

Commission on profits as may be decided by the Board from year to year, provided that the total remuneration i.e. salary, perquisites and commission, shall not exceed 2% of the Net Profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013, in a particular year, subject to the overall limits under Section 197 of the said Act, or any amendments thereto or any other applicable Regulations.

The Commission on profit would be payable subject to such parameters as may be considered appropriate from time to time by the Board which will be payable annually after the Annual Accounts have been approved.

C. Dr. Sandeep Bajaj

Subject to Shareholders' approval, the Board of Directors of the Company, at its meeting held on December 24, 2025, approved the appointment of Dr. Sandeep Bajaj as 'Director – Business Development' of the Company in Executive category for a period of 5 years w.e.f., December 24, 2025 and entrusted him with the responsibility of 'Occupier' under the Factories Act, 1948 for both the Plants of the Company.

- a. Basic Salary: ₹3,00,000/- per month
- b. Benefits, Perquisites and Allowances:

Details of Benefits, Perquisites and Allowances are as per the rules of the Company, as follows:

- The Director – Business Development will be eligible for the benefits/perquisites as per applicable policies
- Housing – Company maintained accommodation or house rent allowance @ 60% of the salary as may be opted for.
- Gas, Electricity, Water, Furniture/ Furnishings and house maintenance – Actual
- Medical expenses – Reimbursement of actual medical expenses incurred for self and family.
- Leave travel Concession/Leave – For self and family, as per Company rules. Privilege Leave not availed to be encashed at the time of cessation of service.
- Club Fees – Fees of Clubs, subject to a maximum of two clubs; admission and life membership fees not being allowed.
- Personal Accident Insurance: as per Company rules.
- Retirement benefits: Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity Fund as per the rules of the Company.
- Gratuity – As per Company rules.
- Annual Reward: Not exceeding 30% of the annual salary as may be decided by the Board year on year

Remuneration for our Directors

The Board is comprised of 9 Directors consisting of 3 Executive, 1 Non-executive and 5 Independent Directors.

Compensation payable to our Executive Directors for FY 2025

The Company had not appointed any Executive Directors for FY25.

Compensation payable to our Non- Executive Directors for FY 2025

The Company has not paid any remuneration to the Non-Executive Directors in Financial Year 2025. During the financial year 2025, the Company did not have any Independent Director on the Board.

Bonus or profit sharing plan for our Directors

None of our Directors are party to any bonus or profit sharing plan of our Company.

Shareholding of our Directors and Key Managerial Personnel

Except as stated below, there are no other Directors and Key Managerial Personnel who hold Equity Shares in our Company as on the date of this Information Memorandum:

Sr. No	Name of Director or Key Managerial Personnel	Number of Equity shares held
1	Mrs. Urvashi Tilakdhar, Senior Managing Director	58,89,611
2	Mr. Akshay Dhar, Managing Director	12,74,060
3	Ms. Aditi Dhar, Non Executive Director	12,71,313

Our Articles of Association do not require our Directors to hold any qualification shares.

Interest of Directors

Nature of interest

All our Executive Directors and Non-executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company and our Independent Directors may be deemed to be interested to the extent of sitting fees and commission, if any, payable to them for attending meetings of our Board or committees thereof.

Our Directors may be interested to the extent of Equity Shares, if any, held by them, their relatives (together with other distributions in respect of Equity Shares), or held by the entities in which they are associated as partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue and any dividend and other distributions payable in respect of such Equity Shares.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

Employee stock option plan or employee stock purchase plan

As on the date of this Information Memorandum, our Company does not have any Employee Stock Option Schemes in place.

Interest in land and property

Our Directors have no interest in any property acquired by our Company or proposed to be acquired for or by our Company or in any transactions relating to acquisition of land, construction of building and supply of machinery as on the date of this Information Memorandum.

Interest in promotion or formation of our Company

Except Mrs. Urvashi Tilakdhar, Mr. Akshay Dhar and Ms. Aditi Dhar, being Promoters, none of our Directors have any interest in the promotion or formation of our Company as on the date of this Information Memorandum.

Business interest

Except the remuneration including Commission and sitting fees that are payable, our Directors do not have any other business interest in our Company. No loans have been availed by our Directors or the Key Management Personnel from our Company.

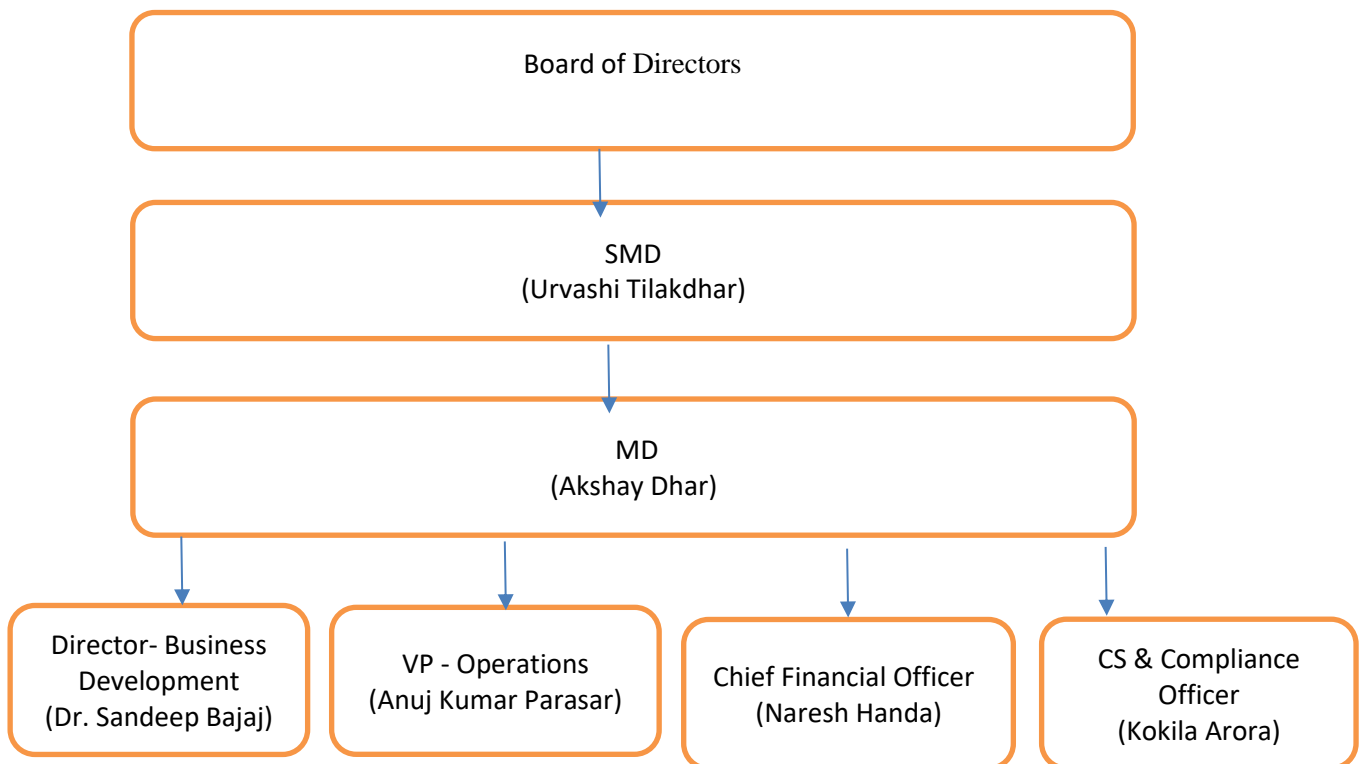
Our Company has not made any payments in cash or shares or otherwise to any of our Directors or to firms or companies in which any of our Directors are interested as members or promoters nor has any Directors been offered any inducements to become interested in any firm or company, in connection with the promotion or formation of our Company.

Changes in our Board of Directors from the date of Incorporation:

Sr. No.	Name of Director	Designation	Appointment Date	Date of Cessation
1.	Mr. Alok Bansidhar Shriram	Director	Appointed as First Director with effect from September 29, 2021	06/12/2022
2.	Mr. Madhav Bansidhar Shriram	Director	Appointed as First Director with effect from September 29, 2021.	06/12/2022
3.	Mr. Vineet Manaktala	Director	Appointed as First Director with effect from September 29, 2021. Designation changed to WTD & CFO with effect from December 7, 2022	24/12/2025

4.	Mrs. Urvashi Tilakdhar	Senior Managing Director	Appointed as an Executive Director, w.e.f., December 6, 2022. Designation changed to SMD with effect from December 24, 2025	-
5.	Mr. Akshay Dhar	Managing Director	Appointed as WTD & CEO r, w.e.f., December 6, 2022 Designation changed to MD with effect from December 24, 2025	-
6.	Mr. Siddhartha Mukjherjee	Independent Director	Appointed as an Additional Non- Executive Independent Director, w.e.f., December 1, 2025	-
7.	Ms. Rama Sanjay Kirloskar	Independent Director	Appointed as an Additional Non- Executive Independent Director, w.e.f., December 1, 2025	-
8.	Mr. Venkata Rama Subbu Behara	Independent Director	Appointed as an Additional Non- Executive Independent Director, w.e.f., December 1, 2025	-
9.	Mr. Vijay Anand	Independent Director	Appointed as an Additional Non- Executive Independent Director, w.e.f., December 1, 2025	--
10.	Mr. Rohit Bhandari	Independent Director	Appointed as an Additional Non- Executive Independent Director, w.e.f., December 1, 2025	-
11.	Ms. Aditi Dhar	Non-Executive Director	Appointed as an Additional Non-Executive Non Independent Director, w.e.f., December 24, 2025	-
12.	Dr. Sandeep Bajaj	Director – Business Development	Appointed as an Additional Director as Director – Business Development with effect from December 24, 2025	

Management Organization Structure



Brief profiles of KMPs and Senior Management

Dr. Sandeep Bajaj, Director – Business Development (Senior Management)

Dr. Sandeep Bajaj is a PhD in Synthetic Organic Chemistry from Rohilkhand University and M.Sc. in Organic Chemistry from Bareilly College (Bareilly), Rohilkhand University. He has more than 35 yrs of experience in Chemical Sectors, particularly in Quality Assurance/ Quality Control, R&D and Production. Dr. Bajaj joined DCM Shriram Industries Limited (Chemical division) in 1994 and prior to joining DCM as an Officer, he was working as Chemist in Synthetics and Chemicals Ltd. His expertise also extends to Project Execution & Engineering. He has been actively involved in running the chemical plant in the areas of Operations, QA/ QC, R&D and Engineering. This cross functional experience has enabled him to gain deep insight in all aspects in the chemical operation.

Mr. Anuj Kumar Parasar, VP- Operations (Senior Management)

Mr. Anuj Kumar Parasar joined in 2025 as Vice President- Operations and entrusted with spearheading resource management, enhancing profitability, and driving long-term strategic initiatives to strengthen the Company's market share and leadership, for our Plant Operations. Mr. Anuj Parasar holds a PGPEX in Operations from IIM Calcutta and a B.Tech in Chemical Engineering from V.B.S.P.U., Jaunpur. He is a seasoned professional with over 20 years of experience in Operations, Manufacturing, and Plant Management. Prior to joining us, he served as Factory Head at DIC India Ltd. and has held key leadership roles with organizations such as Eternis Fine Chemicals Ltd., Fosroc Chemicals (India) Pvt. Ltd., Jubilant Industries Ltd., Indian Rayon (Aditya Birla Group), High Polymer Labs Ltd., and Dhampur Sugar Mills Ltd.

Mr. Naresh Handa, Chief Financial Officer (Key Managerial Personnel)

Mr. Naresh Handa joined DCM Shriram Industries Limited (Chemical vision) as General Manager - Finance in year 2024. Previously, he was Asst. Vice President, Globus Spirits Limited. Mr. Handa has 21 years of experience with renowned organizations like Comptroller & Auditor General of India, Hyundai Electronics India Ltd., DLF Laing O'Rourke India Ltd., DCM Shriram Consolidated Ltd. (now DCM Shriram Limited), Greenlam Industries Ltd. and JWIL Infra Ltd.

Ms. Kokila Arora, Company Secretary & Compliance Officer (Key Managerial Personnel)

Ms. Kokila Arora joined DCM Shriram Industries Limited (unit Daurala Organics) as Senior Manager. On joining, Ms. Arora was appointed as Company Secretary & Compliance Officer of the Company, being erstwhile wholly-owned subsidiary of DCMSR. Ms. Arora is a qualified Company Secretary & a Law Graduate with 17 yrs of experience as a Compliance professional. During her corporate journey, she has worked for some of India's reputed conglomerates/brands like Jubilant Bhartia, Spice Global, Raheja Developers, Bharat Gears and Frontline Securities. She is well versed in executing and reviewing corporate secretarial and legal compliances of Listed / Unlisted entities, LLPs, Joint Ventures, Trusts, Start-ups and Foreign companies. Her areas of expertise are Corporate Laws, SEBI laws, Start-ups, ESOPs, Fund Raising, Corporate Restructuring, Legal Drafting, FEMA, Policy formulation, POSH and CSR.

Corporate Governance

Our Company is in compliance with the corporate governance code in accordance with the Companies Act and the SEBI LODR Regulations, particularly those relating to composition of Board of Directors and constitution of committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees, as required under applicable law. Our Board has been constituted in compliance with the Companies Act and the SEBI LODR Regulations. The Board functions either as a full board or through various committees constituted to oversee specific operational areas.

Committees of the Board

In addition to the committees of the Board detailed below, our Board may, from time to time, constitute committees for various functions.

A. Audit Committee

Our Audit Committee was constituted by a resolution of our Board dated December 1, 2025. The current constitution of the Audit Committee is as follows:

Sr. No.	Name of the Director	Designation
1	Mr. Siddhartha Mukherjee (Chairperson)	Independent Director
2	Mr. Vijay Anand	Independent Director
3	Mr. Venkata Rama Subbu Behara	Independent Director

The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI LODR Regulations, and its terms of reference are as follows:

The role of the Audit Committee shall be as follows:

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Recommendation for appointment, remuneration and terms of appointment of cost auditors and statutory auditors including their replacement or removal.
- c) Approval for payment to statutory auditors for any other permitted services rendered by statutory auditors.
- d) Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
 - i. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report.
 - ii. Changes, if any, in accounting policies and practices and reasons for the same.
 - iii. Major accounting entries involving estimates based on the exercise of judgement by management.
 - iv. Significant adjustments made in the financial statements arising out of audit findings.
 - v. Compliance with listing and other legal requirements relating to financial statements.
 - vi. Disclosure of any related party transactions.
 - vii. Draft auditors' reports including qualifications, if any.
- e) Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- f) Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take steps in this matter.
- g) Reviewing and monitoring with the management, independence and performance of statutory and internal auditors, adequacy of internal control systems and effectiveness of the audit processes.
- h) Reviewing adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- i) Discussion with internal auditors on any significant findings and follow up there-on.

- j) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- k) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post- audit discussion to ascertain any area of concern.
- l) To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- m) To review the functioning of the Whistle Blower Policy (Vigil Mechanism).
- n) Approval of appointment of CFO (i.e. the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- o) Approval or any subsequent modification of transactions of the Company with related parties.
- p) Scrutiny of inter-corporate loans and investments.
- q) Valuation of undertakings or assets of the Company, wherever it is necessary.
- r) Evaluation of internal financial controls and risk management system.
- s) Review of management discussion and analysis of financial condition and results of operations.
- t) Review of management letters/ letters of internal control weaknesses issued by the statutory auditors.
- u) Review of internal audit reports relating to internal control weaknesses.
- v) Review of financial statements, in particular, investments made by the subsidiary company(ies).
- w) Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding Rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments.
- x) Review compliance with the provisions of the SEBI PIT Regulations, verify that the systems for internal control are adequate, and are operating effectively.
- y) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- z) Statement of deviations:
 - o Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s).
 - o Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice.
- aa) Discharge any other duties or responsibilities as may be prescribed by the law or as may be delegated to the Committee by the Board, from time to time.

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses
4. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee
5. The financial statements, in particular, the investments made by unlisted subsidiary companies; and

6. Statement of deviations:
 - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

B. *Nomination and Remuneration Committee*

Our Nomination and Remuneration Committee was constituted by a resolution of our Board dated December 1, 2025. The current constitution of the Nomination and Remuneration Committee is as follows:

Sr. No.	Name of the Director	Designation
1.	Mr. Vijay Anand (Chairperson)	Independent Director
2.	Mr. Rohit Bhandari	Independent Director
3.	Mr. Venkata Rama Subbu Behara	Independent Director

The scope and functions of the Nomination, Remuneration and Compensation Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI LODR Regulations. The terms of reference of the Nomination, Remuneration and Compensation Committee are as follows:

1. To identify persons who are qualified to become directors in accordance with the criteria laid down and recommend to the Board, their appointment/ removal.
2. To identify persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board, their appointment/ removal.
3. Specify manner for effective evaluation of performance of Board, Directors and its committees and review its implementation and compliance.
4. To formulate the criteria for determining qualifications, positive attributes and independence of a director.
5. For appointment of an Independent Director on the Board, to evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director to be appointed.

The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agency, if required.
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
6. Devising a policy on Board diversity.
 7. To formulate and recommend to the Board, policies relating to the remuneration of:
 - a. Directors
 - b. Key Managerial Personnel
 - c. Other employees of the Company
 8. To discharge the role envisaged under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
 9. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

10. Extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
11. Discharge any other duties or responsibilities as may be prescribed by the law or as may be delegated to the Committee by the Board, from time to time.

C. Stakeholders Relationship Committee

Our Stakeholders' Relationship Committee was constituted pursuant to a resolution of our Board dated December 1, 2025. The current constitution of the Stakeholders' Relationship Committee is as follows:

Sr. No.	Name of the Director	Designation
1	Mr. Rohit Bhandari (Chairperson)	Independent Director
2	Mr. Akshay Dhar	Managing Director
3	Ms. Rama Sanjay Kirloskar	Independent Director
4	Mr. Siddhartha Mukherjee	Independent Director

The scope and functions of the Stakeholders Relationship Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR Regulations. The terms of reference of the Stakeholders Relationship Committee are as follows:

1. Resolving grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.
2. Review of measures taken for effective exercise of voting rights by the shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.
5. To deal with all matters relating to issue of duplicate share certificate, transmission of securities etc.
6. To approve transfer of securities as per powers delegated by the Board and to note transfer of securities approved by the Chief Financial Officer and Company Secretary of the Company.
7. Discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

D. Corporate Social Responsibility Committee

Our Corporate Social Responsibility Committee was constituted pursuant to a resolution of our Board dated December 1, 2025. The current constitution of the Corporate Social Responsibility Committee is as follows:

Sr. No.	Name of the Director	Designation
1	Mr. Akshay Dhar (Chairperson)	Managing Director
2	Mrs. Urvashi Tilakdhar	Senior Managing Director
3	Ms. Rama Sanjay Kirloskar	Independent Director
4	Mr. Siddhartha Mukherjee	Independent Director
5	Mr. Venkata Rama Subbu Behara	Independent Director

The terms of reference of the CSR Committee of our Company are as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder, and are set out below:

The role of the Committee is:

1. To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company

2. To recommend the amount of expenditure to be incurred on the activities referred in the CSR Policy and review the same; and
3. To monitor the CSR Policy including CSR projects/programmes
4. Any other as may be prescribed by law or as may be delegated to the Committee by the Board, from time to time.

E. Committee for Approving Borrowings

Our Committee for Approving Borrowings was constituted pursuant to a resolution of our Board dated December 1, 2025. The current constitution of the Committee for Approving Borrowings is as follows:

Sr. No.	Name of the Director	Designation
1	Mr. Akshay Dhar (Chairperson)	Managing Director
2	Mrs. Urvashi Tilakdhar	Senior Managing Director
3	Mr. Venkata Rama Subbu Behara	Independent Director

The terms of reference of the Committee for Approving Borrowings of our Company are set out below:

1. to approve borrowings from the Company's bankers / financial institutions, from time to time, by way of working capital up to an amount not exceeding Rs. 350 Crores outstanding any time.
2. to approve the availment of term loan up to Rs.150 Crore from Company's bankers / financial institutions.
3. to secure, if necessary, the aforementioned borrowings by way of hypothecation of such of the Company's movable assets as may be agreed to between the Committee and the Bank/s and create mortgage charge as per loan terms.
4. to approve the drafts of agreements, deeds and other papers that may be desired by the Company's bankers in this regard and to authorise the execution of such documents, if necessary, either by one or more of them or by any officer/s of the Company
5. to approve the documentation in respect of the financial assistance from lenders, approved by the Board, from time to time.
6. to execute the various documents, deeds, declarations, undertakings etc. as may be desired by the Financial institutions granting the assistance and agreed to by it and delegate all or any of the powers in this regard to one or more of its members.
7. to authorise the opening of banking accounts with the Company's bankers and also to delegate powers to the various officers of the Company and its units for operating the banking accounts and the aforesaid facilities and vary the powers delegated either by the Board or by itself, from time to time.
8. To delegate powers for signing of cash vouchers, adjustment vouchers and credit notes for the day to day transactions.

F. Scheme of Arrangement Implementation Committee

Our Scheme of Arrangement Implementation Committee was constituted pursuant to a resolution of our Board dated December 1, 2025. The current constitution of the Committee for Approving Borrowings is as follows:

Sr. No.	Name of the Director	Designation
1	Mr. Akshay Dhar (Chairperson)	Managing Director
2	Mrs. Urvashi Tilakdhar	Senior Managing Director
3	Mr. Venkata Rama Subbu Behara	Independent Director
4	Dr. Sandeep Bajaj	Director- Business Development

This Committee is constituted by the Board of Directors to ensure smooth implementation of the Scheme. The Committee shall continue until complete implementation of the scheme and fulfilment

of all obligations thereunder, or as may be decided by the Board.

Details of Senior Management and KMP

The Senior Management are appointed for a term till retirement in accordance with the Company policies.

Status of Key Managerial Personnel and Senior Management

All the Key Managerial Personnel and Senior Management are in whole-time employment of our Company.

Relationship between Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and Senior Management are related to each other.

Arrangement or understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel or Senior Management have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

All our Key Managerial Personnel are permanent employees of our Company.

Shareholding of Key Management Personnel and Senior Management

Except as given below, as of the date of this Information Memorandum, none of the Key Management Personnel and Senior Management Personnel hold any Equity Shares in our Company:

Sr. No.	Name of person	Designation	No. of Equity shares held	Category
1	Mrs. Urvashi Tilakdhar	Senior Managing Director	58,59,611	KMP

Changes in our Key Managerial Personnel / Senior Management in the last three years

Below are the changes in office of our Key Managerial Personnel & Senior Management:

- Mr. Pawan Kumar Lakhota resigned as Company Secretary on April 24, 2025
- Ms. Kokila Arora joined as Company Secretary & Compliance Officer on May 19, 2025.
- Mr. Akshay Dhar ceased to be WTD from December 23, 2025.
- Mr. Vineet Manaktala resigned as WTD & CFO on December 24, 2025.
- Mrs. Urvashi appointed as SMD on December 24, 2025.
- Mr. Sandeep Handa appointed as CFO on December 24, 2025.

Service contracts with Key Managerial Personnel and Senior Management

There are no service contracts entered into between any of our Key Management Personnel / Senior Management and our Company for provision of any benefits upon termination/retirement of employment other than the entitlement as per the applicable laws.

Interest of Key Managerial Personnel and Senior Management

Except as disclosed in this Information Memorandum, the Key Managerial Personnels and Senior Management of our Company do not have any interest in our Company other than to the extent of their shareholding, remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Bonus or profit sharing plan for our Key Management Personnel and Senior Management

None of our Key Management Personnel / Senior Management are party to any bonus or profit-sharing plan of our Company.

Contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management

There is no contingent or deferred compensation accrued for the financial year 2024-25 and payable to

any of our Directors, which does not form part of their remuneration.

Payment or benefit to Key Management Personnel and Senior Management of our Company

No amount or benefit has been paid or given by the Company within two preceding years or is intended to be paid or given to any of our Key Management Personnel and Senior Management except the normal remuneration for services rendered in the capacity of being an employee.

Attrition rate of Key Managerial Personnel and Senior Management

The attrition rate of the Key Managerial Personnel or Senior Management of the Company is not high compared to the industry.

OUR PROMOTER AND PROMOTER GROUP

As on the date of this Information Memorandum, our Promoters holds 84,34,984 Equity Shares, representing 9.69% of the issued, subscribed and paid-up equity Share Capital of our Company.

Details of our Promoters

As on the date of this Information Memorandum, the shareholding of the Promoter and the Promoter Group are detailed below:

Name of Person/Entity	Category	No. of Equity Shares Held	% of Post Scheme Equity Share Capital
Mrs. Urvashi Tilakdhar	Promoter	58,89,611	6.77
Mr. Akshay Dhar	Promoter	12,74,060	1.46
Ms. Aditi Dhar	Promoter	12,71,313	1.46
Alok Shriram- Karta, Lala Bansi & Sons.	Promoter Group	1,20,28,267	13.83
Mr. Alok B Shriram	Promoter Group	23,88,944	2.75
Mrs. Karuna Shriram	Promoter Group	41,38,462	4.76
Ms. Kanika Shriram	Promoter Group	14,56,332	1.67
Mr. Rudra Shriram	Promoter Group	9,58,802	1.10
Mrs. Suman Bansi Dhar	Promoter Group	17,57,160	2.02
Mr. Akshay Dhar-Karta Tilakdhar & Sons HUF	Promoter Group	5,08,158	0.59
Mr. Madhav B Shriram	Promoter Group	42,99,224	4.94
Mrs. Divya Shriram	Promoter Group	36,47,854	4.19
Mr. Uday Shriram	Promoter Group	9,61,6628	1.11
Mr. Rohan Shriram	Promoter Group	33,593	0.04
Akshay Foundation	Promoter Group	29,76,389	3.42
Mr. Sushil Kumar Jain	Promoter Group	318	0.00
TOTAL		4,35,90,115	50.11

Common Pursuits

There are no common pursuits between the Company and our Promoters.

Interest of our Promoters

Other than the Demerged Undertaking which was transferred pursuant to the Scheme of Arrangement, our Promoters does not have any interest in any property acquired by our Company since its incorporation or proposed to be acquired by our Company or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery, etc.

Payment or benefits to Promoters or Promoter Group

Except in the ordinary course of business and/or as disclosed in “Financial Information – Related Party Transactions” given in this Information Memorandum, no amount or benefit has been paid or given to our Promoters or Promoter Group during the two years preceding the filing of this Information Memorandum nor is there any intention to pay or give any amount or benefit to our Promoters.

Material guarantees given by our Promoters to third parties with respect to Equity Shares

Our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Information Memorandum.

Companies or firms with which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any companies or firms in the three years preceding the date of this Information Memorandum.

PROMOTER GROUP

Unless the context requires otherwise, the entities forming part of our Promoter Group in accordance with SEBI ICDR Regulations have been identified as our Promoters/Promoter Group.

Common pursuits among the Group Companies and our Company

Post the Scheme becoming effective, there are no common pursuits among our Company and our Group companies as on the date of Information Memorandum.

Litigation

As on the date of this Information Memorandum, there is no pending litigation involving our Group companies which will have a material impact on our Company.

DIVIDEND POLICY

As on the date of this Information Memorandum, our Company has a formal dividend policy named as 'Dividend Distribution Policy' approved by our Board of Directors at its meeting held on December 24, 2025.

SECTION VI: FINANCIAL INFORMATION AUDITED FINANCIAL STATEMENTS

(The remainder of this page has been intentionally left blank)

The certified copy of the Scheme was received on 5th December 2025 and made effective on 17th December 2025 with effect from the Appointed date (1st April 2023). Accordingly, the restatement obligation for the Company is for the periods 1st April 2023 to 31st March 2024, 1st April 2024 to 31st March 2025, and 1st April 2025 to 30th September 2025.

The Restated Consolidated Audited Financial Information presented provides a fair and reasonable basis for assessing the Company's financial performance for the respective periods and provide adequate information for investors to make an informed decision and is derived from the audited financials of the Demerged Company i.e DCM Shriram Industries Limited.

The results for the period ended 31st December 2025 are expected to be declared as per Regulation 33(3)(d)(j) of the SEBI(LODR) Regulations, 2015.

**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED
CONDENSED CONSOLIDATED FINANCIAL INFORMATION**

To
The Board of Directors
DCM Shriram Fine Chemicals Limited
New Delhi

1. We have examined the attached Restated Condensed Consolidated Financial Information of DCM Shriram Fine Chemicals Limited (the "Company") and its subsidiary (the Company and its subsidiary together referred to as the "Group"), comprising the Restated Condensed Consolidated Balance Sheet as at September 30, 2025 and March 31, 2025, the Restated Condensed Consolidated Statement of Profit and Loss (including other comprehensive income) for the period ended September 30, 2025 and September 30, 2024, the Restated Condensed Consolidated Statement of Changes in Equity and the Restated Condensed Consolidated Cash Flow Statement for the period ended September 30, 2025 and September 30, 2024, the Summary Statement of Material Accounting Policies (Refer Note 2A) and other explanatory information (collectively, the "Restated Condensed Consolidated Financial Information"), as approved by the Committee of Directors authorised by Board of Directors of the Company at its meeting held on February 2, 2026 for the purpose of inclusion in the Information Memorandum prepared by the Company in connection with its proposed listing of shares with BSE Limited and National Stock Exchange of India Limited (Collectively referred to as the "Stock Exchanges) prepared in terms of the requirements of:

(a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");



- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- (c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Condensed Consolidated Financial Information for the purpose of inclusion in the Information Memorandum to be filed with the Stock Exchanges in connection with its listing of shares. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 2.2 to the Restated Condensed Consolidated Financial Information. The respective Board of Directors of the Companies included in the Group are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Condensed Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Condensed Consolidated Financial Information taking into consideration:
- (a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated January 15, 2026 in connection with the listing of shares of the Company with the Stock Exchanges;
- (b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- (c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Condensed Consolidated Financial Information; and
- (d) The requirements of Section 26 of the Act and the ICDR Regulations.



Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the listing of shares of the Company with the Stock Exchanges.

4. These Restated Condensed Consolidated Financial Information have been compiled by the management from:

(a) Audited financial statements of the Company as at and for the period ended September 30, 2025 and as at and for the year ended March 31, 2025 prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at its meetings held on December 1, 2025 and May 28, 2025 respectively.

(b) Audited consolidated financial statements and the Audited standalone financial statements of the DCM Shriram Industries Limited (DCMSR) as at and for the year ended March 31, 2025 prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at its meeting held on May 29, 2025. Chemical Undertaking of DCMSR has been demerged from DCMSR and then vested and merged in the Company with appointed date April 1, 2023 as per Composite Scheme of Arrangement between DCMSR, the Company, DCM Shriram International Limited and Lily Commercial Private Limited approved by the National Company Law Tribunal (NCLT) vide order dated November 21, 2025 which was received on December 5, 2025.

(c) Limited review reports and Consolidated financial statements and the standalone financial statements of the DCM Shriram Industries Limited (DCMSR) as at and for the periods ended September 30, 2025 and September 30, 2024 prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at its meetings held on November 5, 2025 and November 7, 2024 respectively.



- (d) Audited Standalone Ind AS financial statements of the Subsidiary (Daurala Food and Beverages Limited) as at and for the year ended March 31, 2025 prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at its meeting held on May 28, 2025.
- (e) Limited review reports and the financial statements of the Subsidiary (Daurala Food and Beverages Limited) as at and for the period ended September 30, 2025 and September 30, 2024 prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at its meetings held on October 30, 2025 and November 4, 2024 respectively.
5. We have audited the Restated Condensed Consolidated Financial Information of the Company, as elaborated in point 1 above, after giving effect of demerger of the Chemical Undertaking from DCMSR pursuant to the approval of the Scheme of Arrangement by the NCLT as mentioned in 4 (b) above and prepared by the Company in accordance with the Ind AS for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations. We have issued our report dated February 2, 2026 on these Restated Consolidated Financial Information to the Board of Directors as the Committee of Directors authorised by Board of Directors have approved these in its meeting held on February 2, 2026.
6. For the purpose of our examination, we have relied on:
- (a) Auditors' reports issued by the statutory auditors of the Company dated May 28, 2025 and December 1, 2025 on the Standalone Ind AS Financial Statements of the Company as at and for the year ended March 31, 2025 and period ended September 30, 2025 respectively as referred in Paragraph 4 (a) above;



- (b) Auditors' report issued by statutory auditors dated May 29, 2025 on the Standalone Ind AS Financial Statements of the DCMSR as at and for the year ended March 31, 2025 as referred in Paragraph 4(b) above;
- (c) Auditors' report issued by statutory auditors dated May 29, 2025 on the Consolidated Ind AS Financial Statements of the DCMSR as at and for the year ended March 31, 2025 as referred in Paragraph 4 (b) above;
- (d) Limited review reports issued by statutory auditors dated November 5, 2025 on the Standalone Ind AS Financial Statements and Consolidated Ind AS Financial Statements of the DCMSR as at and for the period ended September 30, 2025 as referred in Paragraph 4 (c) above;
- (e) Limited review reports issued by statutory auditors dated November 7, 2024 on the Standalone Ind AS Financial Statements and Consolidated Ind AS Financial Statements of the DCMSR as at and for the period ended September 30, 2024 as referred in Paragraph 4 (c) above;
- (f) Auditors' report issued by statutory auditors dated May 28, 2025 on the Standalone Ind AS Financial Statements of the Subsidiary as at and for the year ended March 31, 2025 as referred in Paragraph 4(d) above;
- (g) Limited review report issued by statutory auditors dated October 30, 2025 on the Standalone Ind AS Financial Statements of the Subsidiary as at and for the period ended September 30, 2025 as referred in Paragraph 4 (e) above; and
- (h) Limited review report issued by statutory auditors dated November 4, 2024 on the Standalone Ind AS Financial Statements of the Subsidiary as at and for the period ended September 30, 2024 as referred in Paragraph 4 (e) above.
7. All the Audited financial statements/ Limited review reports referred to in 6 above have been audited/reviewed by others auditors whose reports have been furnished to us by the Management and our opinion on the Statements, in so far as it relates to the same is solely based on the audit reports of such other auditors. Our opinion is not modified in respect of the this matter.
8. Based on our examination and according to the information and explanations given to us and also as per reliance placed on reports of other auditors (refer 7 above), we report that the Restated Condensed Consolidated Financial Information:



- (a) have been prepared without adjustments for the changes in accounting policies, material errors and regrouping/reclassifications as the accounting treatment and accounting policies were consistent across all companies whose financial statements have been relied upon;
- (b) do not require any adjustment for modification as there is no modification in the underlying audit reports.
- (c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
10. The Restated Condensed Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Consolidated / Standalone Ind AS financial statements mentioned in paragraph 6 above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit / limited review reports issued by other auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.



13. Our report is intended solely for use of the Board of Directors for the purpose set forth in the first paragraph of this report. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **N.K.S Chauhan & Associates**

Chartered Accountants

ICAI Firm Registration no: 013940N

Narender Kumar Singh Chauhan

Partner

Membership No: 088165



Place: New Delhi

Date: 02.02.2026

UDIN: 26088165MIB@QI7154

DCM Shriram Fine Chemicals Limited
Restated Condensed Consolidated Balance Sheet as at September 30, 2025

Particulars	Note	As at September 30, 2025 (Rs. lakhs)	As at March 31, 2025 (Rs. lakhs)
ASSETS			
Non-current assets			
Property, plant and equipment	3	10,061.34	12,775.62
Capital work-in progress	3	14.67	2.45
Right-of-use assets		154.56	224.71
Intangible assets	4	29.67	39.09
Financial assets			
(i) Other financial assets	5	12.49	11.42
Income-tax assets (net)	6	240.67	300.62
Other non-current assets	7	252.38	259.18
Total non-current assets		10,765.78	13,513.09
Current assets			
Inventories	8	4,642.26	5,040.07
Financial assets			
(i) Investments	9	3,238.45	2,264.28
(ii) Trade receivables	10	6,598.22	8,370.40
(iii) Cash and cash equivalents	11	43.35	33.11
(iv) Other financial assets	12	1,582.18	1,465.35
Other current assets	13	195.91	240.55
Asset held for sale		1,873.85	-
Total current assets		18,174.22	17,313.76
TOTAL ASSETS		28,940.00	30,826.85
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14	1,739.84	1,739.84
Other equity	15	19,788.91	19,753.82
Total equity		21,528.75	21,493.66
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	16	-	271.25
(ii) Lease liabilities		71.80	135.39
Provisions	17	531.52	498.72
Deferred tax liabilities (net)		1,056.79	1,037.44
Total non-current liabilities		1,660.11	1,942.80
Current liabilities			
Financial liabilities			
(i) Borrowings	18	834.43	798.06
(ii) Lease liabilities		109.43	130.18
(iii) Trade payables	19	-	-
-Total outstanding dues of micro enterprises and small enterprises; and		473.94	627.69
-Total outstanding dues of creditors other than micro enterprises and small enterprises		3,531.72	4,793.16
(iv) Other financial liabilities	20	285.10	650.28
Other current liabilities	21	347.04	221.54
Provisions	22	100.45	100.45
Current tax liabilities (net)	6	69.03	69.03
Total current liabilities		5,751.14	7,390.39
TOTAL EQUITY AND LIABILITIES		28,940.00	30,826.85
Material Accounting Policies	2		

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

For N.K.S Chauhan & Associates
Chartered Accountants
ICAI Firm Registration no.: 013940N

Narender Kumar Singh Chauhan
Partner
Membership No.: 088165

Place: New Delhi
Date: 02-02-2026



For and on behalf of the Board of Directors
DCM Shriram Fine Chemicals Limited

Urvashi Tilakdhar
Senior Managing Director
DIN: 00294265

Naresh Handa
Chief Financial Officer
ICAI M No.: 500725

Place: New Delhi
Date: 02-02-2026

Sanjeev Bajaj
Director - B/D
DIN: N163255
Kushly Arora
Company Secretary
ICSI M No.: A21670



Particulars	Note	For the period ended September 30, 2025 (Rs. lakhs)	For the period ended September 30, 2024 (Rs. lakhs)
Revenue from operations	23	19,551.84	22,294.14
Other income	24	161.88	190.05
Total Income		19,713.72	22,484.19
Expenses			
Cost of materials consumed	25	11,227.16	12,761.64
Changes in inventories of finished goods and work-in-progress	26	276.14	105.44
Employee benefits expense	27	2,476.52	2,518.61
Finance costs	28	51.58	85.11
Depreciation and amortisation expense	29	433.65	443.95
Other expenses	30	4,987.92	4,752.90
Total expenses		19,452.97	20,667.65
Profit before tax		260.75	1,816.54
Tax expense			
Current tax		186.86	418.23
Deferred tax		24.24	48.02
		211.10	466.25
Profit for the period		49.65	1,350.29
Other comprehensive (expense) / income			
Items that will not be reclassified to profit or loss			
Re-measurement (loss) / gain on defined benefit obligation		(19.45)	(26.33)
Income tax pertaining to items that will not be reclassified to profit or loss		4.89	6.63
Total other comprehensive (expense) / income, net of taxes		(14.56)	(19.70)
Total comprehensive income for the year, net of taxes		35.09	1,330.59
Earnings per equity share of Rs. 2 each- basic/ diluted (Rs.)		0.06	1.55

Material Accounting Policies

2

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

For N.K.S Chauhan & Associates
Chartered Accountants
ICAI Firm Registration no.: 013940N

Narender Kumar Singh Chauhan
Partner
Membership No.: 088165

Place: New Delhi
Date: 02.02.2026



For and on behalf of the Board of Directors
DCM Shriram Fine Chemicals Limited

Urvashi Tilakdhar

Urvashi Tilakdhar
Senior Managing Director
DIN: 00294265

Naresh Handa
Chief Financial Officer
ICAI M No.: 500725

Place: New Delhi
Date: 02.02.2026



Sandeep Bajaj
Director-BD
DIN: 11362256

Kokila Arora
Company Secretary
ICSI M No.: A21670

	For the Year ended September 30, 2025 Rs. Lakhs	For the Year ended September 30, 2024 Rs. Lakhs
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	260.75	1,816.54
Adjustments for:		
Depreciation and amortisation	433.65	443.95
Finance costs	51.58	85.11
Interest income	(54.62)	(53.55)
Gain on sale of property, plant and equipment / discarded assets (net)	-	1.47
Profit on sale of current investments	-	(5.25)
Net gain on fair value of investments	(74.22)	(85.65)
Operating profit before changes in assets and liabilities	617.14	2,202.62
Changes in assets and liabilities		
(Decrease)/increase in trade payables	(1,415.18)	(349.17)
(Decrease) in financial liabilities	(406.45)	(505.17)
Increase in other liabilities and provisions	138.85	15.43
Decrease / (increase) in trade receivables	1,672.18	(201.36)
Decrease / (increase) in inventories	397.81	(472.88)
(Increase) in financial assets	(1.07)	(264.23)
Decrease in other assets	44.90	48.26
Cash generated from operations	1,048.18	473.50
Income tax paid (net)	(226.98)	(462.96)
Net cash from operating activities (A)	821.20	10.54
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on acquisition of items of property, plant and equipments and intangible assets, including capital work in progress	(88.00)	(145.17)
Proceeds from sale of property, plant and equipments and intangible assets	538.92	63.54
Investments in mutual fund (net)	(899.96)	(599.97)
Proceeds from sale of current investments	-	450.00
Changes in bank deposit	(114.27)	(114.27)
Interest received	123.15	122.09
Net cash (used) in investing activities (B)	(440.16)	(223.78)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	(271.25)	(271.25)
Proceeds from short term borrowings (net)	36.37	761.07
Repayment of lease liabilities	(84.34)	(77.76)
Finance costs paid (Net of subvention)	(51.58)	(85.11)
Net cash (used in) financing activities (C)	(370.80)	326.95
Net increase in cash and cash equivalents (A+B+C)	10.24	113.71
Cash and cash equivalents at the beginning of the year	33.11	28.03
Cash and cash equivalents at the end of the year	43.35	141.74
Components of cash and cash equivalents		
Balances with scheduled banks:		
- Current accounts	40.89	126.11
Cash in hand	2.46	15.63
Cash and cash equivalents at the end of the year	43.35	141.74

Notes

1. The consolidated cash flow statement has been prepared in accordance with "Indirect Method" as set out on Indian Accounting Standard -7 on "Statement on Cash Flows".

Material Accounting Policies

2

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached.

For N.K.S Chauhan & Associates
Chartered Accountants
ICAI Firm Registration no.: 0139400V

Narender Kumar Singh Chundha
Partner
Membership No.: 088165



Place : New Delhi

Date: 02.02.2024

For and on behalf of the Board of Directors
DCM Shriram Fine Chemicals Limited

Urvashi Tilakdhar

Urvashi Tilakdhar
Sr. Managing Director
DIN: 00294265

Narish Handa
Chief Financial Officer
ICAI M. No. 500725

Place : New Delhi
Date: 02-02-2024



Sandeep Bajaj
Director - BD
DIN: 01078392

Kokila Arora
Company Secretary
Membership No.: A21670

DCM Shriram Fine Chemicals Limited
Restated Condensed Statement of Consolidated Changes in Equity for the period ended September 30, 2025

A. Equity share capital

Particulars	Rs. lakhs
Balance as at March 31, 2024	1,739.84
Changes in equity share capital during the year ended March 31, 2025	-
Balance as at March 31, 2025	1,739.84
Changes in equity share capital during the period ended September 30, 2025	-
Balance as at September 30, 2025	1,739.84

B. Other equity

Particulars	Reserve and surplus		Total
	Capital reserve	Retained Earnings	
Balance as at April 1, 2024	234.89	18,209.28	18,444.17
Profit for the year		1,918.70	1,918.70
Other comprehensive income for the year net of tax		(29.10)	(29.10)
Total comprehensive income for the year net of tax	234.89	20,098.88	20,333.77
Transactions with shareholders, recorded directly in equity			
Distribution to shareholders			
Interim dividend on equity shares *		(579.95)	(579.95)
Balance as at March 31, 2025	234.89	19,518.93	19,753.82
Balance as at April 1, 2025	234.89	19,518.93	19,753.82
Profit for the period		49.65	49.65
Other comprehensive income for the year net of tax		(14.56)	(14.56)
Total comprehensive income for the year net of tax	234.89	19,554.02	19,788.91
Balance as at September 30, 2025	234.89	19,554.02	19,788.91

* Interim dividend paid to shareholders of Demerged Company

Nature and purpose of reserve

a. Capital reserve

Created on account of composite scheme of arrangement.

b. Retained earnings

Retained earnings includes re-measurement loss(gain) on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss. Retained earnings is a free reserve available to the company.

Material Accounting Policies

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached

2

For N.K.S Chauhan & Associates
Chartered Accountants
ICAI Firm Registration no.: 013940

Narender Kumar Singh Chauhan
Partner
Membership No.: 088165

Place: New Delhi
Date: 02.02.2026



For and on behalf of the Board of Directors
DCM Shriram Fine Chemicals Limited

Urvashi Tilakdhar

Urvashi Tilakdhar
Senior Managing Director
DIN: 00294265

Narender Hasnani
Chief Financial Officer
ICAI M No.: 50725

Place: New Delhi
Date: 02.02.2026



Sandeep Bajaj
Director, BD
DIN: 11542156

Kokila Awasthi
Company Secretary
ICSI M No.: A21670

DCM Shriram Fine Chemicals Limited
Notes to the Restated Condensed Consolidated Financial Statements for the period ended
September 30, 2025

1. Corporate information

DCM Shriram Fine Chemicals Limited (the "Parent" or the "Holding Company"), a Public Limited Company under the process of listing having CIN U24296DL2021PLC387429 is incorporated in India and has its registered office at 6th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi - 110001. The Holding Company and its subsidiary (together "the Group") are primarily engaged in production and sale of chemicals.

2. Principles of consolidation and basis of preparation

2.1 Principles of consolidation

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

(i) Subsidiary:

Subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect



DCM Shriram Fine Chemicals Limited
Notes to the Restated Condensed Consolidated Financial Statements for the period ended
September 30, 2025

those returns through its power over the entity. The financial statements of subsidiary are included in the condensed consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interest in the results and equity of the subsidiary are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet respectively. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in the statement of profit or loss.

The details of the subsidiary included in the consolidation and the Parent Group's holding therein is as under:

S. No.	Name of the entity	Nature of relation	Ownership in % either directly or through subsidiary		Country of Incorporation
			As at September 30, 2025	As at March 31, 2025	
1	Daurala Foods and Beverages Private Limited (DFBPL)	Subsidiary	100	100	India

Consolidation procedure for subsidiaries:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with that of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the condensed consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and property, plant and equipment ('PPE'), are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the condensed consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.



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Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statement of subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.2 Basis of preparation and Statement of compliance

a) Statement of compliance

These Restated Condensed Consolidated Financial Statements ("Restated Condensed Consolidated Financial Statements") of the Group has been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act, as applicable. The accounting policies are applied consistently in the financial statements.

These Restated Condensed Consolidated Financial Statements of the Group for the period ended September 30, 2025, are approved on February 2, 2026 by the Committees of Directors of the Holding Company authorised by its Board of Directors.

b) Functional and presentation currency

These Restated Condensed Consolidated Financial Statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts are in Rupees lakhs with two decimal points rounded-off to the nearest thousands, unless otherwise stated.

c) Basis of measurement

The Restated Condensed Consolidated Financial Statements have been prepared on an accrual basis and under the historical cost convention, except for the following items:

Items	Measurement basis
Derivative financial instruments	Fair value through profit and loss (FVTPL)
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations
Investments in Mutual Funds	Fair value through profit and loss (FVTPL)



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Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated, using another valuation technique. In determining the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

d) Critical accounting estimates and judgements

In preparing these Restated Condensed Consolidated Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The management believes that the estimates used in preparation of these financial statements are prudent and reasonable. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group.

In particular, information about significant areas of estimation/ uncertainty and judgements in applying accounting policies that have the most significant effects on the restated consolidated financial statements includes:

- Recognition and estimation of tax expense including deferred tax- Note 2A(g)
- Assessment of useful life of property, plant and equipment and intangible assets- Note 2A(b) and (c).
- Estimation of obligations relating to employee benefits: key actuarial assumptions - Note 2A(h)
- Valuation of inventories- Note 2A(d)
- Fair value measurement of financial instruments- Note 2A(p)
- Lease classification- Note 2A(n)
- Determination of Right-of-use (ROU) assets and liabilities; incremental borrowing rate and lease term- Note 2A(n)
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources- Note 2A(l)
- Impairment of financial assets- Note 2A(p)
- Impairment of non-financial assets- Note 2A(k)



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e) Basis of Preparation

These Restated Condensed Consolidated Financial Statements for the period ended September 30, 2025 have been prepared by the Holding Company after taking into consideration the effects of the composite scheme of arrangement (the "Scheme") between DCM Shriram Industries Limited (DCMSR) ("the Demerged Company"), DCM Shriram Fine Chemical Limited (DSFCL) and DCM Shriram International Limited (DSIL) for demerger of Chemical and Rayon undertakings of DCMSR and their vesting and merger into DSFCL and DSIL respectively, and amalgamation of Lily Commercial Private Limited ("the Transferee Company" or "Lily") with DCM Shriram Industries Limited with effect from appointed date of April 1, 2023.

The certified copy of the Scheme, as approved by the National Company Law Tribunal (NCLT) vide order dated November 21, 2025, was received on December 5, 2025. The Appointed Date under the Scheme is April 1, 2023. As required under the Companies Act, 2013, certified copies were filed by the companies with the Registrar of Companies between 5th December to 17th December, 2025. Accordingly, the Scheme is deemed to have come into effect from 17th December, 2025.

These Restated Condensed Consolidated Financial Statements are not the statutory consolidated financial statements of the Group. The Holding Company had prepared a separate set of special-purpose consolidated financial statements for the period ended September 30, 2025 in accordance with the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Companies Act, 2013 ('the Act'), without including the impact of composite Scheme of Arrangement.

These Restated Condensed Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act, 2013 (the 'Act') and are adjusted in respect of the impact of the scheme from the appointed date i.e. April 1, 2023.

2A. Material accounting policies

a) Operating cycle

Based on the nature of products/ activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purposes of classification of its assets and liabilities as current and non-current.

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle,
- It is held primarily for the purpose of being traded,
- It is expected to be realised within 12 months after the reporting date, or



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- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Group's normal operating cycle,
- It is held primarily for the purpose of being traded,
- It is due to be settled within 12 months after the reporting date, or
- The Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Deferred Tax Assets and Liabilities are classified as non-current only.

b) Property, plant and equipment (PPE)

(i) Recognition and measurement

All items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation/ amortization and accumulated impairment losses, if any.

Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The cost of an item of property, plant and equipment shall be recognised as an assets if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Capital work-in-progress is stated at cost, net of impairment loss, if any.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition and location for their intended use, and the estimated cost of dismantling and removing the items and restoring the site on which they are located. Interest cost incurred for constructed assets is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been used for the asset.



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When parts of an item of property, plant and equipment having significant cost have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no further economic benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gains or losses arising on disposal of property, plant and equipment are recognized in the Statement of Profit and Loss. Incomes and expenses related to the incidental operations not necessary to bring the item to the location and the condition necessary for it to be capable of operating in the manner intended by management are recognized in the Statement of profit and loss.

Once classified as held-for-sale, property, plant and equipment are no longer depreciated. Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statement of Profit and Loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, as appropriate.

(ii) Transition to IND AS

The cost of property, plant and equipment vested and merged into DSFCL was determined by DCMSR as of April 01, 2016, DCMSR's date of transition to Ind AS, with reference to its carrying value recognised in its books of accounts as per the previous GAAP (deemed cost).

(iii) Subsequent expenditure

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred, will flow to the Company and the cost of the item can be measured.

(iv) Depreciation

Depreciation is provided on a pro-rata basis using the straight-line method as per the useful lives prescribed in Schedule II to the Companies Act, 2013. Leasehold land (being in the nature of perpetual lease) and freehold land are not depreciated.

Depreciation methods, useful lives and residual values are reviewed in each financial year, and changes, if any, are accounted for prospectively.



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The estimated useful lives are as mentioned below:

Type of asset	Useful lives (in years)
Leasehold improvements	Lease term
Buildings	5-60 years
Plant and equipment	10-40 years
Vehicles	8-10 years
Office equipment	5 years
Furniture and fixtures	10 years

c) Intangible assets

(i) Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price including duties and taxes and any costs directly attributable to making the assets ready for their intended use. An intangible asset is recognised only if it is probable that future economic benefits attributable to the asset will flow to the Group. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is derecognised.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

(iii) Amortisation

Intangible assets, being computer software are amortised in the Statement of Profit and Loss over the estimated useful life of five years using the straight line method.

The amortisation method and the useful lives of intangible assets are reviewed annually and adjusted, as necessary.

d) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is ascertained on a 'weighted average' basis.

Cost includes direct materials, labour, freight inwards, other direct cost, a proportion of



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manufacturing overheads based on normal operating capacity, net of refundable duties, levies and taxes, wherever applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs, necessary to make the sale.

Assessment of net realisable value is made at each reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount so written-down is adjusted in terms of policy as stated above.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

The cost of production (including cost of conversion) of joint products is allocated on such joint products, based on a rational and consistent basis, i.e., relative realisable value at the separation point, when the products become separately identifiable.

By-products are valued at estimated net realizable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

e) Revenue from contract with customers

i. Sale of goods

Revenue from sale of goods is recognised at the point in time when control of products is transferred to the customer. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates. The Group collects Goods and Services Tax on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, these are excluded from the revenue. At contract inception, the Group assesses the goods or services promised in a contract with a customer and identify, as a performance obligation, each promise to transfer to the customer.

Revenue from contracts with customers is recognized when control of goods or services are transferred to customers and the Group retains neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold. The timing of the transfer of control of products to customers at the time of dispatch, during shipment or receipt of goods by the customers vary based on individual terms of the sales agreements.

Revenue is measured based on the transaction price, which is the consideration, adjusted for variable consideration such as volume discounts, cash discounts, etc., as specified in the contract with the customer. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made.



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Contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due.

Contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is received or due, whichever is earlier. Contract liabilities are recognised as revenue when the Group performs under the contract.

ii. Rendering of services

Revenue from rendering of services are recognised over a period of time as and when underline services are performed as the customer simultaneously receives and consumes the benefit provided by the Group's performance. Payment for the service rendered is received as per the credit terms in the agreements with the customers. Where the credit period is short term, no financing component is considered. Job work is recognized upon full completion of the job work.

Use of significant judgements in revenue recognition:

- Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

- The Group's performance obligation under revenue contracts, is satisfied at a point in time and judgement is exercised in determining the same.

f) Interest and dividend income

Interest income are reported on an accrual basis using the effective interest method, when the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding. Dividends income from investments is recognised when the shareholder's right to receive payment has been established.



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g) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other Comprehensive Income (OCI).

- Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current tax is recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:
 - temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that effects neither accounting nor taxable profit or loss at the time of the transaction;
 - temporary differences related to freehold land and investments in subsidiary, to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
 - taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.



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Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

h) Employee benefits

i) Short-term benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii) Defined contribution plans

The defined contribution plans, i.e., provident fund (administered through Regional Provident Fund Office), superannuation fund and employee state insurance corporation are post-employment benefit plans under which a Group pays fixed contributions and will have no legal and constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Gratuity

The Group provides for gratuity, a defined benefit plan (the Gratuity Plan), covering all eligible employees. In accordance with The Payment of Gratuity Act, 1972, the Gratuity plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment. These are funded by the Group and are managed by Life Insurance Corporation of India (LIC).

The calculation of defined benefit obligation is performed by a qualified actuary separately for each plan using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the



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final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the Statement of Profit and Loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Provident fund (other than those made to the Regional Provident Fund Office of the Government)

Provident Fund Contributions other than those made to the Regional Provident Fund Office of the Government which are made to the Trusts administered by the Group are accounted for on the basis of actuarial valuation. The interest rate payable to the members of the Trust is not considered to be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and, shortfall, if any, based on actuarial estimate by an approved actuary, is made good by the Group.



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iv) Other long-term employee benefits

Benefits under the Group's privilege leaves and medical leave are other long term employee benefits. The Group's net obligation in respect of privilege leave and medical leave are the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method.

Re-measurements are recognised in Statement of Profit and Loss in the period in which they arise.

i) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate, and presented within other income (operating or non-operating, as appropriate) other than export benefits which are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

A government grant that becomes receivable as compensation for expenses or losses incurred in a previous period, is recognised in profit or loss of the period in which it becomes receivable.

j) Foreign currency transactions and translation

The management has determined the currency of the primary economic environment in which the Group operates, i.e., functional currency, to be Indian Rupees (INR). The financial statements are presented in INR which is Group's functional and presentational currency.

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Group at the exchange rates at the dates of the transactions or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/ losses arising on account of realisation/ settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the Statement of Profit and Loss.

Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

The derivative financial instruments such as forward exchange contracts to hedge its risk associated with foreign currency fluctuations are stated at fair value. Any gains or losses arising from changes



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in fair value are taken directly to Statement of Profit or Loss.

k) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets (other than inventories and deferred tax assets) are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU"). In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used.

The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined in relation to the CGUs to which a corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

l) Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and 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.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting periods. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, appropriately, 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.



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A provision for onerous contract is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligation under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on assets associated.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

The Group does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

m) Borrowing cost

Borrowing costs that are directly attributable to the acquisition, construction or erection of qualifying assets are capitalised as part of cost of such asset until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition of the qualifying asset.

Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

All other borrowing costs are recognised as an expense in the year in which they are incurred.

n) Leases

Group as a lessee

The Group recognizes a Right of Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets in accordance with Ind AS 116, 'Leases'. The Group assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of



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Notes to the Restated Condensed Consolidated Financial Statements for the period ended
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an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

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

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, etc. Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. The estimated useful life of the right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. For lease liabilities at the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined. If that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate. For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The Group uses a single discount rate to a portfolio of leases with similar characteristics.

Group as a lessor

At the inception of the lease, the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease income as and when due as per terms of agreements. The respective leased assets are included in the financial statements based on their nature.

o) Earnings per share (EPS)

Basic earnings / (loss) per share are calculated by dividing the net profit or loss for the year attributable to the shareholders of the Group by the weighted average number of equity shares outstanding at the end of the reporting period. The weighted average number of equity shares



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outstanding during the year is adjusted for events of bonus / rights issue, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) 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.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

The Group has an established control framework with respect to the measurement of fair values. It regularly reviews significant inputs and valuation adjustments.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

Initial recognition and measurement

With the exception of trade receivables that do not contain a significant financing component, the Group initially measures financial asset at its fair value, in the case of a financial asset not at fair value through profit or loss, net of transaction costs. Trade receivables do not contain a significant financing component and are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2A (e) Revenue recognition.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade



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Notes to the Restated Condensed Consolidated Financial Statements for the period ended
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date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets of the Group are classified in three categories:

- a) At amortised cost
- b) At fair value through profit and loss (FVTPL)
- c) At fair value through other comprehensive income (FVTOCI)

Financial Asset is measured at amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (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 in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

All those financial assets that are not classified as measured at amortised cost or FVTOCI, are measured at FVTPL. This includes all derivative financial assets and current investments in mutual funds. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are measured at fair value through profit and loss.

For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income. This cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of such instruments.

Investments representing equity interest in associate are carried at cost less any provision for impairment.



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Notes to the Restated Condensed Consolidated Financial Statements for the period ended
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Impairment of financial assets

The Group recognizes loss allowances for expected credit losses on:

- Financial assets measured at amortized cost; and
- Financial assets measured at FVTOCI – debt instruments.

Loss allowance for trade receivables is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is recognised as an impairment gain or loss in the Statement of Profit and Loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 180 days past due;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

With regard to trade receivable, the Group has applied the simplified approach for initial recognition of expected lifetime losses.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.



DCM Shriram Fine Chemicals Limited

**Notes to the Restated Condensed Consolidated Financial Statements for the period ended
September 30, 2025**

Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

Derecognition

(i) Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

(ii) Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Statement of Profit and Loss.

q) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

r) Research and development

Expenditure on research activities is recognized in the Statement of Profit and Loss as incurred.

Development expenditure is capitalized as part of cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses, if any.



DCM Shriram Fine Chemicals Limited

Notes to the Restated Condensed Consolidated Financial Statements for the period ended September 30, 2025

s) Dividend

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.



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DCM Shriram Fine Chemicals Limited

**Notes to the Restated Condensed Consolidated Financial Statements for the period ended
September 30, 2025**

t) Goods and services tax input credit

Goods and services tax input credit is recognised in the books of account in the period in which the supply of goods or service received is recognised and when there is no uncertainty in availing / utilising the credits.

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii. When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.

u) Non-current assets held for sale

Non current assets or disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of held for sale is met when the non current asset or the disposal group is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as held for sale. Non current assets or disposal groups held for sale are measured at the lower of carrying amount and fair value, less cost to sell.

A gain or loss of the non-current asset is recognised at the date of de-recognition. Once classified as held-for-sale, property, plant and equipment are no longer amortised or depreciated.



DCM Shriram Fine Chemicals Limited
Notes to the Restated Condensed Consolidated Financial Statements for the period ended September 30, 2025

3. Property, plant and equipment and capital work-in-progress

Particulars	Freehold land	Leasehold land*	Leasehold improvement	Buildings	Plant and equipment	Vehicles	Office equipment	Furniture and fixtures	Total	Capital work-in-progress
Gross carrying amount										
Balance as at March 31, 2024	131.85	2,290.50	260.89	1,362.34	11,642.43	314.84	266.17	76.90	16,345.93	118.10
Add: Additions during the year	-	-	-	29.73	236.13	20.75	13.89	3.32	326.02	16.45
Less: Disposals/Adjustments/Capitalized during the year	-	-	-	-	32.88	17.25	8.99	1.45	60.57	132.10
Balance as at March 31, 2025	131.85	2,290.50	260.89	1,392.07	11,865.68	318.34	273.07	78.97	16,611.37	2.45
Add: Additions during the period	-	-	-	3.43	1.58	34.38	9.59	3.37	52.38	15.64
Less: Disposals/Adjustments/Capitalized during the period	-	2,290.50	-	127.02	-	17.15	0.90	0.32	2,435.89	3.43
Balance as at September 30, 2025	131.85	-	260.89	1,268.48	11,867.26	335.57	281.76	82.92	14,227.83	14.67
Accumulated depreciation										
Balance as at March 31, 2024	-	-	86.76	416.75	2,324.73	79.82	205.38	45.06	3,158.50	-
Add: Depreciation expense during the year	-	-	25.45	37.08	576.93	39.59	27.07	7.20	713.33	-
Less: Disposals / adjustments during the year	-	-	-	-	13.67	14.55	6.98	0.83	36.08	-
Balance as at March 31, 2025	-	-	112.22	453.83	2,887.99	104.86	225.47	51.39	3,825.75	-
Add: Depreciation expense during the period	-	-	12.81	18.37	287.17	15.96	15.99	3.61	353.91	-
Less: Disposals / adjustments during the period	-	-	-	10.65	-	11.53	0.62	0.37	23.17	-
Balance as at September 30, 2025	-	-	125.03	461.55	3,175.16	109.29	240.84	54.63	4,166.49	-
Net carrying value										
As at September 30, 2025	131.85	-	135.87	806.94	8,692.10	226.28	40.92	27.39	10,061.34	14.67
As at March 31, 2025	131.85	2,290.50	148.68	938.25	8,977.69	213.48	47.60	27.58	12,775.62	2.45

*In respect of leasehold land, the same has been classified as non-current assets held for sale as at September 30, 2025.



DCM Shriram Fine Chemicals Limited

Notes to the Restated Condensed Consolidated Financial Statements for the period ended September 30, 2025

4. Intangible assets

(Rs. Lakhs)

Particulars	Intangible Assets- Software
Gross carrying amount	
Balance as at March 31, 2024	180.48
Add: Additions during the year	-
Less: Disposals / adjustments during the year	-
Balance as at March 31, 2025	180.48
Add: Additions during the period	0.16
Less: Disposals / adjustments during the period	-
Balance as at September 30, 2025	180.64
Accumulated amortisation	
Balance as at March 31, 2024	114.84
Add: Amortisation expense for the year	26.55
Less: Disposals / adjustments during the year	-
Balance as at March 31, 2025	141.39
Add: Amortisation expense for the period	9.58
Less: Disposals / adjustments during the period	-
Balance as at September 30, 2025	150.97
Net carrying value	
As at September 30, 2025	29.67
As at March 31, 2025	39.09



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DCM Shriram Fine Chemicals Limited

Notes to the Restated Condensed Consolidated Financial Statements for the period ended September 30, 2025

5. Other financial assets- Non current	As at	As at
	September 30, 2025	March 31, 2025
	Rs. lakhs	Rs. lakhs
Security deposits (Unsecured, considered good)		
- Others	12.49	11.42
Total	12.49	11.42

6. Income tax assets (net)	As at	As at
	September 30, 2025	March 31, 2025
	Rs. lakhs	Rs. lakhs
Advance income tax (net of provision)	240.67	200.62
Total	240.67	200.62

Current tax liabilities (net)	As at	As at
	September 30, 2025	March 31, 2025
	Rs. lakhs	Rs. lakhs
Current tax liabilities (net of advance tax)	69.03	69.03
Total	69.03	69.03

7. Other non-current assets <i>(unsecured, considered good unless otherwise stated)</i>	As at	As at
	September 30, 2025	March 31, 2025
	Rs. lakhs	Rs. lakhs
To parties other than related parties		
Capital advances	-	6.54
Advance other than capital advances		
Balances with government authorities	239.11	236.54
Advances to employees	9.68	10.07
Prepaid expenses	2.21	6.03
Other advances	1.38	-
Total	252.38	259.18



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DCM Shriram Fine Chemicals Limited

Notes to the Restated Condensed Consolidated Financial Statements for the period ended September 30, 2025

8. Inventories <i>(Valued at lower of cost and net realisable value)</i>	As at September 30, 2025	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
Raw material	2,182.15	2,253.13
Work in progress	301.92	127.35
Finished goods	619.33	1,070.05
Stores and spares	1,538.86	1,589.54
Total	4,642.26	5,040.07
9. Investments- Current	As at September 30, 2025	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
Investment in mutual funds measured at fair value through profit and loss		
5,13,846.26 (March 31, 2025 : 3,36,488.29) (ICI Prudential Liquid Fund – Growth Direct Plan Units of Rs. 100 each)	2,034.70	1,291.76
28,779.12 (March 31, 2025 : 23,977.48) SBI Liquid Fund – Growth Direct Plan Units of Rs. 1000 each	1,203.75	972.51
Total	3,238.45	2,264.28
10. Trade receivables	As at September 30, 2025	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
To parties other than related parties		
Unsecured, considered good	6,598.22	8,270.40
Unsecured, considered credit impaired	10.10	10.10
	6,608.32	8,280.50
Less : Loss allowance for trade receivables	10.10	10.10
Total	6,598.22	8,270.40
11. Cash and cash equivalents	As at September 30, 2025	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
Balances with banks		
- On current accounts	40.89	31.67
Cash on hand	2.46	1.44
Total	43.35	33.11



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Notes to the Restated Condensed Consolidated Financial Statements for the period ended September 30, 2025

12. Other financial assets- Current <i>(unsecured, considered good unless otherwise stated)</i>	As at September 30, 2025	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
To related parties		
Others	71.08	-
To parties other than related parties		
Security deposits	0.03	0.03
Deposits with original maturity of more than twelve months	1,511.07	1,465.32
Total	1,582.18	1,465.35

13. Other current assets <i>(unsecured, considered good unless otherwise stated)</i>	As at September 30, 2025	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
To parties other than related parties		
Advances to contractors	26.19	79.01
Other advances		
Advance to employees	10.86	15.10
Balance with government authorities	47.79	47.93
Duty drawback and other incentive receivables	-	-
Prepaid expenses	88.61	89.25
Others	22.46	9.26
Total	195.91	240.55



14. Equity share capital

	As at September 30, 2025		As at March 31, 2025	
	Rs. lakhs		Rs. lakhs	
a) Authorized 202,025,000 equity shares of Rs. 2 each			4,051.50	
b) Issued, subscribed and fully paid-up 80,992,185 equity of Rs. 2 each fully paid up			1,739.84	
Total			1,739.84	

c) Reconciliation of the share outstanding at the beginning and at the end of reporting period:

Particulars	As at September 30, 2025		As at March 31, 2025	
	Number of shares	Amount Rs. lakhs	Number of shares	Amount Rs. lakhs
Equity shares				
At the commencement of the year/period	8,09,92,185	1,739.84	8,09,92,185	1,739.84
Add/(Less): Change during the year/period	-	-	-	-
At the end of the year/period	8,09,92,185	1,739.84	8,09,92,185	1,739.84

d) Terms, rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs. 2 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the equity shares held by the shareholders.

The Company declares and pays dividends in Indian Rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

e) Details of shares held by shareholders holding more than 1% of the aggregate shares in the Company:

Particulars	As at September 30, 2025		As at March 31, 2025	
	Number of shares @ Rs. 2 each	% of holding	Number of shares @ Rs. 2 each	% of holding
Alok Bansidhar Shriram- Kanta Lata Shree Dhar & Sons (HUF)	1,20,28,267	13.03%	1,20,28,267	13.03%
Mrs. Urvasi Takalkar	58,89,611	6.77%	58,89,611	6.77%

f) Details of shareholding of Promoters in the Company is as under:

S. No.	Promoter Name	Opening as on 01.04.2025	Closing as on 30.09.2025	% Change during the year
		Number of shares @ Rs. 2 each	Number of shares @ Rs. 2 each	
1	Alok Bansidhar Shriram- Kanta Lata Shree Dhar & Sons (HUF)	1,20,28,267	1,20,28,267	0%
2	DCM Shriram Industries Ltd	-	-	0%
3	Mr. Alok B Shriram	23,88,944	23,88,944	0%
4	Mrs. Kavay Shriram	41,38,462	41,38,462	0%
5	Ms. Kamla Shriram	14,56,332	14,56,332	0%
6	Mr. Vaidya Shriram	9,58,802	9,58,802	0%
7	Mrs. Suman Bhanu Dhar	17,57,160	17,57,160	0%
8	Mr. Akshay Dhar-Kanta Takalkar & Sons (HUF)	5,08,158	5,08,158	0%
9	Mrs. Urvasi Takalkar	58,89,611	58,89,611	0%
10	Mr. Akshay Dhar	12,74,880	12,74,880	0%
11	Mr. Aditi Dhar	12,71,313	12,71,313	0%
12	Mr. Madhav Bansidhar Shriram	42,99,234	42,99,234	0%
13	Mrs. Geeta Shriram	36,47,854	36,47,854	0%
14	Mr. Uday Shriram	9,61,628	9,61,628	0%
15	Mr. Rohan Shriram	33,593	33,593	0%
16	Akshay Foundation	29,76,389	29,76,389	0%
17	Mr. Sandeep Kumar Jain	318	318	0%
	Total	4,35,90,115	4,35,90,115	

g) Issue of shares for other than cash:

There were no buy back of shares, issue of shares by way of bonus shares or issue of shares pursuant to contract without payment being received in cash during the previous 5 years.

15. Other equity

a. Capital Reserve

Balance as at the beginning of the year/period

As at September 30, 2025		As at March 31, 2025	
Rs. lakhs		Rs. lakhs	
234.89		234.89	
234.89		234.89	

Balance at the end of the year/period

b. Retained earnings

Balance as at the beginning of the year

Add: Profit for the year/period

Less: Other comprehensive income recognized directly in retained earnings

Reassessment of employee benefit obligation, net of tax*

Less: Appropriations

Allocation of dividend paid by DCMSE

18,518.03

49.65

(14.56)

-

(379.95)

19,584.02

19,518.03

Balance at the end of the year/period

Total

19,784.91

19,752.92

* Included in 'Items of other comprehensive income' in statement of change in equity.



16. Borrowings- Non current	As at September 30, 2025	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
From parties other than related parties		
Secured loans		
Term loans from banks	542.50	813.75
	542.50	813.75
Less: Current maturities of long term borrowings	542.50	542.50
Total	-	271.25

17. Provisions- Non current	As at September 30, 2025	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
Provision for employee benefits		
- Gratuity	75.82	84.17
- Compensated absences	455.70	414.55
Total	531.52	498.72

18. Borrowings- Current	As at September 30, 2025	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
Secured loans		
From banks - loans repayable on demand*	291.93	255.55
Current maturities of long term borrowings (refer note 16)	542.50	542.50
Total	834.43	798.05

* Secured by first pari-passu charge against the company current and non-current assets (except company's property, plant and equipments), both present and future. Some of these are further secured by way of second pari-passu charge on the company's property, plant and equipment. These carry interest rate ranging from 6.50% to 9.50% p.a.

19. Trade payables	As at September 30, 2025	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
Total outstanding dues of micro enterprises and small enterprises	473.94	627.69
Total outstanding dues other than micro enterprises and small enterprises	3,531.72	4,793.16
Total	4,005.66	5,420.84



20. Other financial liabilities- Current	As at September 30,	As at March 31,
	2025	2025
	Rs. lakhs	Rs. lakhs
From related parties		
Other payables	-	374.00
From parties other than related parties		
Creditors for capital purchases	-	29.81
Security deposits	20.96	16.14
Other payables		
Employees related payable	264.14	229.26
Others	-	1.07
Total	285.10	650.28

21. Other current liabilities	As at September 30,	As at March 31,
	2025	2025
	Rs. lakhs	Rs. lakhs
Advances from customers	61.60	83.18
Statutory dues payable	235.42	88.39
Others	50.02	49.97
Total	347.04	221.54

22. Provision- Current	As at September 30,	As at March 31,
	2025	2025
	Rs. lakhs	Rs. lakhs
Provision for employee benefits		
- Compensated absences	100.45	100.45
Total	100.45	100.45



23. Revenue from operations	For the period ended	For the period ended
	September 30, 2025	September 30, 2024
	Rs. lakhs	Rs. lakhs
Sale of products		
Export	1,495.16	2,379.20
Domestic	16,765.75	18,598.00
	<u>18,260.91</u>	<u>20,977.20</u>
Sale of services		
Processing charges	1,153.77	1,200.18
Other operating revenue		
Sale of scrap	133.86	105.29
Duty draw back, export benefits and other government assistance	3.30	11.47
Sale of renewable energy certificates	-	-
	<u>19,551.84</u>	<u>22,294.14</u>
Total		

24. Other income	For the period ended	For the period ended
	September 30, 2025	September 30, 2024
	Rs. lakhs	Rs. lakhs
Interest income from financial assets measured at amortised cost		
From deposits with banks	53.55	50.93
Unwinding of discount on security deposits	1.06	0.05
Profit on sale of current investments	-	5.25
Net change in fair value of financial assets measured at fair value through profit or loss	74.22	85.65
Gain on foreign exchange fluctuation (net)	32.70	44.57
Miscellaneous income	0.35	3.60
	<u>161.88</u>	<u>190.05</u>
Total		



DCM Shriram Fine Chemicals Limited

Notes to the Restated Condensed Consolidated Financial Statements for the period ended September 30, 2025

28. Finance costs	For the period ended	For the period ended
	September 30, 2025	September 30, 2024
	Rs. lakhs	Rs. lakhs
Interest expense	51.58	85.07
Other borrowing costs	-	0.04
Total	51.58	85.11

29. Depreciation and amortisation expense	For the period ended	For the period ended
	September 30, 2025	September 30, 2024
	Rs. lakhs	Rs. lakhs
Depreciation on property, plant and equipment	353.91	358.42
Amortisation on intangible assets	9.58	15.52
Amortisation on right-of-use assets	70.16	70.01
Total	433.65	443.95

30. Other expenses	For the period ended	For the period ended
	September 30, 2025	September 30, 2024
	Rs. lakhs	Rs. lakhs
Consumption of stores and spares	1,168.60	1,224.68
Power and fuel	1,535.16	1,660.83
Repair and maintenance		
- Buildings	52.76	51.18
- Plant and machinery	959.35	995.56
Rent	13.41	13.48
Payment to auditors		
- Statutory audit fee	3.00	0.50
- Limited review of unaudited financial results	9.03	8.33
- Certification of statements	0.18	0.17
- Out-of-pocket expenses	1.75	1.62
Insurance	55.56	54.61
Rates and taxes	10.37	12.36
Freight and transport	147.99	248.74
Commission to selling agents	36.61	31.28
Loss on sale of property, plant and equipment (net)	0.64	1.69
Donation	10.00	-
Corporate social responsibility	30.75	36.67
Impairment of property, plant and equipment (net)	533.02	-
Miscellaneous expenses	419.74	411.20
Total	4,987.92	4,752.90

As per our report of even date attached

For N.K.S Chauhan & Associates
Chartered Accountants
ICAI Firm Registration no.: 013940N

Narender Kumar Singh Chauhan
Partner
Membership No.: 088165

Place: New Delhi
Date: 02.02.2026



For and on behalf of the Board of Directors
DCM Shriram Fine Chemicals Limited

Urvashi Tilakdhar
Senior Managing Director
DIN: 00294265

Naresh Handa
Chief Financial Officer
ICAI M No.: 500725

Place: New Delhi
Date: 02.02.2026

Sandeep Bajaj
Director-BD
DIN: 11302056

Kokila Arora
Company Secretary
ICSI M No.: A21670



**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED
CONSOLIDATED FINANCIAL INFORMATION**

To
The Board of Directors
DCM Shriram Fine Chemicals Limited
New Delhi

1. We have examined the attached Restated Consolidated Financial Information of DCM Shriram Fine Chemicals Limited (the "Company") and its subsidiary (the Company and its subsidiary together referred to as the "Group"), comprising the Restated Consolidated Balance Sheet as at March 31, 2025 and March 31, 2024, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the year ended March 31, 2025 and March 31, 2024, the Summary Statement of Material Accounting Policies (Refer Note 2A) and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Committee of Directors authorised by Board of Directors of the Company at its meeting held on February 2, 2026 for the purpose of inclusion in the Information Memorandum prepared by the Company in connection with its proposed listing of shares with BSE Limited and National Stock Exchange of India Limited (Collectively referred to as the "Stock Exchanges") prepared in terms of the requirements of:

(a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");



- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- (c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the Information Memorandum to be filed with Stock Exchanges in connection with its listing of shares. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 2.2 to the Restated Consolidated Financial Information. The respective Board of Directors of the Companies included in the Group are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Consolidated Financial Information taking into consideration:
- (a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated January 15, 2026 in connection with the listing of shares of the Company with Stock Exchanges;
- (b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- (c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
- (d) The requirements of Section 26 of the Act and the ICDR Regulations.



Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the listing of shares of the Company with the Stock Exchanges.

4. These Restated Consolidated Financial Information have been compiled by the management from:

(a) Audited financial statements of the Company as at and for the year ended March 31, 2025 and March 31, 2024 prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at its meetings held on May 28, 2025 and May 27, 2024 respectively.

(b) Audited consolidated financial statements and the Audited standalone financial statements of the DCM Shriram Industries Limited (DCMSR) as at and for the year ended March 31, 2025 and March 31, 2024 prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at its meetings held on May 29, 2025 and May 27, 2024 respectively. Chemical Undertaking of DCMSR has been demerged from DCMSR and then vested and merged in the Company with appointed date April 1, 2023 as per Composite Scheme of Arrangement between DCMSR, the Company, DCM Shriram International Limited and Lily Commercial Private Limited approved by the National Company Law Tribunal (NCLT) vide order dated November 21, 2025 which was received on December 5, 2025.

(c) Audited financial statements of the Subsidiary (Daurala Food and Beverages Limited) as at and for the year ended March 31, 2025 and March 31, 2024 prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at its meetings held on May 28, 2025 and May 27, 2024 respectively.



5. We have audited the Restated Consolidated Financial Information of the Company for the period March 31, 2025 and March 31, 2024 after giving effect of demerger of the Chemical Undertaking from DCMSR pursuant to the approval the Scheme of Arrangement by the NCLT as mentioned in 4(b) above and prepared by the Company in accordance with the Ind AS for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations. We have issued our report dated February 2, 2026 on these Restated Consolidated Financial Information to the Board of Directors as the Committee of Directors authorised by Board of Directors have approved these in its meeting held on February 2, 2026.
6. For the purpose of our examination, we have relied on:
- (a) Auditors' reports issued by the statutory auditors dated May 28, 2025 and May 27, 2024 respectively on the Standalone Financial Statements of the Company as at and for the year ended March 31, 2025 and March 31, 2024 respectively as referred in Paragraph 4 (a) above;
 - (b) Auditors' reports issued by statutory auditors dated May 29, 2025 and May 27, 2024 respectively on the Standalone Financial Statements of the DCMSR as at and for the year ended 31 March 2025 and March 31, 2024 respectively as referred in Paragraph 4(b) above;
 - (c) Auditors' reports issued by statutory auditors dated May 29, 2025 and May 27, 2024 respectively on the Consolidated Financial Statements of the DCMSR as at and for the year ended 31 March 2025 and March 31, 2024 respectively as referred in Paragraph 4(b) above; and
 - (d) Auditors' reports issued by statutory auditors dated May 28, 2025 and May 27, 2024 respectively on the Financial Statements of the Subsidiary as at and for the year ended 31 March 2025 and March 31, 2024 respectively as referred in Paragraph 4(c) above.
7. All the Audited Financial Statements referred to in 6 above have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Statements, in so far as it relates to the same is solely based on the audited reports of such other auditors. Our opinion is not modified in respect of this matter.



8. Based on our examination and according to the information and explanations given to us and also as per reliance placed on reports of other auditors (refer 7 above), we report that the Restated Consolidated Financial Information:
- (a) have been prepared without adjustments for the changes in accounting policies, material errors and regrouping/reclassifications as the accounting treatment and accounting policies were consistent across all companies whose financial statements have been relied upon;
 - (b) do not require any adjustment for modification as there is no modification in the underlying audit reports.
 - (c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
10. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the report on the Consolidated / Standalone Ind AS financial statements mentioned in paragraph 6 above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by other auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.



13. Our report is intended solely for use of the Board of Directors for the purpose set forth in the first paragraph of this report. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For N.K.S Chauhan & Associates

Chartered Accountants

ICAI Firm Registration no: 013940N



Narender Kumar Singh Chauhan

Partner

Membership No: 088165



Place: New Delhi

Date: 02.02.2026

UDIN: 26088165BJWHT&2587

DCM Shriram Fine Chemicals Limited
Restated Consolidated Balance Sheet as at March 31, 2025

Particulars	Note	As at March 31, 2025 (Rs. lakhs)	As at March 31, 2024 (Rs. lakhs)
ASSETS			
Non-current assets			
Property, plant and equipment	3	12,775.62	13,187.40
Capital work-in progress	3	2.45	118.10
Right-of-use assets	33	224.71	364.80
Intangible assets	4	39.09	65.64
Financial assets			
(i) Other financial assets	5	11.42	121.97
Income-tax assets (net)	6	200.62	3.74
Other non-current assets	7	259.18	276.73
Total non-current assets		13,513.09	14,138.38
Current assets			
Inventories	8	5,040.07	4,398.72
Financial assets			
(i) Investments	9	2,264.28	2,326.96
(ii) Trade receivables	10	8,270.40	7,232.37
(iii) Cash and cash equivalents	11	33.11	19.45
(vi) Other financial assets	12	1,465.35	1,284.21
Other current assets	13	240.55	158.48
Total current assets		17,313.76	15,420.19
TOTAL ASSETS		30,826.85	29,558.57
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14	1,739.84	1,739.84
Other equity	15	19,753.82	18,444.17
Total equity		21,493.66	20,184.01
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	16	271.25	813.75
(ii) Lease liabilities	33	135.39	264.69
Provisions	17	498.72	441.51
Deferred tax liabilities (net)	32	1,037.44	957.51
Total non-current liabilities		1,942.80	2,477.46
Current liabilities			
Financial liabilities			
(i) Borrowings	18	798.06	799.10
(ii) Lease liabilities	33	130.18	155.54
(iii) Trade payables	19		
-Total outstanding dues of micro enterprises and small enterprises; and		627.69	503.02
-Total outstanding dues of creditors other than micro enterprises and small enterprises		4,793.16	3,936.72
(iv) Other financial liabilities	20	650.28	919.15
Other current liabilities	21	221.54	153.50
Provisions	22	160.45	190.30
Current tax liabilities (net)	23	69.03	239.77
Total current liabilities		7,390.39	6,897.10
TOTAL EQUITY AND LIABILITIES		30,826.85	29,558.57
Material Accounting Policies	2		

The notes referred to above form an integral part of the restated consolidated financial information.

As per our report of even date attached

For N.K.S Chauhan & Associates
Chartered Accountants
ICAI Firm Registration no.: 013940N

Narender Kumar Singh Chauhan
Partner
Membership No.: 088165

Place: New Delhi
Date: 02.02.2026



For and on behalf of the Board of Directors
DCM Shriram Fine Chemicals Limited

Urvashi Tilakdhar

Urvashi Tilakdhar
Senior Managing Director
DIN: 00294265

Naresh Handa
Chief Financial Officer
ICAI M No.: 500725

Place: New Delhi
Date: 02.02.2026



Sandeep Bajaj
Director-BD
DIN: 11362285

Kokila Arora
Company Secretary
ICSI M No.: A21670

Particulars	Note	For the year ended March 31, 2025 (Rs. lakhs)	For the year ended March 31, 2024 (Rs. lakhs)
Revenue from operations	24	42,937.18	41,287.59
Other income	25	388.87	371.72
Total Income		43,326.05	41,659.31
Expenses			
Cost of materials consumed	26	25,140.07	22,964.35
Changes in inventories of finished goods and work-in-progress	27	(365.27)	127.56
Employee benefits expense	28	5,482.92	5,299.50
Finance costs	29	176.55	233.22
Depreciation and amortisation expense	30	879.97	886.15
Other expenses	31	9,420.35	8,832.89
Total expenses		40,734.59	38,343.67
Profit before tax		2,591.46	3,315.64
Tax expense			
Current tax	32	592.18	805.41
Deferred tax	32	80.58	96.37
		672.76	901.78
Profit for the year		1,918.70	2,413.86
Other comprehensive (expense) / income			
Items that will not be reclassified to profit or loss			
Re-measurement (loss) / gain on defined benefit obligation		(38.89)	(52.66)
Income tax pertaining to items that will not be reclassified to profit or loss		9.79	12.92
Total other comprehensive (expense) / income, net of taxes		(29.10)	(39.74)
Total comprehensive income for the year, net of taxes		1,889.60	2,374.12
Earnings per equity share of Rs. 2 each- basic/ diluted (Rs.)	35	2.21	2.77
Material Accounting Policies	2		

The notes referred to above form an integral part of the restated consolidated financial information.

As per our report of even date attached

For N.K.S Chauhan & Associates

Chartered Accountants

ICAI Firm Registration no.: 013940N

Narender Kumar Singh Chauhan

Partner

Membership No.: 088165

Place: New Delhi

Date: 02.02.2026



For and on behalf of the Board of Directors

DCM Shriram Fine Chemicals Limited

Urvashi Tilakdhar

Senior Managing Director

DIN: 00294265

Naresh Handa

Chief Financial Officer

ICAI M No.: 500725

Place: New Delhi

Date: 02.02.2026



Sandeep Bajaj

Director-BD

DIN: 11452266

Kokila Arora

Company Secretary

ICSI M No.: A21670

	For the Year ended March 31, 2025	For the Year ended March 31, 2024
	Rs. Lakhs	Rs. Lakhs
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	2,891.46	3,313.84
Adjustments for:		
Depreciation and amortisation	879.37	886.13
Finance costs	176.55	233.22
Interest income	(100.88)	(93.97)
Profit on sale of current investments	(143.34)	(96.08)
Net gain on fair value of investments	(44.82)	(57.68)
Operating profit before changes in assets and liabilities	3,356.74	4,177.28
Changes in assets and liabilities:		
Increase / (decrease) in trade payables	981.10	(699.38)
(Decrease) / increase in financial liabilities	(228.26)	67.52
(Decrease) / increase in other liabilities and provisions	(3.55)	43.61
(Increase) in trade receivables	(1,808.03)	(1,125.38)
(Increase) / decrease in inventories	(641.35)	1,179.33
Decrease in financial assets	11.62	27.51
(Increase) in other assets	(64.74)	(282.26)
Cash generated from operations	2,375.53	3,388.43
Income tax paid (net)	(950.86)	(557.17)
Net cash from operating activities (A)	1,424.67	2,831.26
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on acquisition of items of property, plant and equipments and intangible assets, including capital work in progress	(254.75)	(920.29)
Proceeds from sale of property, plant and equipments and intangible assets	24.49	50.82
Investments in mutual fund (net)	(799.94)	(2,399.88)
Proceeds from sale of current investments	1,050.00	1,799.96
Changes in bank deposit	(83.59)	(324.66)
Interest received	103.41	39.42
Net cash (used) in investing activities (B)	43.61	(1,754.63)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	(542.58)	(723.32)
Proceeds from short term borrowings (net)	(1.05)	247.39
Repayment of lease liabilities	(154.65)	(141.27)
Finance costs paid (Net of subvention)	(176.55)	(231.66)
Dividend paid	(579.25)	(648.78)
Net cash (used in) financing activities (C)	(1,454.08)	(1,497.62)
Net increase in cash and cash equivalents (A+B+C)	13.66	(420.99)
Cash and cash equivalents at the beginning of the year	19.45	440.44
Cash and cash equivalents at the end of the year	33.11	19.45
Components of cash and cash equivalents		
Balances with scheduled banks:		
- Current accounts	31.67	18.34
Cash in hand	1.44	1.11
Cash and cash equivalents at the end of the year	33.11	19.45

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

Particulars	Non-current borrowings*	Current borrowings†	Lease liability	Total
Opening balance as at April 1, 2023	2,078.01	9.23	352.66	2,439.89
Cash flows during the year	(884.24)	214.50	(179.10)	(848.84)
Non-cash changes due to:				
- Interest expense (net of subvention)	162.59	32.89	-	195.39
- Finance cost on lease liability	-	-	37.83	37.83
- Lease liability recognised	-	-	288.84	288.84
Closing balance as at March 31, 2024	1,356.25	256.61	420.23	2,033.09
Opening balance as at April 1, 2024	1,356.25	256.61	420.23	2,033.09
Cash flows during the year	(649.71)	(70.39)	(154.65)	(874.75)
Non-cash changes due to:				
- Interest expense (net of subvention)	107.21	69.34	-	176.55
- Finance cost on lease liability	-	-	-	-
- Lease liability recognised	-	-	-	-
Closing balance as at March 31, 2025	813.75	255.56	265.58	1,334.89

* Includes current maturities of long term borrowings, interest accrued but not due on borrowings and unclaimed deposits and interest accrued thereon.

† This does not include current maturities of loan term borrowings.

Material Accounting Policies

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

For N.K.S Chauhan & Associates
 Chartered Accountants
 ICAI Firm Registration no.: 013940N

Narender Kumar Singh Chauhan
 Partner
 Membership No.: 088165



Place: New Delhi
 Date: 02.02.2026

For and on behalf of the Board of Directors
 DCM Shriram Fine Chemicals Limited

Urvashi Subodhan

Urvashi Thakkar
 Sr. Managing Director
 DIN: 00294265

Naresh Bhandu
 Chief Financial Officer
 ICAI M. No. 506725

Place: New Delhi
 Date: 02.02.2026



Sudhanshu Rajaj
 Director - BD
 DIN: 01078892

Kokila Arora
 Company Secretary
 Membership No.: A21670

DCM Shriram Fine Chemicals Limited
Restated Statement of Changes in Equity for the year ended March 31, 2025

A. Equity share capital

(Rs. lakhs)

Particulars	Total
Balance as at April 1, 2023	1.00
Add: Shares issued on account of composite scheme of arrangement (refer note 48)	1,739.84
Less: Shares cancelled on account of composite scheme of arrangement (refer note 48)	1.00
Balance as at March 31, 2024	1,739.84
Changes in equity share capital during the year ended March 31, 2025	-
Balance as at March 31, 2025	1,739.84

B. Other equity

(Rs. lakhs)

Particulars	Reserve and surplus		Total
	Capital reserve	Retained Earnings	
Balance as at April 1, 2023	-	(60.47)	(60.47)
on account of composite scheme of arrangement (refer note 48)	234.89	28,359.21	28,594.10
Amalgamation Adjustment Deficit Account (refer note 48)	-	(11,814.82)	(11,814.82)
Profit for the year	-	2,413.86	2,413.86
Other comprehensive income for the year net of tax	-	(39.74)	(39.74)
Total comprehensive income for the year net of tax	234.89	18,858.04	19,092.93
Transactions with shareholders, recorded directly in equity			
Distribution to shareholders			
Interim dividend on equity shares*	-	(648.76)	(648.76)
Balance as at March 31, 2024	234.89	18,209.28	18,444.17
Balance as at April 1, 2024	234.89	18,209.28	18,444.17
Profit for the year	-	1,918.70	1,918.70
Other comprehensive income for the year net of tax	-	(29.10)	(29.10)
Total comprehensive income for the year net of tax	234.89	20,098.88	20,333.77
Transactions with shareholders, recorded directly in equity			
Distribution to shareholders			
Interim dividend on equity shares*	-	(579.95)	(579.95)
Balance as at March 31, 2025	234.89	19,518.93	19,753.82

* Interim dividend paid to shareholders of DCMSR.

Nature and purpose of reserve

a. Capital reserve

Represents excess of Parent's portion of equity in the subsidiary over its cost of investment.

b. Retained earnings

Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss. Retained earnings is a free reserve available to the company.

Material Accounting Policies

The notes referred to above form an integral part of the restated consolidated financial information.

2

As per our report of even date attached

For N.K.S Chauhan & Associates
Chartered Accountants
ICAI Firm Registration no.: 013940N

Narender Kumar Singh Chauhan
Partner
Membership No.: 088165



Place: New Delhi
Date: 02.02.2026

For and on behalf of the Board of Directors
DCM Shriram Fine Chemicals Limited

Urvashi Tripathi
Senior Managing Director
DIN: 00294265

Nareesh Handa
Chief Financial Officer
ICAI M No.: 500725

Place: New Delhi
Date: 02.02.2026

Director-BO
DIN: 11362256

Katila Arora
Company Secretary
ICSI M No.: A21670



Handwritten signature of Katila Arora.

1. Corporate information

DCM Shriram Fine Chemicals Limited (the "Parent" or the "Holding Company"), a Public Limited Company under the process of listing having CIN U24296DL2021PLC387429 is incorporated in India and has its registered office at 6th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi - 110001. The Holding Company and its subsidiary (together "the Group") are primarily engaged in production and sale of chemicals.

2. Principles of consolidation and basis of preparation

2.1 Principles of consolidation

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

(i) **Subsidiary:**

Subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included



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in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interest in the results and equity of the subsidiary are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet respectively. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in the statement of profit or loss.

The details of the subsidiary included in the consolidation and the Parent Group's holding therein is as under:

S. No.	Name of the entity	Nature of relation	Ownership in % either directly or through subsidiary		Country of Incorporation
			As at March 31, 2025	As at March 31, 2024	
1	Daurala Foods and Beverages Private Limited (DFBPL)	Subsidiary	100	100	India

Consolidation procedure for subsidiaries:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with that of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and property, plant and equipment ('PPE'), are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.



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Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statement of subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.2 Basis of preparation and Statement of compliance

a) Statement of compliance

These Restated Consolidated Financial Statements ("Restated Consolidated Financial Statements") of the Group has been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act, as applicable. The accounting policies are applied consistently in the financial statements.

These Restated Consolidated Financial Statements of the Group for the year ended March 31, 2025, are approved on February 2, 2026 by the Committees of Directors of the Holding Company authorised by its Board of Directors.

b) Functional and presentation currency

These Restated Consolidated Financial Statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts are in Rupees lakhs with two decimal points rounded-off to the nearest thousands, unless otherwise stated.

c) Basis of measurement

The Restated Consolidated Financial Statements have been prepared on an accrual basis and under the historical cost convention, except for the following items:

Items	Measurement basis
Derivative financial instruments	Fair value through profit and loss (FVTPL)
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations
Investments in Mutual Funds	Fair value through profit and loss (FVTPL)

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



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conditions, regardless of whether that price is directly observable or estimated, using another valuation technique. In determining the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

d) Critical accounting estimates and judgements

In preparing these Restated Consolidated Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The management believes that the estimates used in preparation of these financial statements are prudent and reasonable. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group.

In particular, information about significant areas of estimation/ uncertainty and judgements in applying accounting policies that have the most significant effects on the restated consolidated financial statements includes:

- Recognition and estimation of tax expense including deferred tax- Note 2A(g)
- Assessment of useful life of property, plant and equipment and intangible assets- Note 2A(b) and (c).
- Estimation of obligations relating to employee benefits: key actuarial assumptions - Note 2A(h)
- Valuation of inventories- Note 2A(d)
- Fair value measurement of financial instruments- Note 2A(p)
- Lease classification- Note 2A(n)
- Determination of Right-of-use (ROU) assets and liabilities; incremental borrowing rate and lease term- Note 2A(n)
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources- Note 2A(l)
- Impairment of financial assets- Note 2A(p)
- Impairment of non-financial assets- Note 2A(k)

e) Basis of Preparation

These Restated Consolidated Financial Statements have been prepared by the Holding Company after taking into consideration the effects of the composite scheme of arrangement between DCM Shriram Industries Limited (DCMSR) ("the Demerged Company"), DCM Shriram Fine Chemical Limited (DSFCL) and DCM Shriram International Limited (DSIL) for demerger of



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Chemical and Rayon undertakings of DCMSR and their vesting and merger into DSFCL and DSIL respectively, and amalgamation of Lily Commercial Private Limited ("the Transferee Company" or "Lily") with DCM Shriram Industries Limited with effect from appointed date of April 1, 2023.

The certified copy of the Scheme, as approved by the National Company Law Tribunal (NCLT) vide order dated November 21, 2025, was received on December 5, 2025. The Appointed Date under the Scheme is April 1, 2023. As required under the Companies Act, 2013, certified copies were filed by the companies with the Registrar of Companies between 5th December to 17th December, 2025. Accordingly, the Scheme is deemed to have come into effect from 17th December, 2025.

These Restated Consolidated Financial Statements are not the statutory consolidated financial statements of the Group. The Holding Company had prepared a separate set of general-purpose consolidated financial statements for the year ended March 31, 2025 in accordance with the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Companies Act, 2013 ('the Act'), without including the impact of composite Scheme of Arrangement since it was not approved by NCLT and hence not effective then.

These Restated Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act, 2013 (the 'Act') and are adjusted in respect of the impact of the scheme from the appointed date i.e. April 1, 2023.

2A. Material accounting policies

a) Operating cycle

Based on the nature of products/ activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purposes of classification of its assets and liabilities as current and non-current.

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle,
- It is held primarily for the purpose of being traded,
- It is expected to be realised within 12 months after the reporting date, or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:



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- It is expected to be settled in the Group's normal operating cycle,
- It is held primarily for the purpose of being traded,
- It is due to be settled within 12 months after the reporting date, or
- The Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Deferred Tax Assets and Liabilities are classified as non-current only.

b) Property, plant and equipment (PPE)

(i) Recognition and measurement

All items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation/ amortization and accumulated impairment losses, if any.

Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The cost of an item of property, plant and equipment shall be recognised as an assets if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Capital work-in-progress is stated at cost, net of impairment loss, if any.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition and location for their intended use, and the estimated cost of dismantling and removing the items and restoring the site on which they are located. Interest cost incurred for constructed assets is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been used for the asset.

When parts of an item of property, plant and equipment having significant cost have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no further economic benefit is expected from its use and disposal. Assets retired from active



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use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gains or losses arising on disposal of property, plant and equipment are recognized in the Statement of Profit and Loss. Incomes and expenses related to the incidental operations not necessary to bring the item to the location and the condition necessary for it to be capable of operating in the manner intended by management are recognized in the Statement of profit and loss.

Once classified as held-for-sale, property, plant and equipment are no longer depreciated. Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statement of Profit and Loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, as appropriate.

(ii) Transition to IND AS

The cost of property, plant and equipment vested and merged into DSFCL was determined by DCMSR as of April 01, 2016, DCMSR's date of transition to Ind AS, with reference to its carrying value recognised in its books of accounts as per the previous GAAP (deemed cost).

(iii) Subsequent expenditure

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred, will flow to the Company and the cost of the item can be measured.

(iv) Depreciation

Depreciation is provided on a pro-rata basis using the straight-line method as per the useful lives prescribed in Schedule II to the Companies Act, 2013. Leasehold land (being in the nature of perpetual lease) and freehold land are not depreciated.

Depreciation methods, useful lives and residual values are reviewed in each financial year, and changes, if any, are accounted for prospectively.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives (in years)
Leasehold improvements	Lease term
Buildings	5-60 years
Plant and equipment	10-40 years
Vehicles	8-10 years
Office equipment	5 years
Furniture and fixtures	10 years



c) Intangible assets

(i) Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price including duties and taxes and any costs directly attributable to making the assets ready for their intended use. An intangible asset is recognised only if it is probable that future economic benefits attributable to the asset will flow to the Group. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is derecognised.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

(iii) Amortisation

Intangible assets, being computer software are amortised in the Statement of Profit and Loss over the estimated useful life of five years using the straight line method.

The amortisation method and the useful lives of intangible assets are reviewed annually and adjusted, as necessary.

d) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is ascertained on a 'weighted average' basis.

Cost includes direct materials, labour, freight inwards, other direct cost, a proportion of manufacturing overheads based on normal operating capacity, net of refundable duties, levies and taxes, wherever applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs, necessary to make the sale.



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Assessment of net realisable value is made at each reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount so written-down is adjusted in terms of policy as stated above.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

The cost of production (including cost of conversion) of joint products is allocated on such joint products, based on a rational and consistent basis, i.e., relative realisable value at the separation point, when the products become separately identifiable.

By-products are valued at estimated net realizable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

e) Revenue from contract with customers

i. Sale of goods

Revenue from sale of goods is recognised at the point in time when control of products is transferred to the customer. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates. The Group collects Goods and Services Tax on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, these are excluded from the revenue. At contract inception, the Group assesses the goods or services promised in a contract with a customer and identify, as a performance obligation, each promise to transfer to the customer.

Revenue from contracts with customers is recognized when control of goods or services are transferred to customers and the Group retains neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold. The timing of the transfer of control of products to customers at the time of dispatch, during shipment or receipt of goods by the customers which vary based on individual terms of the sales agreements.

Revenue is measured based on the transaction price, which is the consideration, adjusted for variable consideration such as volume discounts, cash discounts, etc., as specified in the contract with the customer. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made.

Contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due.

Contract liability is the obligation to transfer goods or services to a customer for which the Group



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has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is received or due, whichever is earlier. Contract liabilities are recognised as revenue when the Group performs under the contract.

ii. Rendering of services

Revenue from rendering of services are recognised over a period of time as and when underline services are performed as the customer simultaneously receives and consumes the benefit provided by the Group's performance. Payment for the service rendered is received as per the credit terms in the agreements with the customers. Where the credit period is short term, no financing component is considered. Job work is recognized upon full completion of the job work.

Use of significant judgements in revenue recognition:

- Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

- The Group's performance obligation under revenue contracts, is satisfied at a point in time and judgement is exercised in determining the same.

f) Interest and dividend income

Interest income are reported on an accrual basis using the effective interest method, when the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding. Dividends income from investments is recognised when the shareholder's right to receive payment has been established.

g) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other Comprehensive Income (OCI).

- Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.



Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current tax is recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:
 - temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that effects neither accounting nor taxable profit or loss at the time of the transaction;
 - temporary differences related to freehold land and investments in subsidiary, to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
 - taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

b) Employee benefits

i) Short-term benefits



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All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii) Defined contribution plans

The defined contribution plans, i.e., provident fund (administered through Regional Provident Fund Office), superannuation fund and employee state insurance corporation are post-employment benefit plans under which a Group pays fixed contributions and will have no legal and constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Gratuity

The Group provides for gratuity, a defined benefit plan (the Gratuity Plan), covering all eligible employees. In accordance with The Payment of Gratuity Act, 1972, the Gratuity plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment. These are funded by the Group and are managed by Life Insurance Corporation of India (LIC).

The calculation of defined benefit obligation is performed by a qualified actuary separately for each plan using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.



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Re-measurements are not reclassified to profit or loss in subsequent periods.

When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the Statement of Profit and Loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Provident fund (other than those made to the Regional Provident Fund Office of the Government)

Provident Fund Contributions other than those made to the Regional Provident Fund Office of the Government which are made to the Trusts administered by the Group are accounted for on the basis of actuarial valuation. The interest rate payable to the members of the Trust is not considered to be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and, shortfall, if any, based on actuarial estimate by an approved actuary, is made good by the Group.

iv) Other long-term employee benefits

Benefits under the Group's privilege leaves and medical leave are other long term employee benefits. The Group's net obligation in respect of privilege leave and medical leave are the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method.

Re-measurements are recognised in Statement of Profit and Loss in the period in which they arise.

i) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance



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that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate, and presented within other income (operating or non-operating, as appropriate) other than export benefits which are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

A government grant that becomes receivable as compensation for expenses or losses incurred in a previous period, is recognised in profit or loss of the period in which it becomes receivable.

D) Foreign currency transactions and translation

The management has determined the currency of the primary economic environment in which the Group operates, i.e., functional currency, to be Indian Rupees (INR). The financial statements are presented in INR which is Group's functional and presentational currency.

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Group at the exchange rates at the dates of the transactions or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/ losses arising on account of realisation/ settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the Statement of Profit and Loss.

Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

The derivative financial instruments such as forward exchange contracts to hedge its risk associated with foreign currency fluctuations are stated at fair value. Any gains or losses arising from changes in fair value are taken directly to Statement of Profit or Loss.

k) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets (other than inventories and deferred tax assets) are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates



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cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU"). In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used.

The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined in relation to the CGUs to which a corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

D) Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and 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.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting periods. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, appropriately, 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.

A provision for onerous contract is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligation under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on assets associated.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

The Group does not recognise a contingent liability but discloses its existence in the financial statements.



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Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

m) Borrowing cost

Borrowing costs that are directly attributable to the acquisition, construction or erection of qualifying assets are capitalised as part of cost of such asset until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition of the qualifying asset.

Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

All other borrowing costs are recognised as an expense in the year in which they are incurred.

n) Leases

Group as a lessee

The Group recognizes a Right of Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets in accordance with Ind AS 116, 'Leases'. The Group assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

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

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, etc. Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a



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purchase option. The estimated useful life of the right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. For lease liabilities at the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined. If that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate. For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The Group uses a single discount rate to a portfolio of leases with similar characteristics.

Group as a lessor

At the inception of the lease, the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease income as and when due as per terms of agreements. The respective leased assets are included in the financial statements based on their nature.

o) Earnings per share (EPS)

Basic earnings / (loss) per share are calculated by dividing the net profit or loss for the year attributable to the shareholders of the Group by the weighted average number of equity shares outstanding at the end of the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus / rights issue, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) 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.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:



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Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

The Group has an established control framework with respect to the measurement of fair values. It regularly reviews significant inputs and valuation adjustments.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

Initial recognition and measurement

With the exception of trade receivables that do not contain a significant financing component, the Group initially measures financial asset at its fair value, in the case of a financial asset not at fair value through profit or loss, net of transaction costs. Trade receivables do not contain a significant financing component and are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2A (e) Revenue recognition.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets of the Group are classified in three categories:

- a) At amortised cost
- b) At fair value through profit and loss (FVTPL)
- c) At fair value through other comprehensive income (FVTOCI)

Financial Asset is measured at amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.



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After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (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 in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

All those financial assets that are not classified as measured at amortised cost or FVTOCI, are measured at FVTPL. This includes all derivative financial assets and current investments in mutual funds. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are measured at fair value through profit and loss.

For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income. This cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of such instruments.

Investments representing equity interest in associate are carried at cost less any provision for impairment.

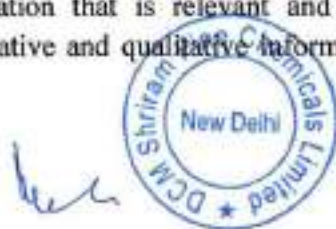
Impairment of financial assets

The Group recognizes loss allowances for expected credit losses on:

- Financial assets measured at amortized cost; and
- Financial assets measured at FVTOCI – debt instruments.

Loss allowance for trade receivables is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is recognised as an impairment gain or loss in the Statement of Profit and Loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience



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and informed credit assessment, that includes forward-looking information.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 180 days past due;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

With regard to trade receivable, the Group has applied the simplified approach for initial recognition of expected lifetime losses.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

Derecognition

(i) Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

(ii) Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified



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and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Statement of Profit and Loss.

q) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

r) Research and development

Expenditure on research activities is recognized in the Statement of Profit and Loss as incurred.

Development expenditure is capitalized as part of cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses, if any.

s) Dividend

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

t) Goods and services tax input credit

Goods and services tax input credit is recognised in the books of account in the period in which the supply of goods or service received is recognised and when there is no uncertainty in availing / utilising the credits.

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii. When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.



u) Non-current assets held for sale

Non current assets or disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of held for sale is met when the non current asset or the disposal group is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as held for sale. Non current assets or disposal groups held for sale are measured at the lower of carrying amount and fair value, less cost to sell.

A gain or loss of the non-current asset is recognised at the date of de-recognition. Once classified as held-for-sale, property, plant and equipment are no longer amortised or depreciated.

2B. Recent Accounting 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. On May 07, 2025, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2025, which made certain amendments to Ind AS 21 The Effects of Changes in Foreign Exchange Rates, effective from April 01, 2025. These amendments define currency exchangeability and include guidance on estimating spot exchange rates when a currency is not exchangeable. The Group does not expect this amendment to have any significant impact in its financial statements.



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3. Property, plant and equipment and capital work-in-progress

Particulars	(Rs. Lakhs)									
	Freehold land	Leasehold land	Leasehold Improvement	Buildings	Plant and equipment	Vehicles	Office equipment	Furniture and fixtures	Total	Capital work-in-progress
Gross carrying amount										
Balance as at April 01, 2023										
Add: Less: On account of composite scheme of arrangement- (refer note no. 45)	131.85	2,290.50	260.89	1,347.11	11,181.67	290.42	263.48	79.95	15,845.88	9.24
Balance as at April 01, 2023 (Restated)	131.85	2,290.50	260.89	1,347.11	11,181.67	290.42	263.48	79.95	15,845.88	9.24
Add: Additions during the year	-	-	-	15.23	573.64	99.65	10.72	1.26	700.30	232.78
Less: Disposals/Adjustments/Capitalised during the year	-	-	-	-	112.88	75.23	8.03	4.31	200.45	125.92
Balance as at March 31, 2024	131.85	2,290.50	260.89	1,362.34	11,642.43	314.84	266.17	76.90	16,345.93	118.10
Add: Additions during the year	-	-	-	29.73	296.13	20.75	15.80	3.52	328.02	16.45
Less: Disposals/Adjustments/Capitalised during the year	-	-	-	-	32.88	17.25	8.99	1.45	60.57	12.10
Balance as at March 31, 2025	131.85	2,290.50	260.89	1,392.07	11,865.68	318.34	273.07	78.97	16,611.37	2.45
Accumulated depreciation										
Balance as at April 01, 2023	-	-	61.48	366.92	1,851.18	88.52	180.27	40.93	2,589.30	-
Add: Less: On account of composite scheme of arrangement- (refer note no. 45)	-	-	61.48	366.92	1,851.18	88.52	180.27	40.93	2,589.30	-
Balance as at April 01, 2023 (Restated)	-	-	61.48	366.92	1,851.18	88.52	180.27	40.93	2,589.30	-
Add: Depreciation expense during the year	-	-	25.28	49.83	563.14	38.60	34.33	7.65	718.82	-
Less: Disposals / adjustments during the year	-	-	-	-	89.59	47.30	9.22	3.52	149.63	-
Balance as at March 31, 2024	-	-	86.76	416.75	2,334.73	79.82	268.38	45.66	3,158.50	-
Add: Depreciation expense during the year	-	-	25.45	37.08	576.93	39.59	27.07	7.20	713.33	-
Less: Disposals / adjustments during the year	-	-	-	-	13.67	14.55	6.98	0.88	36.08	-
Balance as at March 31, 2025	-	-	112.22	453.83	2,887.99	104.86	225.47	51.39	3,835.75	-
Net carrying value										
As at March 31, 2025	131.85	2,290.50	148.68	938.25	8,977.69	213.48	47.60	27.58	12,775.62	2.45
As at March 31, 2024	131.85	2,290.50	174.13	945.60	9,317.70	235.02	60.79	31.84	13,187.40	118.10

Ageing of Capital Work in Progress is as under:

Capital Work in Progress	Amount in Capital Work in Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025					
Projects in progress	2.45	-	-	-	2.45
Total	2.45	-	-	-	2.45
As at March 31, 2024					
Projects in progress	118.10	-	-	-	118.10
Total	118.10	-	-	-	118.10

Notes:

- 1) For contractual constraints with respect to Capital work-in-progress, refer note 24 (A).
- 2) Borrowing cost capitalised during the year Rs. Nil with a capitalisation rate of Nil.
- 3) Leasehold lands are in the name of perpetual lease.
- 4) There is no capital work in progress project whose completion is overdue or has exceeded its cost compared to its plan.
- 5) Refer note 45 for details of immovable properties which are not yet endorsed in the name of the Company.



4. Intangible assets

(Rs. Lakhs)

Particulars	Intangible Assets- Software
Gross carrying amount	
Balance as at April 01, 2023	-
Add/Less: On account of composite scheme of arrangement- (refer note no. 48)	180.12
Balance as at April 01, 2023 (Restated)	180.12
Add: Additions during the year	0.36
Less: Disposals / adjustments during the year	-
Balance as at March 31, 2024	180.48
Add: Additions during the year	-
Less: Disposals / adjustments during the year	-
Balance as at March 31, 2025	180.48
Accumulated amortisation	
Balance as at April 01, 2023	-
Add/Less: On account of composite scheme of arrangement- (refer note no. 48)	81.37
Balance as at April 01, 2023 (Restated)	81.37
Add: Amortisation expense for the year	33.47
Less: Disposals / adjustments during the year	-
Balance as at March 31, 2024	114.84
Add: Amortisation expense for the year	26.55
Less: Disposals / adjustments during the year	-
Balance as at March 31, 2025	141.39
Net carrying value	
As at March 31, 2025	39.09
As at March 31, 2024	65.64



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	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
5. Other financial assets-Non current		
Security deposits (Unsecured, considered good) - Others	11.42	11.32
Bank deposits with maturity of more than twelve months Interest accrued on term deposit	-	104.88
	-	4.63
Total	11.42	120.83
6. Income tax assets (net)		
Advance income tax (net of provision)	258.62	1.74
Total	258.62	1.74
7. Other non-current assets (Unsecured, considered good unless otherwise stated)		
To parties other than related parties		
Capital advances	6.54	2.80
Advances other than capital advances		
Balance with government authorities	236.54	233.93
Advances to employees	10.87	25.06
Prepaid expenses	6.83	14.84
Total	259.58	276.73



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8. Inventories (Based on lower of cost and net realizable value)	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
Raw material*	2,293.12	1,934.96
Work in progress	127.36	188.16
Finished goods**	1,079.05	643.96
Stores and spares	1,489.54	1,641.79
Total	5,089.07	4,358.72

* Includes raw material in transit Rs. 119.83 lakhs (March 31, 2024, Rs. 173.34 lakhs)

** Includes finished goods in transit Rs. 32.04 lakhs (March 31, 2024 Rs. 64.47 lakhs)

9. Investments-Current	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
Investment in mutual funds measured at fair value through profit and loss		
Quoted investment		
3,35,484.29 (March 31, 2024 - 1,00,822.21) ICICI Prudential Liquid Fund - Growth Direct Plan Units of Rs. 100 each	1,291.76	1,075.16
23,977.48 (March 31, 2024 - 33,122.67) SBI Liquid Fund - Growth Direct Plan Units of Rs. 1000 each	972.51	1,251.80
Total	2,264.28	2,326.96

10. Trade receivables	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
To parties other than related parties		
Unsecured, considered good	8,270.48	7,232.37
Unsecured, considered credit impaired	33.38	10.18
	8,293.86	7,242.47
Less - Loss allowance for trade receivables	33.38	10.18
Total	8,270.48	7,232.37

Ageing of trade receivable as on March 31, 2025 is as under:

Particulars	Not due	Outstanding for following periods from due date of payment*					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
- Undisputed Trade Receivables- considered good	7,785.82	364.38	-	-	-	-	8,270.48
- Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
- Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
- Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
- Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
- Disputed Trade Receivables- credit impaired	-	-	-	-	-	10.18	10.18
Total	7,785.82	364.38	-	-	-	10.18	8,270.48

* In case no due date of payment is specified, disclosure is from the date of the transaction

Ageing of trade receivable as on March 31, 2024 is as under:

Particulars	Not due*	Outstanding for following periods from due date of payment*					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
- Undisputed Trade Receivables- considered good	7,074.05	158.32	-	-	-	-	7,232.37
- Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
- Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
- Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
- Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
- Disputed Trade Receivables- credit impaired	-	-	-	-	-	10.18	10.18
Total	7,074.05	158.32	-	-	-	10.18	7,242.47

* In case no due date of payment is specified, disclosure is from the date of the transaction
The Company's exposure to credit and currency risks are disclosed in note 38.

11. Cash and cash equivalents	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
Balance with banks		
- On current accounts	31.67	18.34
Cash on hand	1.44	1.11
Total	33.11	19.45



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	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
12. Other financial assets- Current (financial, considered good unless otherwise stated)		
To parties other than related parties		
Security deposits	0.83	0.07
Interest accrued on term deposits	71.62	76.70
Deposits with original maturity of more than twelve months - accumulated deposits held as margin money or security against borrowings, guarantees and other commitments	1,287.58	1,209.09
Others	-	7.48
Total	1,465.15	1,384.21
13. Other current assets (financial, considered good unless otherwise stated)		
To parties other than related parties		
Advances to contractors	79.01	16.15
Advance to employees	18.10	16.18
Balance with government authorities	47.93	54.48
Prepaid expenses	49.25	0.05
Others	9.26	71.62
Total	242.55	158.48



14. Equity share capital

a) Authorized*

202,625,000 equity shares of Rs. 2 each

* Authorized share capital shall increase pro-rata to composite scheme of arrangement (refer note 4B)

	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
	4,052.84	4,052.84

b) Issued, subscribed and fully paid up
85,992,185 equity of Rs. 2 each fully paid up
Total

	1,739.84	1,719.84
	1,739.84	1,739.84

c) Reconciliation of the shares outstanding at the beginning and at the end of reporting period:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount Rs. lakhs	Number of shares	Amount Rs. lakhs
Equity shares				
At the commencement of the year	8,69,92,185	1,739.84	50,000	1.00
Add: Shares issued on account of composite scheme of arrangement (refer note 4B)	-	-	8,59,92,185	1,739.84
Less: Shares cancelled on account of composite scheme of arrangement (refer note 4B)	-	-	50,000	1.00
Add/Less: Change during the year	-	-	-	-
At the end of the year	8,69,92,185	1,739.84	8,59,92,185	1,739.84

d) Terms, rights, preferences and restrictions attached to equity shares:

The Company has one class of equity shares having a par value of Rs. 2 per share. Each shareholder is entitled for one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the equity shares held by the shareholders.

The Company declares and pays dividends in Indian Rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares @ Rs 2 each	% of holding	Number of shares @ Rs 2 each	% of holding
Alok Bansidhar Shrinani- Karta Lala Bans Dhar & Sons (HUF)	1,20,28,267	13.82%	1,20,28,267	13.82%
Mrs. Urvashi Tilalodhar	38,89,611	4.47%	38,89,611	4.47%

f) Details of shareholding of Promoters in the Company is as under:

S. No.	Promoter Name	Opening as on	Closing as on	% Change during the year
		01.04.2024	31.03.2025	
		Number of shares @ Rs 2 each	Number of shares @ Rs 2 each	
1	Alok Bansidhar Shrinani- Karta Lala Bans Dhar & Sons (HUF)	1,20,28,267	1,20,28,267	0%
2	Mr. Alok B Shrinani	23,88,944	23,88,944	0%
3	Mrs. Karuna Shrinani	41,38,462	41,38,462	0%
4	Ms. Karisha Shrinani	14,56,332	14,56,332	0%
5	Mr. Rudra Shrinani	9,58,802	9,58,802	0%
6	Mrs. Sonam Bans Dhar	17,57,660	17,57,660	0%
7	Mr. Akshay Dhar-Karta Tilalodhar & Sons (HUF)	5,88,158	5,88,158	0%
8	Mrs. Urvashi Tilalodhar	38,89,611	38,89,611	0%
9	Mr. Akshay Dhar	12,74,090	12,74,090	0%
10	Ms. Aditi Dhar	12,71,313	12,71,313	0%
11	Mr. Madhav Bansidhar Shrinani	42,59,234	42,59,234	0%
12	Mrs. Divya Shrinani	36,47,854	36,47,854	0%
13	Mr. Uday Shrinani	9,61,628	9,61,628	0%
14	Mr. Rohan Shrinani	33,393	33,393	0%
15	Akshay Foundation	28,76,389	28,76,389	0%
16	Mr. Sushil Kumar Jain	318	318	0%
	Total	4,38,90,115	4,38,90,115	

g) Issue of shares for other than cash:

There were no buy back of shares, issue of shares by way of bonus shares or issue of shares pursuant to contract without payment being received in cash during the previous 5 years.

15. Other equity

a. Capital Reserve

Balance as at the beginning of the year

Add: on account of composite scheme of arrangement (refer note 4B)

Balance at the end of the year

	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
	334.89	-
	-	334.89
	334.89	334.89

b. Retained earnings

Balance as at the beginning of the year

Add/Less: On account of composite scheme of arrangement (refer note 4B)

Add/Less: Amalgamation Adjustment Deficit Account (refer note 4B)

Add: Profit for the year

Less: of other comprehensive income recognized directly in retained earnings

Remeasurement of employee benefit obligation, net of tax*

Less: Appropriations

Interim dividend on equity shares paid to shareholders of DCMSR

Balance at the end of the year

	18,209.26	693.47
	-	38,359.31
	-	(11,804.82)
	1,918.70	2,412.86
	(24.00)	(28.74)
	(579.25)	(648.70)
	15,618.71	18,205.28
	15,618.71	18,444.17

* Included in 'Items of other comprehensive income' in statement of changes in equity.



16. Borrowings- Non current	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
From parties other than related parties		
Secured loans		
Term loans from banks	813.75	1,356.25
	813.75	1,356.25
Less: Current maturities of long term borrowings	542.50	542.50
Total	271.25	813.75

A. SECURED LOANS**1. From Banks**

Rs. 813.75 lakhs (March 31, 2024: Rs. 1356.25 Lakhs) carrying interest linked to lender's 1 year MCLR and spread thereon, repayable in 6 quarterly instalments, is secured by first pari-passu charge on all the immovable and movable properties of the Company excluding assets on exclusive charges.

B. The quarterly returns/statements filed by the Company with the banks are in agreement with the books of account of the Company.

17. Provisions- Non current	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
Provision for employee benefits (refer note 36)		
- Gratuity	84.17	134.56
- Compensated absences	414.55	306.95
Total	498.72	441.51

18. Borrowings- Current	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
Secured loans		
From banks - loans repayable on demand*	255.56	256.60
Current maturities of long term borrowings (refer note 16)	542.50	542.50
Total	798.06	799.10

* Secured by first pari-passu charge against the company current and non-current assets (except company's property, plant and equipments), both present and future. Some of these are further secured by way of second pari-passu charge on the company's property, plant and equipment. These carry interest rate ranging from 6.50% to 9.50% p.a.

19. Trade payables	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
Total outstanding dues of micro enterprises and small enterprises(MESE)*	627.69	503.02
Total outstanding dues other than micro enterprises and small enterprises#	4,793.16	3,936.72
Total	5,420.85	4,439.74

Ageing of trade payable as on March 31, 2025 is as under :

Particulars	Not due [^]	Outstanding for following periods from due date of payment**				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
- MSME	627.69	-	-	-	-	627.69
- Others	3,699.07	1,086.54	-	-	7.54	4,793.15
- Disputed dues - MSME	-	-	-	-	-	-
- Disputed dues - Others	-	-	-	-	-	-
Total	4,326.76	1,086.54	-	-	7.54	5,420.84

**In case no due date of payment is specified, disclosure is from the date of the transaction.

Ageing of trade payable as on March 31, 2024 is as under :

Particulars	Not due [^]	Outstanding for following periods from due date of payment**				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
- MSME	503.02	-	-	-	-	503.02
- Others	3,128.57	806.10	-	-	2.04	3,936.71
- Disputed dues - MSME	-	-	-	-	-	-
- Disputed dues - Others	-	-	-	-	-	-
Total	3,631.59	806.10	-	-	2.04	4,439.73

**In case no due date of payment is specified, disclosure is from the date of the transaction.

* Refer note 43 for Micro and Small Enterprises.

[^] Includes unbilled dues.

Notes:

a) Includes acceptances Rs. Nil.

b) The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 38.



20. Other financial liabilities- Current	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
From related parties		
Other payables	374.00	557.00
From parties other than related parties		
Creditors for capital purchases	29.81	70.42
Security deposits	16.14	18.92
Other payables		
Employees related payable	229.26	272.81
Others	1.07	-
Total	650.28	919.15

21. Other current liabilities	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
Advances from customers	83.18	16.46
Statutory dues payable	88.39	80.85
Others	49.97	56.19
Total	221.54	153.50

22. Provision- Current	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
Provision for employee benefits		
- Compensated absences	100.45	188.30
- Provident fund trust	-	2.00
Total	100.45	190.30

23. Current tax liabilities (net)	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
Current tax liabilities (net of advance tax)	69.03	239.77
Total	69.03	239.77



24. Revenue from operations	For the year ended	For the year ended
	March 31, 2025	March 31, 2024
	Rs. lakhs	Rs. lakhs
Sale of products		
Export	4,371.59	4,378.28
Domestic	36,236.45	33,753.61
	40,608.04	38,131.89
Sale of services		
Processing charges	2,086.68	2,526.28
Other operating revenue		
Sale of scrap	224.53	305.55
Duty draw back, export benefits and other government assistance*	17.93	3.35
Sale of renewable energy certificates	-	320.52
Total	42,937.18	41,287.59

* Refer note 44.

Contract balances	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
Trade receivables (Refer note 10)	8,270.40	7,232.37
Contract liabilities		
Advances from customers (Refer note 21)	83.18	16.46
Reconciliation of revenue recognised with the contracted price is as follows:	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
Contracted price	43,056.14	40,978.10
Less: Discounts	361.42	319.92
	42,694.72	40,658.18

Revenue from sale of goods is recognised at the point in time when control of products is transferred to the customer. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates.

Invoices are generated at that point in time. Invoices are usually payable upto 180 days.

25. Other income	For the year ended	For the year ended
	March 31, 2025	March 31, 2024
	Rs. lakhs	Rs. lakhs
Interest income from financial assets measured at amortised cost		
From deposits with banks	103.77	93.86
Unwinding of discount on security deposits	0.11	0.10
Profit on sale of current investments	143.34	96.08
Net change in fair value of financial assets measured at fair value through profit or loss	44.02	67.68
Gain on foreign exchange fluctuation (net)	86.24	105.60
Miscellaneous income	11.39	8.40
Total	388.87	371.72



DCM Shriram Fine Chemicals Limited

Notes to the Restated Consolidated Financial Information for the year ended March 31, 2025

26. Cost of materials consumed	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. lakhs	Rs. lakhs
Raw materials at the beginning of the year	1,924.90	2,515.57
Add: Purchases	25,468.30	22,373.68
	27,393.20	24,889.25
Less: Raw materials at the end of the year	2,253.13	1,924.90
Total	25,140.07	22,964.35

Particulars of materials consumed are as under:

Others	25,140.07	22,964.35
Total	25,140.07	22,964.35

27. Changes in inventories of finished goods and work-in-progress	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. lakhs	Rs. lakhs
Opening stock		
Finished goods	643.96	441.20
Work-in-progress	188.16	518.49
Total	832.13	959.69

Closing stock
Finished goods
Work-in-progress
Total

	1,070.05	643.96
	127.35	188.16
Total	1,197.40	832.13
	(365.27)	127.56

Particulars of stocks of finished goods and work-in-progress are as under :

Finished goods		
Organic/ Fine chemicals	1,070.05	643.96
Total	1,070.05	643.96

Work-in-progress		
Organic/ Fine chemicals	127.35	188.16
Total	127.35	188.16

28. Employee benefits expense	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. lakhs	Rs. lakhs
Salaries, wages and bonus #	4,850.71	4,716.22
Contribution to provident and other funds*	505.00	467.65
Staff welfare expenses	127.21	115.63
Total	5,482.92	5,299.50

Includes payment to contractual labour

* Refer note 36



DCM Shriram Fine Chemicals Limited

Notes to the Restated Consolidated Financial Information for the year ended March 31, 2025

29. Finance costs	For the year ended	For the year ended
	March 31, 2025	March 31, 2024
	Rs. lakhs	Rs. lakhs
Interest expense ‡	176.47	233.16
Other borrowing costs	0.08	0.06
Total	176.55	233.22

‡ includes Rs. 31.73 lakhs (March 31, 2024: Rs 37.83 lakhs) as interest on lease liabilities

30. Depreciation and amortisation expense	For the year ended	For the year ended
	March 31, 2025	March 31, 2024
	Rs. lakhs	Rs. lakhs
Depreciation on property, plant and equipment	713.33	718.82
Amortisation on intangible assets	26.55	33.47
Amortisation on right-of-use assets	140.09	133.86
Total	879.97	886.15

31. Other expenses	For the year ended	For the year ended
	March 31, 2025	March 31, 2024
	Rs. lakhs	Rs. lakhs
Consumption of stores and spares	2,461.26	2,334.44
Power and fuel	3,108.55	2,943.09
Repair and maintenance		
- Buildings	107.18	111.19
- Plant and machinery	1,948.92	1,817.59
Rent (Refer note 33)	28.22	33.84
Payment to auditors		
- Statutory audit fee	22.30	18.65
- Limited review of unaudited financial results	12.50	12.50
- Certification of statements	0.33	7.52
- Out-of-pocket expenses	2.21	2.35
Insurance	102.37	106.11
Rates and taxes	24.91	23.31
Freight and transport	537.88	368.91
Commission to selling agents	64.28	68.53
Loss on sale of property, plant and equipment (net)	18.91	29.48
Donation	0.32	-
Corporate social responsibility*	105.69	76.38
Miscellaneous expenses	874.53	879.00
Total	9,420.35	8,832.89

*Pertains to expense allocated from DCMSR.



32. Income tax expense

A. Amounts recognized in statement of profit and loss

The major components of income tax expense for the year ended March 31, 2025 and March 31, 2024 are:

	(Rs Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax expense	592.18	800.41
Deferred tax charge	80.58	98.27
Income tax expense reported in the statement of profit and loss	672.76	898.68

B. Amounts recognized in other comprehensive income

The major components of income tax expense for the year ended March 31, 2025 and March 31, 2024 are:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Income tax		
Remeasurement of post-employment benefit obligation	9.79	12.32
Income tax charges to other comprehensive income/(expense)	9.79	12.32

C. Reconciliation of effective tax rate

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2025 and March 31, 2024:

	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Rate	Amount	Rate	Amount
Profit before tax from continuing operations, including OCI				
- Holding company	25.17%	2448.34	25.17%	3177.71
- Subsidiary company	25.17%	183.62	25.17%	85.24
Tax using the Company's domestic tax rate	25.17%	642.43	25.17%	821.22
Tax effect of:				
Non-deductible expenses	0.75%	19.29	0.59%	19.22
Impact on Deferred Tax due to change in tax rate	0.90%	8.09	2.47%	80.59
Others	0.88%	1.44	-0.99%	-32.19
Effective tax rate	25.97%	662.57	27.24%	888.86

C. Deferred tax assets/liabilities

Particulars	Deferred tax assets		Deferred tax liabilities		Net deferred tax assets/(liabilities)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Accrued expense deductible on payment	175.95	169.45	-	-	175.95	169.45
Provision for gratuity, compensated absences and other employee benefits	21.18	21.87	-	-	21.18	21.87
Loss allowance for trade receivables	2.54	2.54	-	-	2.54	2.54
Loss allowance for other assets	-	-	-	-	-	-
Difference in book written down value and tax written down value of property, plant and equipment/ intangible assets	-	-	1,245.85	1,195.84	(1,245.85)	(1,195.84)
Others	53.57	48.75	44.83	17.41	8.74	21.34
	253.25	246.61	1,290.68	1,213.26	(1,037.44)	(966.65)
MAT credit entitlement	-	-	-	-	-	(9.14)
Net Deferred tax liabilities	253.25	246.61	1,290.68	1,213.26	(1,037.44)	(957.31)

D. Movement of temporary differences

For the year ended March 31, 2025

Particulars	Opening Balance	Recognized in statement of Profit & Loss	Recognized in other comprehensive income	Closing Balance
Deferred Tax Assets				
Accrued expense deductible on payment	169.45	6.50	-	175.95
Provision for gratuity, compensated absences and other employee benefits	21.87	(2.89)	(9.79)	21.18
Loss allowance for trade receivables	2.54	-	-	2.54
Others	48.75	12.82	-	53.57
A	246.61	16.43	(9.79)	253.25
Deferred Tax Liabilities				
Difference in written down value as per books and as per tax laws of property, plant and equipment/ intangible assets	1,195.84	59.01	-	1,245.85
Others	17.41	21.42	-	44.83
B	1,213.26	77.43	-	1,290.68
Net deferred tax	(A)-(B)	(56.00)	(9.79)	(1,037.44)



33. Leases

The details of the right-of-use asset held by the Company is as follows:

Particulars	Opening as on April 1, 2024	Additions during the year	Deletions during the year	Depreciation during the year	(Rs.Lakhs)
					Net Carrying amount as at March 31, 2025
Building	364.80	0.00	-	140.09	224.71
	<u>364.80</u>	<u>0.00</u>	<u>-</u>	<u>140.09</u>	<u>224.71</u>

Particulars	Opening as on April 1, 2023 (Restated)*	Additions during the year	Deletions during the year	Depreciation during the year	(Rs.Lakhs)
					Net Carrying amount as at March 31, 2024
Building	289.82	208.84	-	133.86	364.80
	<u>289.82</u>	<u>208.84</u>	<u>-</u>	<u>133.86</u>	<u>364.80</u>

* Refer note 49.

The weighted average incremental borrowing rate of 9% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

The reconciliation of lease liabilities is as follows:

Particulars	(Rs.Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Opening balance as on April 01 2024	420.23	0.00
Addition on account of composite scheme of arrangement (refer note 49)	0.00	352.66
Opening as on April 1, 2023 (Restated)	0.00	352.66
Additions	0.00	208.84
Deletions	0.00	-
Amount recognised in statement of profit and loss as interest expense	31.73	37.83
Payment of lease liability	-186.38	-179.10
Closing balance	<u>265.58</u>	<u>420.23</u>

The following table presents a breakup of lease liabilities:

Particulars	(Rs.Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Current liability	130.18	155.54
Non-current liability	135.39	264.69
Closing balance	<u>265.57</u>	<u>420.23</u>

34. Contingent liabilities and commitments (to the extent not provided for)**A. Contingent liabilities***

Particulars	(Rs.Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Indirect tax matters	15.46	15.46
Claims against the Company not acknowledged as debts (excluding claims by employees, where amount is not ascertainable)	309.02	278.83
Total	<u>324.47</u>	<u>294.28</u>

* Matters are subject to legal proceedings in the ordinary course of business. The legal proceedings, when ultimately concluded will not, in the opinion of the management, have a material effect on the results of the operations or financial position.

B. Commitments

- Capital commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amount aggregating to Rs. 15.28 lakhs (March 31, 2024 Rs. 36.36 lakhs) relating to Property, plant and equipment.
- Other commitments: The Company has other commitments, for purchase / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits including union agreement in the normal course of business. The Company does not have any long term commitments / contracts, including derivative contracts, with any material foreseeable losses.



35. Earnings per share

Basic and diluted earnings per share

Basic and diluted earnings per share are calculated by dividing the profit during the year attributable to equity shareholders of the Company, by the weighted number of equity shares outstanding during the year.

Particulars	Unit	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit after tax attributable to equity shareholders	Rs. Lakhs	1,918.70	2,413.86
Weighted average number of equity shares outstanding during the year	Numbers	8,69,92,185	8,69,92,185
Nominal value per share	Rs.	2	2
Basic and diluted earnings per share	Rs.	2.21	2.77



36. Employee benefits**A. Defined contribution plans**

Rs. 129.04 lakhs (March 31, 2024: Nil) for provident fund contributions and Rs. 84.85 lakhs (March 31, 2024: Rs. 82.29 lakhs) for superannuation and national pension scheme fund contributions have been charged to the Statement of Profit and Loss. The contributions towards these schemes are at the rates specified in the rules of the schemes.

B. Defined benefit plans

a) Liabilities for gratuity, privilege leaves and medical leaves are determined on actuarial basis. Gratuity liability is provided to the extent not covered by the funds available in the gratuity fund.

Gratuity

Gratuity scheme provides for a lump sum payment to vested employees at retirement, death, while in employment, or on termination of employment. Vesting occurs upon completion of five years of service, except death while in employment.

The following table sets out the status of gratuity obligation

Particulars	(Rs. Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Non-current	84.17	134.56
Current		
Net defined benefit asset- Gratuity	84.17	134.56

(i) Reconciliation of the gratuity benefit liability

The following table shows a reconciliation between opening and closing balances of gratuity liability and its components:

Particulars	(Rs. Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Balance at the beginning of the year	1,516.33	1,297.71
Current service cost	87.21	83.46
Interest cost	104.17	90.87
Actuarial loss / (gain) arising from changes in financial's assumptions	31.94	13.97
Actuarial loss arising from changes in experience adjustments	21.11	122.46
Benefits paid	(187.94)	(98.14)
Balance at the end of the year	1,566.82	1,310.33

(ii) Reconciliation of the plan assets

The following table shows a reconciliation between opening and closing balances of the plan assets and its components:

Particulars	(Rs. Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Balance at the beginning of the year	1,375.77	1,308.84
Expected return on plan assets	99.46	89.21
Contribution by the Company	(6.75)	-
Benefits paid	-	(2.71)
Actuarial gains / (losses) recognised in other comprehensive income	14.17	80.43
Balance at the end of the year	1,482.65	1,375.77

(iii) Expense recognized in profit or loss

Particulars	(Rs. Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	87.21	83.46
Interest cost	104.17	90.87
Expected return on plan assets	(99.46)	(89.21)
	91.92	85.12

(iv) Constitution of plan assets

Particulars	(Rs. Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Funded with Life Insurance Corporation of India*	1,482.65	1,375.77

*The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of investments maintained by Life Insurance Corporation are not made available and have, therefore, not been disclosed.



v) *Re-measurements recognized in other comprehensive income*

Particulars	(Rs Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Actuarial gain / (loss) on plan assets	14.17	80.43
Actuarial (loss) / gain arising from changes in financial assumptions	(31.94)	(13.97)
Actuarial (loss) arising from changes in experience adjustments	(21.11)	(122.46)
Total*	(38.88)	(56.00)

* Difference in OCI in year 2024 is due to actuarial adjustment pertaining to PF trust balances.

v) *Actuarial assumptions*

Principal actuarial assumptions (expressed as weighted averages):

Particulars	As at March 31, 2025	As at March 31, 2024
Financial assumptions		
Discount rate	6.93%	7.23%
Future salary growth	5.00%	5.00%
Rate of return on plan assets	8.28%	7.23%
Expected average remaining working lives of employees (years)	17.66	18.28
Demographic assumptions		
Mortality rate	IALM (2012-14)	IALM (2012-14)
Withdrawal rate	Up to 30 years- 3% 31 to 44 years- 2% Above 44 years- 1%	Up to 30 years- 3% 31 to 44 years- 2% Above 44 years- 1%
Retirement age	58 years and 60 years	58 years and 60 years

The weighted average duration of the defined benefit obligations as on March 31, 2025 is 14.13 years (March 31, 2024: 13.53 years)

Expected contributions to post-employment benefit plans for the financial year 2025-26 are Rs. 99.77 lakhs (2024-25: Rs. 96.38 lakhs).

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. Actuarial valuations involve making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to the complexities involved, the valuation is highly sensitive to the changes in assumptions. All assumptions are reviewed at each reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

The Company has established an income tax approved irrevocable trust fund to which it regularly contributes to finance the liabilities of the gratuity plan. The fund's investments are managed by certain insurance companies as per the mandate provided to them by the trustees and the asset allocation is within the permissible limits prescribed in the insurance regulations.

vii) *Sensitivity analysis*

The significant actuarial assumptions for the determination of defined benefit obligations are discount rate and expected salary increase.

In case of change in significant assumptions, sensitivity of gross benefit obligation would be as under:

Particulars	(Rs Lakhs)			
	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate variation of 0.50%	(58.37)	54.01	(48.65)	52.16
Future salary growth variation of 0.50%	54.59	(51.58)	52.72	(49.77)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Sensitivities due to mortality and withdrawals are insignificant, hence not considered in sensitivity analysis disclosed.

viii) *Maturity profile*

The table below shows the expected cash flow profile of the benefits to be paid to the current members of the plan, based on past service as at the valuation date:

Particulars	(Rs Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Within 1 year	159.95	234.31
1 year to 5 years	362.28	509.00
More than 5 years	1,041.45	767.04

C. **Compensated absence:**

The obligation of compensated absence in respect of the employees of the Company as at March 31, 2025 works out to Rs. 556.80 lakhs (March 31, 2024: Rs. 510.14 lakhs)



D. Risk exposure

These defined benefit plans typically expose the Company to actuarial risks as under:

a) 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.

b) Interest rate risk

A decrease in bond interest rate will increase the plan liability. However, this shall be partially off-set by increase in return on per debt investments.

c) Longevity risk

The present value of the defined plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy will increase the plan's liability.

d) Salary risk

Higher than expected increase in salary will increase the defined benefit obligation.



37. Related party disclosures:

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:

A. Names of related parties and nature of related party relationships:

Subsidiary

Daurala Food & Beverages Private Limited

Key management personnel

Ms. Urvasi Tilak Dhar, Director

Mr. Akshay Dhar, Director

Mr. T.V. Narayanswami, Director

Mr. Sunjeev Gupta, Director

Mr. Vinod Manaktala, Director & CFO

Mr. Pawan Kumar Lakhotia, Company Secretary (upto 24.04.2025)

B. Transactions with related parties:

During the financial year 2024-25 and 2023-24, there are no transaction with the related parties.

Note:

1) As per the Scheme of Arrangement, DCM Shriram Industries Limited (Demerged Company) has continued to manage the operations of demerged units, hence the inter se transactions between the demerged and resultant companies pertaining to the operation of units, including inter se transfer of goods, assets, employees, funds, reimbursement of expenses etc have not been reported here on above. A sum of Rs. 374.00 lakhs is payable as at March 31st, 2025 (March 31, 2024 Rs. 557.00) to DCM Shriram Industries Limited which is shown under head "Other financial liabilities-Current".



35. Financial Instruments - Fair values and risk management

a. Financial Instruments - by category and fair value hierarchy

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs)

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

i. As on March 31, 2024

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Investments (other than associates)*	-	-	-	-	-	-	-
(ii) Loans*	-	-	-	-	-	-	-
(iii) Other financial assets*	-	-	121.97	121.97	-	-	-
Current							
(i) Investments*							
Debt instruments (Mutual funds)	2,326.96	-	-	2,326.96	2,326.96	-	-
(ii) Trade receivables*	-	-	7,213.37	7,213.37	-	-	-
(iii) Cash and cash equivalents*	-	-	19.45	19.45	-	-	-
(iv) Other bank balances*	-	-	-	-	-	-	-
(v) Loans*	-	-	-	-	-	-	-
(vi) Other financial assets*	-	-	1,284.21	1,284.21	-	-	-
Total	2,326.96	-	8,698.00	10,984.95			
Financial liabilities							
Non-current							
(i) Borrowings (including current maturities)†	-	-	813.75	813.75	-	-	813.75
(ii) Lease liabilities*	-	-	264.69	264.69	-	-	-
(iii) Other financial liabilities*	-	-	-	-	-	-	-
Current							
(i) Borrowings†	-	-	799.10	799.10	-	-	-
(ii) Lease liabilities*	-	-	155.54	155.54	-	-	-
(iii) Trade payables*	-	-	4,439.74	4,439.74	-	-	-
(iv) Other financial liabilities*	-	-	319.15	319.15	-	-	-
Total	-	-	7,391.98	7,391.98			

i. As on March 31, 2025

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Investments (other than associates)*	-	-	-	-	-	-	-
(ii) Loans*	-	-	-	-	-	-	-
(iii) Other financial assets*	-	-	11.42	11.42	-	-	-
Current							
(i) Investments*							
Debt instruments (Mutual funds)	2,264.28	-	-	2,264.28	2,264.28	-	-
(ii) Trade receivables*	-	-	8,270.40	8,270.40	-	-	-
(iii) Cash and cash equivalents*	-	-	33.11	33.11	-	-	-
(iv) Other bank balances*	-	-	-	-	-	-	-
(v) Loans*	-	-	-	-	-	-	-
(vi) Other financial assets*	-	-	1,465.33	1,465.33	-	-	-
Total	2,264.28	-	9,789.24	12,044.66			
Financial liabilities							
Non-current							
(i) Borrowings (including current maturities)†	-	-	271.25	271.25	-	-	271.25
(ii) Lease liabilities*	-	-	135.39	135.39	-	-	-
(iii) Other financial liabilities*	-	-	-	-	-	-	-
Current							
(i) Borrowings†	-	-	798.06	798.06	-	-	-
(ii) Lease liabilities*	-	-	130.18	130.18	-	-	-
(iii) Trade payables*	-	-	5,430.85	5,430.85	-	-	-
(iv) Other financial liabilities*	-	-	650.28	650.28	-	-	-
Total	-	-	7,465.01	7,465.01			

† The Company's borrowings have been contracted at both floating and fixed rates of interest. The borrowings at floating rates reset at short intervals. Accordingly, the carrying values of such borrowings (including interest accrued but not due) approximate fair values. The fair values of long-term borrowings with fixed rates of interest is estimated by discounting future cash flows using current rates (applicable to instruments with similar term, currency, credit risk and remaining maturities to do cover the future payout).

* The carrying amounts of trade receivables, trade payables, lease liabilities, cash and cash equivalents, investments, bank balances other than cash and cash equivalents, and other financial assets and liabilities, approximate the fair values, due to their short-term nature. The other non-current financial assets represents security deposits given to various parties, loans and advances to employees and officers and bank deposits (due for maturity after twelve months from the reporting date), lease liabilities and other non-current financial liabilities, the carrying values of which approximate the fair values as on the reporting date.

* There has been no movement in Level 3 financial instruments.

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2025 and March 31, 2024.

Valuation

Following financial instruments are measured at fair value as under:

- (i) The fair values of investments in mutual fund units is based on the net asset value ("NAV") as stated by the issuer of the mutual fund units in the consolidated statements and the NAV represents the price at which the issuer will issue further units of mutual fund, and the price at which investors will redempt their units.
- (ii) The fair value of all derivative contracts is determined using forward exchange rate at the balance sheet date.



b. Risk Management

The Company manages risks arising from financial instruments as under :

(i) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet:

(Rs.Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Investments	2,264.28	2,326.96
Trade receivables	8,270.40	7,232.37
Cash and cash equivalents	33.11	19.45
Other bank balances	-	-
Loans	-	-
Other financial assets	1,476.77	1,406.18

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due, causing financial loss to the Company. It arises from cash and cash equivalents, financial instruments and principally from credit exposure to customers relating to receivables. The Company continuously reviews the credit to be given and the recoverability of amounts due. Majority of the trade receivables are from parties with whom the Company has long standing satisfactory dealings.

The Company's exposure to credit risk for trade receivables is as follows:

(Rs.Lakhs)

Particulars	Gross carrying amount	
	As at March 31, 2025	As at March 31, 2024
1-90 days past due *	564.58	158.32
91 to 180 days past due	-	-
More than 180 days past due †	10.10	10.10
Not due	7,705.82	7,074.05
	8,280.50	7,242.47

* The Company believes that the unimpaired amounts are collectible in full, based on historical payment behaviour.

† The Company continuously reviews the credit to be given and the recoverability of amounts due. Majority of the trade receivables, both domestic and overseas, are from parties with whom the Company has long standing satisfactory dealings. The Company also makes provision for lifetime expected credit loss, based on its previous experience of provisions/write offs in previous years.

Movement in the allowance for impairment in respect of trade receivables is given below:

(Rs.Lakhs)

Particulars	For the year ended March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	10.10	10.10
Impairment loss (reversal) / recognised	-	-
Balance at the end of the year	10.10	10.10

Note**Cash and cash equivalents**

Credit risk on cash and cash equivalents is limited as the Company generally transacts with the banks with high credit ratings assigned by domestic and international credit rating agencies.



(8) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including total cash and cash equivalent and bank balances other than cash and cash equivalent of Rs. 33.11 lakhs as at March 31, 2025 (March 31, 2024 Rs. 19.45 lakhs), anticipated future considering internally generated funds from operations fully available and revolving unsecured credit facility will enable it to meet its future known obligations in the ordinary course of business. However, if liquidity needs were to arise, the Company believes it has access to financing arrangements, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Company will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements, as necessary.

The Company's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

I. Financing arrangements

The Company had access to the following unsecured borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2025	As at March 31, 2024
From banks	2,760.69	2,755.88

II. Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

As at March 31, 2024	Carrying amount	Contractual cash flows			
		0-1 year	More than 1 but upto 5 years	More than 5 years	Total
Non-current liabilities					
Borrowings*	813.75	-	813.75	-	813.75
Lease liabilities	264.69	-	272.36	-	272.36
Other financial liabilities	-	-	-	-	-
Current liabilities					
Borrowings	799.10	799.10	-	-	799.10
Lease liabilities	155.54	155.54	-	-	155.54
Trade payables	4,439.74	4,439.74	-	-	4,439.74
Other financial liabilities	919.15	919.15	-	-	919.15
Total	7,391.98	6,313.54	1,086.11	-	7,399.65

(Rs.Lakhs)

As at March 31, 2025	Carrying amount	Contractual cash flows			
		0-1 year	More than 1 but upto 5 years	More than 5 years	Total
Non-current liabilities					
Borrowings*	271.25	-	271.25	-	271.25
Lease liabilities	135.39	-	151.48	-	151.48
Other financial liabilities	-	-	-	-	-
Current liabilities					
Borrowings	798.06	798.06	-	-	798.06
Lease liability	130.18	130.18	-	-	130.18
Trade payables	5,420.85	5,420.85	-	-	5,420.85
Other financial liabilities	650.28	650.28	-	-	650.28
Total	7,557.89	6,999.37	422.73	-	7,422.10

(Rs.Lakhs)

* Contractual cash flows do not include interest expense



(E) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risks: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company.

Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies, from the Company's operating, investing and financing activities.

Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk, as expressed in Indian Rupee (₹) is as at March 31, 2025 and March 31, 2024.

Particulars	As at March 31, 2025			
	USD	EUR	AUD	GBP
Financial assets				
Trade receivables*	786.53	-	-	-
Advances to contractors	-	-	-	-
	786.53	-	-	-
Financial liabilities				
Trade payables	988.81	-	-	-
	988.81	-	-	-

(₹) Lakhs

Particulars	As at March 31, 2024			
	USD	EUR	AUD	GBP
Financial assets				
Trade receivables*	775.59	-	-	-
Advances to contractors	-	-	-	-
	775.59	-	-	-
Financial liabilities				
Trade payables	728.63	-	-	-
	728.63	-	-	-

* Trade receivables are net of corresponding foreign exchange contracts

Sensitivity analysis

A reasonably possible strengthening / weakening of the Indian Rupee against below currencies at March 31, 2025 (previous year ended as on March 31, 2024) would have affected the measurement of financial instruments denominated in functional currency and affected equity and profit or loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forward sales and purchases.

Particulars	(₹) Lakhs			
	Profit or Loss		Equity, net of tax	
	Weakening	Strengthening	Strengthening	Weakening
IN appreciation / appreciation in Indian Rupee against following foreign currencies:				
For the year ended March 31, 2025				
USD	(2.63)	2.63	(1.70)	1.71
EUR	-	-	-	-
GBP	-	-	-	-
	(2.63)	2.63	(1.70)	1.71
For the year ended March 31, 2024				
USD	0.47	(0.47)	0.31	(0.31)
EUR	-	-	-	-
GBP	-	-	-	-
	0.47	(0.47)	0.31	(0.31)

USD: United States Dollar, EUR: Euro, AUD: Australia Dollar, GBP: Great British Pound

Foreign exchange derivative contracts

The Company has not entered into any foreign exchange derivative contracts during the reporting period and does not apply hedge accounting. Accordingly, there were no outstanding derivative financial instruments as at the reporting date.



(iii) Market risk

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

Exposure to interest rate risk

The Company's interest rate risk arises mainly from the borrowings (including Cash Credit) from banks carrying floating rate of interest. These obligations expose the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period along with the interest rate profile are as follows:

Particulars	(Rs.Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Financial Assets		
Fixed Rate Instruments		
Bank Balances other than cash and cash equivalents	-	-
Other Financial assets	1,476.77	1,406.19
Total	1,476.77	1,406.19
Financial Liabilities		
Fixed Rate Instruments		
Term loans	-	-
Public Deposits	-	-
Variable-rate instruments		
Term loans	813.75	1,356.25
Cash Credit	255.55	256.60
Total	1,069.30	1,612.85

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points (bps) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or loss		Equity, net of tax	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
For the year ended March 31, 2025				
Interest on term loans	(8.14)	8.14	(5.29)	5.29
Interest on cash credits	(2.56)	2.56	(1.66)	1.66
For the year ended March 31, 2024				
Interest on term loans	(13.56)	13.56	(8.82)	8.82
Interest on cash credits	(2.57)	2.57	(1.67)	1.67

39. Capital management

For the purposes of the Company's capital management, capital includes issued equity share capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital. This also considers the desirable financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows.

The Company manages its capital structure and makes adjustments to it in light of changes in the economic/ business conditions and requirements.

The Company also monitors its capital structure through gearing ratio, represented by debt-equity ratio (Net debt/Total equity). The gearing ratio for the Company as at the end of reporting period is as follows:

Particulars	(Rs.Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Borrowings	1,069.31	1,612.85
Less : Cash and cash equivalents	(33.11)	(19.45)
Adjusted net debt (A)	1,036.20	1,593.40
Total equity (B)	21,493.66	20,184.01
Adjusted net debt to total equity ratio (A/B)	4.82%	7.89%



46. Disclosure as per Ind AS 112 'Disclosure of Interest in Other Entities'

(a) Subsidiary company

The Group subsidiary as at March 31, 2025 is set out below. The subsidiary has share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group as at		Ownership interest held by non-controlling interests as		Principal activities
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	
Daurala Foods and Beverages Private Limited	India	100.00	100.00	-	-	The entity deploys its surplus funds in permitted securities such as short term funds of mutual funds, bank deposits etc.



41. Disclosure as per Schedule III to the Companies Act, 2013

(Rs. Lakhs)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities as at		Share in profit or loss for the year ended		Share in other comprehensive income for the year ended		Share in total comprehensive income for the year ended	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
DCM Shriram Fine Chemicals Limited								
March 31, 2025	93.23%	20,456.02	98.01%	1,842.10	100.00%	(29.10)	95.99%	1,813.00
March 31, 2024	93.17%	19,222.97	97.99%	2,350.74	100.00%	(39.74)	99.59%	2,311.00
Subsidiary								
Diamond Foods & Beverages Private Limited								
March 31, 2025	6.77%	1,485.05	1.99%	76.60	-	-	4.05%	76.60
March 31, 2024	6.82%	1,408.45	2.61%	63.12	-	-	0.54%	63.12
Total								
March 31, 2025	100.00%	21,941.07	100.00%	1,918.70	100.00%	(29.10)	100.00%	1,889.60
March 31, 2024	100.00%	20,631.42	100.00%	2,413.86	100.00%	(39.74)	100.00%	2,374.12
Adjustment due to consolidation								
March 31, 2025		442.41		(0.00)		0.00		(0.00)
March 31, 2024		442.41		0.00		(0.00)		0.00
Consolidation Net Asset / Profit after Tax								
March 31, 2025		21,498.66		1,918.70		(29.10)		1,889.60
March 31, 2024		20,184.01		2,413.86		(39.74)		2,374.12



DCM Shriram Fine Chemicals Limited

Notes to the Restated Consolidated Financial Statements for the year ended March 31, 2025

42. Research and development expenses amounting to Rs. 34.86 lakhs (Rs. 34.94 lakhs March 31, 2024) have been charged to the respective revenue accounts. Capital expenditure relating to research and development amounting to Rs. 26.50 lakhs (Rs. Nil March 31, 2024) has been included in property, plant and equipment.
43. Parties covered under "The Micro, Small and Medium Enterprises Development Act, 2006" (MSMED Act, 2006) have been identified on the basis of confirmation received. The disclosures pursuant to the said MSME Act are as follows:

Particulars	(Rs. Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Amount remaining unpaid to suppliers under MSMED (suppliers) as at the end of year: - Principal amount -Interest due thereon	627.69 -	503.92 -
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

44. Disclosures related to government grant:

The government grants/assistance recognized are as under:

Nature of Grant/assistance	Income/ expense head	(Rs. Lakhs)	
		For the year ended March 31, 2025	For the year ended March 31, 2024
Duty drawback and other incentive (net of provision)	Other operating revenue	14.45	3.35

45. Intangible properties yet to be entered in the name of Company are as under :

Particulars	(Rs. Lakhs)		Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since	Reasons for not being held in the name of the company
	Amount as on March 31, 2025	Amount as on March 31, 2024			
Land situated at Daurala, UP	44.95	44.95	No	2005	Vested in the Holding company pursuant to merger of Daurala Organics Limited under sections 391 to 394 of the Companies Act, 1956 in terms of approval of Honorable High Court. (Undisputed)



46. Financial Ratios:

Particulars	Numerator	Denominator	31-Mar-25	31-Mar-24	Variance
(a) Current Ratio	Current assets	Current liabilities	2.3	2.2	4.8%
(b) Debt- Equity Ratio	Total Debt	Total Equity	0.05	0.1	-17.7%
(c) Debt Service Coverage Ratio**	Earnings available for debt service*	Scheduled Debt Service	3.9	3.2	-26.1%
(d) Return on Equity Ratio	Net Profit after taxes	Shareholders' Equity	8.9%	12.0%	-25.4%
(e) Inventory Turnover Ratio	Cost of goods sold	Closing Inventory	20.7	27.8	-25.4%
(f) Trade Receivable Turnover Ratio	Revenue	Trade Receivables	5.2	5.7	-9.1%
(g) Trade Payable Turnover Ratio	Purchases and other expenses	Trade Payables	6.4	7.0	-8.6%
(h) Net Capital Turnover Ratio	Revenue	Working Capital	4.3	4.8	-10.7%
(i) Net Profit Ratio	Net Profit	Total Income	4.4%	3.8%	-23.6%
(j) Return on Capital Employed	Earning before interest and taxes	Capital Employed †	12.1%	16.2%	-24.9%
(k) Return on Investment	Income generated from investments	Time weighted average investments	7.2%	7.3%	1.0%

* PBT + Depreciation + Interest on Term Loan - Taxes

† Tangible net worth + Long term debt + Deferred tax liabilities

** Higher due to repayment of long term debt

47. Additional regulatory information:

i) The Company does not have any benami property, and no proceeding has been initiated against the Company for holding any benami property.

ii) The Company does not have any transactions with struck off companies.

iii) The charges relating to the borrowings are yet to be registered in the name of DCM Shriram Fine Chemicals Limited with the Registrar of Companies. The Company is in the process of completing the necessary filings and compliances in this regard. Pending such registration, the related charges continue to appear in the records of the Registrar of Companies in the name of the DCM Shriram Industries Limited.

iv) The Company has not traded or invested in crypto currency or any virtual currency during the financial year.

v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

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) or

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) 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

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

viii) The Company has not been declared as a willful defaulter by any banks or any other financial institution at any time during the financial year or after the end of the reporting period but before the date when the financial statements are approved by the Board of Directors.

ix) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

x) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act.



DCM Shriram Fine Chemicals Limited

Notes to the Restated Consolidated Financial Statements for the year ended March 31, 2025

48 The Hon'ble National Company Law Tribunal, New Delhi bench, vide Order dated 21st November, 2025, approved the Composite Scheme of Arrangement between DCM Shriram Industries Limited and DCM Shriram Fine Chemicals Limited and DCM Shriram International Limited (wholly owned subsidiaries of DCM Shriram Industries Limited) and Lily Commercial Private Limited, for amalgamation of Lily Commercial Private Limited with DCM Shriram Industries Limited, and subsequent demerger of Chemical and Rayon businesses of DCM Shriram Industries Limited into DCM Shriram Fine Chemicals Limited and DCM Shriram International Limited, respectively, with effect from the appointed date of April 01, 2023 ('the Scheme'). The Scheme after approval from BSE and NSE, was filed with the Hon'ble NCLT, New Delhi as required under Section 230-232 of the Companies Act, 2013. The Hon'ble NCLT after due process and hearings has approved the Scheme by Order dated 21.11.2025. Subsequently, certified copies of the Order and the Scheme were received on 05.12.2025. As required under the Companies Act, 2013, certified copies were filed by the companies with the Registrar of Companies between 5th December to 17th December, 2025. Accordingly, the Scheme is deemed to have come into effect from 17.12.2025 in terms of Clause 7.1(v) of the Scheme. The Scheme is applicable from the Appointed Date i.e. 1 April, 2023. Accordingly, due effect of the Scheme has been incorporated from the Appointed Date. From the Appointed Date, the Business of Rayon Undertaking (along with all assets and liabilities thereof) were transferred to the Company on a going concern basis. The transaction has been accounted for using the common control method under Ind AS 103 – Business Combinations, with all identified assets and liabilities recorded at their carrying values. Accordingly, the business combination has been reflected in the books of account from the beginning of FY 2023-24, i.e., 1 April, 2023 (Appointed date)

The Company has given effect to the scheme in accordance with the accounting treatment specified in the scheme as per applicable accounting standards (INDAS) as under:

1. All the assets, liabilities and reserves pertaining to the Chemical Undertaking, appearing in the books of the DCMSR, shall stand transferred to, and the same shall be recorded by, DCM Shriram Fine Chemicals Limited at their respective carrying amount and in the same form and manner as appearing in the books of accounts of the DCMSR.

2. Issued 8,69,92,185 Equity Shares of face and paid up value of Rs. 2 each to the shareholders of DCMSR.

3. Difference between the consideration paid by way of issue of equity shares at face value and assets and liabilities including reserves transferred from DCMSR and cancellation of investment done by DCMSR in the Resultant Company is recorded as capital reserve.

49 Pursuant to the Scheme, the following assets and liabilities were transferred to the Company as on 1st April, 2023 (Appointed date)

Particulars	As at April 01, 2023
	(Rs. Lakhs)
ASSETS	
Non-current assets	
Property, plant and equipment	10886.26
Capital work-in progress	9.24
Right-of-use assets	289.82
Intangible assets	98.76
Financial assets	
(i) Investments	447.40
(ii) Loans	32.68
(iii) Other financial assets	4.37
Other non-current assets	33.89
Total non-current assets	11802.41
Current assets	
Inventories	5578.05
Financial assets	
(i) Investments	1563.27
(ii) Trade receivables	6801.37
(iii) Cash and cash equivalents	133.04
(iv) Bank balances other than (iii) above	0.00
(v) Loans	3.93
(vi) Other financial assets	0.00
Other current assets	120.40
Total current assets	14280.66
TOTAL ASSETS	26082.47



DCM Shriram Fine Chemicals Limited

Notes to the Restated Consolidated Financial Statements for the year ended March 31, 2025

EQUITY AND LIABILITIES

EQUITY

Other equity 15404.56

LIABILITIES

Non-current liabilities

Financial liabilities

(i) Borrowings 1353.08

(ii) Lease liabilities 238.97

Provisions 273.20

Deferred tax liabilities (net) 815.07

Total non-current liabilities 2680.32

Current liabilities

Financial liabilities

(i) Borrowings 734.15

(ii) Lease liabilities 113.69

(iii) Trade payables

-Total outstanding dues of micro enterprises and small enterprises; and 491.18

-Total outstanding dues of creditors other than micro enterprises and small enterprises 5341.30

(iii) Other financial liabilities 821.44

Other current liabilities 190.70

Provisions 225.14

Total current liabilities 7917.60

TOTAL EQUITY AND LIABILITIES 26002.47

50 Pursuant to the Scheme, the Company has allotted 8,69,92,185 Equity Shares of Rs. 2.00 each fully paid-up to the shareholders of DCM Shriram Industries Limited whose name is recorded in the register of members and records of the depository as members of DCM Shriram Industries Limited as on 26.12.2025 record date fixed pursuant to the Scheme.

51 In accordance with Ind AS 108 'Segment Reporting' as specified in section 133 of the Companies Act, 2013, the Company has identified a single reportable business segment viz. 'Industrial fibres and related products'. The segment have been identified and reported taking into account the differing risks and returns, and the current internal financial reporting systems. For the segment, the Chief Operating Decision Maker (CODM) reviews internal management reports on at least a quarterly basis. The CODM monitors the operating results for the purpose of making decisions about resource allocation and performance measurement (Refer Note 2A(p)).

Entity-wide disclosures

Entity-wide disclosures details as per INDAS 108-

- (i) Revenue from operations reported are from single stream of operations.
- (ii) The Company is operating in a single geographical segment, however it serves overseas customers located across different parts of the world.

	Amount March 31, 2025 (Rs. Lakhs)	Amount March 31, 2024 (Rs. Lakhs)
Revenue from operations		
(a) India	38,565.59	36,909.31
(b) Other countries		
Europe	4,337.36	4,031.14
China	-	-
Rest of the World	34.23	347.14
Total (b)	4,371.59	4,378.28
Total (a+b)	42,937.18	41,287.59



DCM Shriram Fine Chemicals Limited

Notes to the Restated Consolidated Financial Statements for the year ended March 31, 2025

- (iii) There are no non-current assets located outside India.
(iv) Major customer with whom revenue exceeds more than 10% of the Company's revenue.

Customers	Amount March 31,	Amount March 31, 2024
	2025	
	(Rs. Lakhs)	(Rs. Lakhs)
Sandoz GMBH	3,402.64	2,793.96

- 52 The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company, as the Company does not meet the prescribed thresholds of net worth, turnover or net profit during the financial year under review.

As per our report of even date attached

For **N.K.S Chauhan & Associates**

Chartered Accountants

ICAI Firm Registration no.: 013940N



Narender Kumar Singh Chauhan

Partner

Membership No.: 088165

Place: New Delhi

Date: 02.02.2026

For and on behalf of the Board of Directors

DCM Shriram Fine Chemicals Limited



Urvashi Tilakdhar

Urvashi Tilakdhar

Senior Managing Direc

DIN: 00294265

Sandeep Bajaj

Sandeep Bajaj

Director-BD

DIN: 11362256

Naresh Handa

Naresh Handa

Chief Financial Officer

ICAI M No.: 500725

Kokila Arora

Kokila Arora

Company Secretary

ICSI M No.: A21670

Place: New Delhi

Date: 02.02.2026

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at September 30, 2025. This table should be read in conjunction with sections "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", on pages 109 and 218 of this Information Memorandum, respectively:

(figures in ₹ cr)

S. No.	Particulars	For the period ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
A	Borrowings			
I	Current Borrowings	2.92	2.56	2.57
II	Non Current Borrowings (including the current maturity of long term debt)	5.43	8.14	13.56
A= I+II	Total Borrowings	8.34	10.69	16.13
	Equity	-	-	-
	Equity Share Capital	17.40	17.40	17.40
	Shares pending allotment	-	-	-
	Instruments entirely equity in nature	-	-	-
	Other Equity	197.89	197.54	184.44
B	Total Equity	215.29	214.94	201.84
A+B	Capitalisation	223.63	225.63	217.97
II/B	Non Current Borrowings (including current maturity of long term debt)/equity ratio	0.03	0.04	0.07
A/B	Total Borrowings/equity ratio	0.04	0.05	0.08

OTHER FINANCIAL INFORMATION

The details of accounting ratios derived from Restated Consolidated Audited Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

All figures in ₹ crore except otherwise mentioned

Particulars	For the period ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Basic Earnings/(loss) per share (₹) ⁽¹⁾	0.06	2.21	2.77
Diluted Earnings/(loss) per share (₹) ⁽²⁾	0.06	2.21	2.77
Return on Networth (%) ^{(3)/(4)}	0.16%	8.79%	11.76%
Net Asset Value per equity share (₹) ⁽⁵⁾	24.75	24.71	23.20
Weighted average number of equity shares outstanding during the period/ year ⁽⁶⁾ (No)	86992185	86992185	86992185

Notes:

1. *Basic EPS is calculated as profit for the year/period divided by the weighted average number of Equity Shares outstanding during the year/period.*
2. *Diluted EPS is calculated as profit for the year/period divided by the weighted average number of Equity Shares outstanding during the year/period and the weighted average number of Equity Shares that could have been issued upon conversion of all dilutive potential Equity Shares.*
3. *Net Worth has been computed on the basis as stated in Clause 2 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 i.e. Net worth as defined in sub-section (57) of section 2 of the Companies Act, 2013.*
4. *Return on Net Worth (%) = Profit for the year/period divided by the Net Worth at the end of the respective year/period.*
5. *Net Asset Value per Equity Share (in ₹) is computed as net worth at the end of the period/ year divided by weighted average number of equity shares outstanding at the end of the period/ year*
6. *Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/ year adjusted by the number of equity shares issued during the period/ year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/ year.*

MANAGEMENT DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview of the business

Our Company was incorporated as a public limited company under the Companies Act, 2013 with the name 'DCM Shriram Fine Chemicals Limited' and a certificate of incorporation dated September 30, 2021 was issued by the Registrar of Companies.

Prior to the scheme becoming effective, our Company was a wholly owned subsidiary of DCM Shriram Industries Limited. The main object of our Company is to carry on the business of production and sale of chemicals and their byproducts and to undertake contract manufacturing of chemical products. Pursuant to the scheme becoming effective on December 17, 2025, the chemical business of DCM Shriram Industries Limited has been merged into and has vested in our Company with effect from April 1, 2023 (i.e. the Appointed Date).

Our chemical business, started in early 70s with a manufacturing facility in Daurala (near Meerut), Uttar Pradesh for Photochlorination of Toluene and Cyanation. The Group soon leveraged its competency to produce value added products and their derivatives using Photochlorination & Cyanation as its core strength. In 1994, a new unit was set up as a separate company which was later merged into DCM Shriram Industries Limited, to produce high value/ high technology drug intermediates. Affiliations with three European companies were established to obtain state-of-the-art technology. It is now one of leading producers in the world for Pharmaceuticals Intermediates, particularly in the Anti-Infective segment. With the restructuring of our business, the focused business vertical will be able to enhance our agility, accountability and will help aligning us closely with evolving needs of our customers.

Significant developments subsequent to the last financial year or when applicable subsequent to the stub period

There have been no material developments, since the date of last financial information disclosed in this information memorandum, which materially affect or are likely to affect our profitability (taken as a whole)

Significant Factors affecting our business, financial condition and results of operations

Our results of operations have been, and will be, affected by many factors, some of which are beyond our control. Key factors affecting our results are discussed in the section "Risk Factors" beginning on page 25. Some of the key external risks factors are reproduced below:

1. There is a risk of obsolescence as some of our products in the matured stage of product cycle. The company is consolidating and expanding to new products and setting up of plants for new products
2. Fluctuating raw material/ commodity prices can create a situation of margin pressures and volume compressions.
3. The regulatory landscape is rapidly evolving encompassing laws, regulations and policies and failure to comply may lead to significantly damage our reputation and sales materially.

Change in Accounting Policies

There are no significant changes in the accounting policies during the period ended September 2025, financial year ended 2025 and year ended 2024.

Consolidated Results of Operation

The following table sets forth Restated Consolidated Statement of Profit and Loss data of the demerged undertaking, the components of which are expressed as a percentage of total income for the periods indicated for the period ended September 30, 2025, year ended March 31, 2025 and year ended March 31, 2024:

Particulars	For the period ended September 30, 2025		For the year ended March 31, 2025		For the year ended March 31, 2024	
	(Rs. in Crores)	% of total income	(Rs. in Crores)	% of total income	(Rs. in Crores)	% of total income
Revenue from operations	194.15	98.5%	426.95	98.5%	406.58	97.6%
Other operating income	1.37	0.7%	2.42	0.6%	6.29	1.5%
Total revenue from operations	195.52	99.2%	429.37	99.1%	412.87	99.1%
Other income	1.62	0.8%	3.89	0.9%	3.71	0.9%
Total income	197.14	100.0%	433.26	100.0%	416.58	100.0%
Cost of material consumed	112.27	56.9%	251.40	58.0%	229.64	55.1%
Changes in inventories of finished goods and work-in-progress	2.76	1.4%	- 3.65	-0.8%	1.27	0.3%
Employee benefits expense	24.76	12.6%	54.83	12.7%	52.99	12.7%
Depreciation and amortisation expense	4.34	2.2%	8.80	2.0%	8.87	2.1%
Finance costs	0.52	0.3%	1.77	0.4%	2.33	0.6%
Other expenses	49.88	25.3%	94.20	21.7%	88.33	21.2%
Profit before exceptional items and tax	2.61	1.3%	25.91	6.0%	33.15	8.0%
Share of profit of joint ventures and associates (net)	-	0.0%	-	0.0%	-	0.0%
Profit before exceptional items and tax	2.61	1.3%	25.91	6.0%	33.15	8.0%
Exceptional items loss/ (gains) (net)	0.15	0.1%	0.29	0.1%	0.39	0.1%
Profit before tax from continuing operations	2.46	1.2%	25.62	5.9%	32.76	7.9%
Tax expense/ (credit) (net)	2.11	1.1%	6.73	1.6%	9.02	2.2%
Profit for the period from continuing operations	0.35	0.2%	18.89	4.4%	23.74	5.7%
Profit/ (loss) before tax from discontinued operations	-	0.0%	-	0.0%	-	0.0%
Tax expense (net)	-	0.0%	-	0.0%	-	0.0%
Profit/ (loss) for the period from discontinued operations	-	0.0%	-	0.0%	-	0.0%
Profit for the year	0.35	0.2%	18.89	4.4%	23.74	5.7%

Significant Development after September 30, 2025

As otherwise disclosed in this information memorandum, there is no subsequent significant development after the date of our audited financial statements contained in this Information memorandum which materially and adversely affects, or is likely to affect our operations or profitability, or the value of our assets, or our ability to pay our material liabilities within the next 12 months, except as disclosed below:

S. No.	Chronology	Dates
1	Re-constitution of Board of Directors	December 01, 2025
2	Composite Scheme of Arrangement sanctioned by the Hon'ble NCLT	November 21, 2025
3	Certified copies of NCLT order received	December 05, 2025
4	E-Form INC-28 filed for DCM Shriram Fine Chemicals Limited and DCM Shriram International Limited	December 17, 2025
5	Record date announced by DCM Shriram Industries Limited for eligibility for allotment of shares in Resultant companies	December 19, 2025
6	Mrs. Urvashi Tilakdhar appointed as Senior Managing Director and Mr. Naresh Handa appointed as CFO (both being KMPs)	December 24, 2025
7	Revised Record date announced by DCM Shriram Industries Limited for allotment of shares in Resultant companies	December 26, 2025
8	The Company disposed off the land held by it in Dahej Industrial Estate, Gujarat;	December 31, 2025
9	In-principal approval under Section 19(2)(b) of the Securities Contracts (Regulation) Act received from BSE and NSE	January 21, 2026
10	Application for In-principal approval under Section 19(2)(b) of the Securities Contracts (Regulation) Act received from SEBI	February 02, 2026

Our Material Accounting Policies

The material accounting policies followed by us in the preparation of our Restated Consolidated Financial Statements for the period ended September 30, 2025 and for the year ended March 31, 2025 form part of notes provided on page 109.

Pursuant to the Demerger, our Company will be engaged in the business of production and sale of chemicals and their by-products and to undertake contract manufacturing of chemical products and the following accounting policies will be applicable, going forward.

Basis of preparation of Financial Statements

a) Statement of compliance

These Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act, as applicable. The accounting policies are applied consistently in the financial statements.

b) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts are in Rupees lakhs with two decimal points rounded-off to the nearest thousands, unless otherwise stated.

c) Basis of measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following items:

Items	Measurement basis
Derivative financial instruments	Fair value through profit and loss (FVTPL)
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations
Investments in Mutual Funds	Fair value through profit and loss (FVTPL)

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated, using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

d) Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The management believes that the estimates used in preparation of these financial statements are prudent and reasonable. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company.

In particular, information about significant areas of estimation/ uncertainty and judgements in applying accounting policies that have the most significant effects on the financial statements includes:

- Recognition and estimation of tax expense including deferred tax
- Assessment of useful life of property, plant and equipment and intangible assets
- Estimation of obligations relating to employee benefits: key actuarial assumptions
- Valuation of inventories
- Fair value measurement of financial instruments
- Lease classification
- Determination of right of use (ROU) assets and liabilities; incremental borrowing rate and lease term

- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources-
- Impairment of financial assets
- Impairment of non-financial assets

2A. Material accounting policies

a) Operating cycle

Based on the nature of products/ activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle,
- It is held primarily for the purpose of being traded,
- It is expected to be realised within 12 months after the reporting date, or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle,
- It is held primarily for the purpose of being traded,
- It is due to be settled within 12 months after the reporting date, or
- The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Deferred Tax Assets and Liabilities are classified as non-current only.

b) Property, plant and equipment (PPE)

(i) Recognition and measurement

All items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation/ amortization and accumulated impairment losses, if any.

Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The cost of an item of property, plant and equipment shall be recognised as an assets if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. The present value of the expected cost for the decommissioning of an asset

after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Capital work-in-progress is stated at cost, net of impairment loss, if any.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition and location for their intended use, and the estimated cost of dismantling and removing the items and restoring the site on which they are located. Interest cost incurred for constructed assets is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been used for the asset.

When parts of an item of property, plant and equipment having significant cost have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no further economic benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gains or losses arising on disposal of property, plant and equipment are recognized in the Statement of Profit and Loss. Incomes and expenses related to the incidental operations not necessary to bring the item to the location and the condition necessary for it to be capable of operating in the manner intended by management are recognized in the Statement of Profit and Loss.

Once classified as held-for-sale, property, plant and equipment are no longer depreciated.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, as appropriate.

(ii) Subsequent expenditure

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits, deriving from the cost incurred, will flow to the Company and the cost of the item can be measured.

(iii) Depreciation

Depreciation is provided on a pro-rata basis using the straight-line method as per the useful lives prescribed in Schedule II to the Companies Act, 2013. Leasehold improvements are amortised on a straight line basis over the unexpired period of lease. Leasehold land (being in the nature of perpetual lease) and freehold land are not depreciated.

Depreciation methods, useful lives and residual values are reviewed in each financial year, and changes, if any, are accounted for prospectively.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives (in years)
Leasehold improvements	Lease term
Buildings	5-60 years
Plant and equipment	10-40 years
Vehicles	8-10 years
Office equipment	5 years
Furniture and fixtures	10 years

c) Intangible assets

(i) Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price including duties and taxes and any costs directly attributable to making the assets ready for their intended use. An intangible asset is recognised only if it is probable that future economic benefits attributable to the asset will flow to the Company. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is derecognised.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

d) Amortisation

Intangible assets, being computer software are amortised in the Statement of Profit and Loss over the estimated useful life of five years using the straight line method.

The amortisation method and the useful lives of intangible assets are reviewed annually and adjusted, as necessary.

(i) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is ascertained on a 'weighted average' basis.

Cost includes direct materials, labour, freight inwards, other direct cost, a proportion of manufacturing overheads based on normal operating capacity, net of refundable duties, levies and taxes, wherever applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs, necessary to make the sale.

Assessment of net realisable value is made at each reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount so written-down is adjusted in terms of policy as stated above.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

The cost of production (including cost of conversion) of joint products is allocated on such joint products based on a rational and consistent basis, i.e., relative realisable values at the separation point, when the products become separately identifiable.

By-products are valued at estimated net realizable value. The comparison of cost and net realisable value is made on an item-by-item basis.

The net realisable value of work-in-progress is determined with reference to the selling price of

related finished goods. Raw materials, component and other supplies held for use in production of finished products are not written down below cost except in cases, when a decline in the price of materials indicates that the cost of the finished products shall exceeds the net realisable value.

e) Revenue from contract with customers

(i) Sale of goods

Revenue from sale of goods is recognised at the point in time when control of products is transferred to the customer. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates. The Company collects Goods and services tax on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, these are excluded from the revenue. At contract inception, the Company assesses the goods or services promised in a contract with a customer and identify, as a performance obligation, each promise to transfer to the customer.

Revenue from contracts with customers is recognized when control of goods or services are transferred to customers and the Company retains neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold. The timing of the transfer of control of products to customers at the time of dispatch, during shipment or receipt of goods by the customers which vary based on individual terms of the sales agreements.

Revenue is measured based on the transaction price, which is the consideration, adjusted for variable consideration such as volume discounts, cash discounts, etc., as specified in the contract with the customer. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due.

Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is received or due, whichever is earlier. Contract liabilities are recognised as revenue when the Company performs under the contract.

(ii) Rendering of services

Revenue from rendering of services are recognised over a period of time as and when underline services are performed as the customer simultaneously receives and consumes the benefit provided by the Company's performance. Payment for the service rendered is received as per the credit terms in the agreements with the customers. Where the credit period is short term, no financing component is considered. Job work is recognized upon full completion of the job work.

f) Interest and dividend income

Interest income are reported on an accrual basis using the effective interest method, when the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding. Dividends income from investments is recognised when the shareholder's right to receive payment has been established.

g) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other Comprehensive Income (OCI).

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current tax is recognised in Statement of Profit or Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that effects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to freehold land and investments in subsidiary, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

h) Employee benefits

(i) Short-term benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

The defined contribution plans, i.e., provident fund (administered through Regional Provident Fund Office), superannuation fund and employee state insurance corporation are post-employment benefit plans under which a Company pays fixed contributions and will have no legal and constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Gratuity

The Company provides for gratuity, a defined benefit plan (the Gratuity Plan) covering all eligible employees. In accordance with The Payment of Gratuity Act, 1972, the Gratuity plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment. These are funded by the Company and are managed by the Life Insurance Corporation of India (LIC).

The calculation of defined benefit obligation is performed by a qualified actuary separately for each plan using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan. To calculate the present value of economic

benefits, consideration is given to any applicable minimum funding requirements.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the Statement of Profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

i) Other long-term employee benefits

Benefits under the Company's privilege leaves and medical leaves are other long term employee benefits. The Company's net obligation in respect of privilege leave and medical leave are the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method.

Re-measurements are recognised in Statement of Profit and Loss in the period in which they arise.

j) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate, and presented within other income (operating or non-operating, as appropriate) other than export benefits which are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

A government grant that becomes receivable as compensation for expenses or losses incurred in a previous period, is recognised in profit or loss of the period in which it becomes receivable.

k) Foreign currency transactions and translation

The management has determined the currency of the primary economic environment in which the Company operates, i.e., functional currency, to be Indian Rupees (INR). The financial statements are presented in INR which is Company's functional and presentational currency.

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Company at the exchange rates at the dates of the transactions or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/ losses arising on account of realisation/ settlement of foreign exchange transactions and on translation of monetary foreign

currency assets and liabilities are recognised in the Statement of Profit and Loss.

Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

The derivative financial instruments such as forward exchange contracts to hedge its risk associated with foreign currency fluctuations are stated at fair value. Any gains or losses arising from changes in fair value are taken directly to Statement of Profit or Loss.

l) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets (other than inventories and deferred tax assets) are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU"). In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used.

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined in relation to the CGU to which a corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

m) Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and 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.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, as 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.

A provision for onerous contract is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligation under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on assets associated.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

n) Borrowing cost

Borrowing costs that are directly attributable to the acquisition, construction or erection of qualifying assets are capitalised as part of cost of such asset until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition of the qualifying asset.

Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

All other borrowing costs are recognised as an expense in the year in which they are incurred.

o) Leases

Company as a lessee

The Company recognizes a Right of Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets in accordance with Ind AS 116, 'Leases'. The Company assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset

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

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, etc. Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or

useful life of right-of-use assets unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. The estimated useful life of the right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. For lease liabilities at the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined. If that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate. For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. The Company uses a single discount rate to a portfolio of leases with similar characteristics.

Company as a lessor

At the inception of the lease, the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease income as and when due as per terms of agreements. The respective leased assets are included in the financial statements based on their nature.

p) Earnings per share (EPS)

Basic earnings / (loss) per share are calculated by dividing the net profit or loss for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding at the end of the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus / rights issue, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

q) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

In accordance with Ind AS 108 – “Operating Segments”, the operating segments used to present segment information are identified on the basis of internal reports used by the Company’s Management to allocate resources to the segments and assess their performance.

The Executive Committee, primarily comprising Chairman and Managing Director, Whole Time Directors, Business Heads, Chief Financial Officer and Company Secretary, is collectively the Company’s ‘Chief Operating Decision Maker’ or ‘CODM’ within the meaning of Ind AS 108.

All operating segments' operating results are reviewed regularly by the CODM to make decisions about resources to be allocated to the segments and assess their performance.

Based on "Management Approach", as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items include general corporate income and expense items which are not allocated to any business segment.

Segment policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

r) 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.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. It regularly reviews significant inputs and valuation adjustments.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

Initial recognition and measurement

With the exception of trade receivables that do not contain a significant financing component, the Company initially measures financial asset at its fair value, in the case of a financial asset not at fair value through profit or loss, net of transaction costs. Trade receivables do not contain a significant financing component and are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2A (e) Revenue recognition.

Purchases or sales of financial assets that require delivery of assets within a time frame

established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets of the Company are classified in three categories:

- a) At amortised cost
- b) At fair value through profit and loss (FVTPL)
- c) At fair value through other comprehensive income (FVTOCI)

Financial Asset is measured at amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (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 in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

All those financial assets that are not classified as measured at amortised cost or FVTOCI, are measured at FVTPL. This includes all derivative financial assets and current investments in mutual funds. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are measured at fair value through profit and loss.

For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income. This cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of such instruments.

Investments representing equity interest in subsidiary and associate are carried at cost less any provision for impairment.

Impairment of financial assets

The Company recognizes loss allowances for expected credit losses on:

- Financial assets measured at amortized cost; and
- Financial assets measured at FVTOCI – debt instruments.

Loss allowance for trade receivables is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is recognised as an impairment gain or loss in the Statement of Profit and Loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 180 days past due;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

With regard to trade receivable, the Company has applied the simplified approach for initial recognition of expected lifetime losses.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

Derecognition

(i) Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

(ii) Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Statement of Profit and Loss.

s) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

t) Research and development

Expenditure on research activities is recognized in the Statement of Profit and Loss as incurred.

Development expenditure is capitalized as part of cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses, if any.

u) Dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

v) Goods and services tax input credit

Goods and services tax input credit is recognised in the books of account in the period in which the supply of goods or service received is recognised and when there is no uncertainty in availing/utilising the credits.

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

1. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
2. When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.

w) Non-current assets held for sale

Non current assets or disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of held for sale is met when the non current asset or the disposal group is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as held for sale. Non current assets or disposal groups held for sale are measured at the lower of carrying amount and fair value, less cost to sell.

A gain or loss of the non-current asset is recognised at the date of de-recognition. Once classified as held-for-sale, property, plant and equipment are no longer amortised or depreciated.

FINANCIAL PERFORMANCE OF OUR COMPANY

The Chemical Business of DCM Shriram Industries Limited has been demerged and vested into our Company with effect from April 01, 2023. This section provides the key performance highlights of the Chemical Business based restated consolidated financial statements for the period ended September 30, 2025, and year ended March 31, 2025 (which contain comparative figures for financial year ended March 31, 2024)

A. Key components of the restated consolidated Financials of the Chemical Business

The restated consolidated financial statements for the period ended September 30, 2025, and year ended March 31, 2025 (which contain comparative figures for financial year ended March 31, 2024) comprise the Chemical Business, as demerged. The financial position of the subsidiary has been consolidated on a line-by-line basis.

a) Income

For the period ended September 30, 2025, March 31, 2025 and March 31, 2024:

Particulars	(in ₹ cr.)		
	For the period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations	195.52	429.37	412.87
Other Income	1.62	3.89	3.71
Total	197.14	433.26	416.58

b) Expense

(i) Cost of material consumed

Particulars	(in ₹ cr.)		
	For the period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024
Cost of material consumed	112.27	247.75	230.91
% of Revenue from Operations	57.4%	57.7%	55.9%

(iii) Employee benefits Expense

Particulars	(in ₹ cr.)		
	For the period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024
Employee Benefit expense	24.76	54.83	52.99
% of Revenue from Operations	12.7%	12.8%	12.8%

(iv) Finance Costs

(in ₹ cr.)

Particulars	For the period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024
Finance Costs	0.52	1.77	2.33
% of Revenue from Operations	0.3%	0.4%	0.6%

(v) Depreciation and amortisation expense

(in ₹ cr.)

Particulars	For the period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation and amortisation cost	4.34	8.80	8.87
% of Revenue from Operations	2.2%	2.0%	2.1%

(vi) Other expenses

(in ₹ cr.)

Particulars	For the period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024
Other Expenses	49.88	94.20	88.33
% of Revenue from Operations	25.5%	21.9%	21.4%

c) Profit before tax

(in ₹ cr.)

Particulars	For the period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before Tax	2.61	25.91	33.15
% of Revenue from Operations	1.3%	6.0%	8.0%

SECTION VII – OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Prior to the Scheme becoming effective, our Company was a wholly owned subsidiary of DCM Shriram Industries Limited. The main object of our Company is to carry on the business of production and sale of chemicals and their by-products and to undertake contract manufacturing of chemical products. Pursuant to the Scheme becoming effective on December 17, 2025, the Chemical Business of DCM Shriram Industries Limited has been demerged into and has vested in our Company with effect from April 1, 2023 (i.e., the Appointed Date). Accordingly, all litigations disclosed in relation to the Company are with respect to the Demerged Undertaking.

[Except as disclosed in this section, there are no outstanding (i) criminal proceedings (including first information reports) involving our Company, Subsidiary, Promoter, Directors, Key Managerial Personnels (“KMP”) and members of the Senior Management (“SMP”) (collectively, “Relevant Parties”)]; (ii) actions taken by statutory or regulatory authorities (including show cause notices issued by authorities) against the Relevant Parties; (iii) claims related to direct or indirect taxes involving the Relevant Parties (disclosed in a consolidated manner giving the total number of claims and the total amounts involved);(iv) disciplinary actions including penalties imposed by SEBI or the Stock Exchanges against the Promoter in the last five financial years, including outstanding action; and (v) other outstanding litigation involving the Relevant Parties as determined to be material pursuant to the Materiality Policy Further, there is no pending litigation involving our Group Companies, the adverse outcome of which may have a material impact on our Company.]

I. Litigation involving our Company

The proceedings by or against our Company detailed in this section relate to the Demerged Undertaking. It should be noted that these proceedings pertained to the Chemical business of DCM Shriram Industries Limited prior to the Effective Date. These proceedings stand transferred to our Company with the Scheme coming into effect. Procedures for impleading the Company in place of DCM Shriram Industries Limited are being undertaken. The references to ‘Company’ in connection with these litigations should accordingly be construed.

A. Litigation against the Company

a) Material Criminal proceedings

NIL

b) Actions by regulatory and statutory authorities

NIL

c) Material civil proceedings

NIL

B. Litigation by our Company

a) Material Criminal Proceedings

NIL

b) Material Civil litigations

NIL

C. *Litigation Proceedings involving our Company*

(in ₹ Crore, to the extent quantifiable)

Nature of Tax involved	Number of cases outstanding	Aggregate Amount involved
Direct Tax (A)		
By our Company	NIL	NIL
Against our Company	NIL	NIL
Indirect Tax (B)		
By our Company	NIL	NIL
Against our Company	NIL	NIL
Total	NIL	NIL

Material tax litigations involving our Company

NIL

II. **Litigation involving our Subsidiary**

A. *Litigation against our Subsidiary*

- a) *Criminal proceedings: NIL*
- b) *Material civil litigation: NIL*
- c) *Actions by regulatory and statutory authorities: NIL*

B. *Litigation by our Subsidiary*

- d) *Criminal proceedings: NIL*
- e) *Material Civil litigations: NIL*

C. *Tax Proceedings involving our Subsidiary*

(in ₹ Crore, to the extent quantifiable)

Nature of Tax involved	Number of cases outstanding	Aggregate Amount involved
Direct Tax (A)		
By our Subsidiary	NIL	NIL
Against our Subsidiary	NIL	NIL
Indirect Tax (B)		
By our Subsidiary	NIL	NIL
Against our Subsidiary	-	-
Total	NIL	NIL

Material Tax Litigations involving our Subsidiary

NIL

III. **Litigation involving our Directors**

A. *Litigation against our Directors*

- a) *Criminal proceedings: NIL*
- b) *Material civil litigation: NIL*
- c) *Actions by regulatory and statutory authorities: NIL*

B. Litigation by our Directors

- a) Criminal proceedings: NIL
- b) Material Civil litigations: NIL

IV. Litigation involving our KMPs and members of senior management (excluding Directors)

A. Litigation against our KMPs and members of the senior management (excluding Directors)

- a) Criminal proceedings: NIL
- b) Actions by regulatory and statutory authorities: NIL

B. Litigation by our KMPs and members of the senior management (excluding Directors)

- a) Criminal proceedings: NIL

V. Litigation involving our Promoters

A. Litigation against our Promoters

- a) Criminal proceedings
NIL
- b) Material Civil
litigations NIL

B. Tax Proceedings involving our Promoters

- a) Criminal proceedings
NIL
- b) Material Civil
litigations NIL

C. Tax Proceedings involving our Promoters

(in ₹ Crore, to the extent quantifiable)

Nature of Tax involved	Number of cases outstanding	Aggregate Amount involved
Direct Tax (A)		
By our Promoters	NIL	NIL
Against our Promoters	NIL	NIL
Indirect Tax (B)		
By our Promoters	NIL	NIL
Against our Promoters	NIL	NIL
Total	NIL	NIL

Material Tax Litigation involving Our Promoter

NIL

VI. Outstanding dues to small scale undertakings or any other creditors of our Company

The details of outstanding dues to creditors, as at September 30, 2025, are as follows:

Particulars	No of Creditors	Amount due (in ₹ Lakhs)
Micro and Small Enterprises	66	473.94
Other creditors (including Medium Enterprises)	190	3531.73

Total	256	4005.67
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For complete details about outstanding dues to the creditors of our Company, see “*Audited Financial Statements*” on page 109.

VII. Litigation involving our Group Companies which has a material impact on the Company

There is no pending litigation involving the Group Companies which has a material impact on the Company.

VIII. Material Developments

Except as stated in “*Management’s Discussion and Analysis of Financial Condition and Results of Operation*” on page 218 there have been no material developments, since the date of the last financial information disclosed in this Information Memorandum, which may materially affect or are likely to affect our profitability (taken as a whole); There have been no material developments, since the date of the last financial information disclosed in this Information Memorandum which affects the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Note: Unless otherwise specified, the below approvals pertain to the Demerged Undertaking which has been transferred to the Company pursuant to the Scheme of Arrangement. The Company is in the process of transferring the approvals mentioned below from DCM Shriram Industries Limited to the Company

I. Approvals in relation to the Listing

For the approvals and authorisations obtained by our Company in relation to the listing, see “Other Regulatory and Statutory Disclosures” on page 245.

II. Incorporation details

Certificate of incorporation dated September 30, 2021 issued to our Company by the Registrar of Companies, NCT of Delhi & Haryana.

III. Approvals in relation to the business and operations of our Company

(A) Tax related approvals

- a. The permanent account number of our Company is AAICD7874Q.
- b. The tax deduction and collection account number of the registered office of our Company is as follows:

S. No.	Location	Tax Deduction Account Number
1.	Central TAN	DELD25721D

- c. The goods and services tax identification number obtained by our Company is as follows:

S. No.	State/Union territory	GSTIN of TMLCV
1	Uttar Pradesh	09AAICD7874Q1ZK
2	Gujarat	24AAICD7874Q1ZS
3	Delhi	07AAICD7874Q1ZO
4	Delhi (ISD)	07AAICD7874Q2ZN

(B) Labour related approvals

The Company has requisite approvals, licenses, registrations, including:

- Employee State Insurance Registrations,
- Employee Provident Fund Registrations,
- Registrations under the Contract Labour (Regulation and Abolition) Act, etc., as applicable,
- Certified standing orders under the Industrial Employment (Standing Orders) Act, 1946 and the rules framed thereunder.

IV. Existing material approvals for our Chemical undertaking issued by authorities of the respective jurisdictions in India in which our factories and commercial establishments are located

As required under various state and central laws, rules and regulations, our business and operations, requires approvals and/or licenses, registrations, permission, consents, authorisations, etc. (hereinafter referred to as ‘Approvals’). Such Approvals, amongst others, include:

(a) License under the Factories Act, 1948 and the rules framed thereunder

(b) Consents, authorisations, registrations from the central and state pollution control board under the, Air (Prevention and Control of Pollution) Act, 1981, Water (Prevention and Control of Pollution) Act, 1974, Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, Battery Waste Management Rules, 2022, Bio-Medical Waste Management Rules, 2016, as made under the Environment (Protection) Act, 1986 etc. as applicable

(c) Explosives Act, 1884, and the rules framed thereunder

- (d) No Objection Certificate and approvals for installations from regional authorities and fire departments under the state specific fire laws.
- (e) Registrations of office establishments under the Shops and Establishments Acts of the respective state, as applicable
- (f) Electricity Installation Permits etc.
- (g) License under the Gas Cylinder Rules, 2016
- (h). License under the Petroleum Act, 1934 & Rules 2002
- (i). Registration and NOC under the UP-Ground Water Management and Regulation Act, 2019
- (j). Registration under the Legal Metrology Act, 2009 and rules framed thereunder
- (k). License under the Food Safety and Drug Administration (Drugs & Cosmetic Act, 1940)
- (l). License under the Narcotics Drugs & Psychotropic Substances Act, 1985
- (m). License under the Static and Pressure Vessels (Unfired) Rules, 2016
- (n). License under the Poisons Act, 1919
- (o). Registration of Occupational Health Centre (OHC) under UP Clinical Establishments Rules.
- (p). Registrations under the Motor Vehicles Act, 1988
- (q). Uttar Pradesh Revenue Code, 2006
- (r). Chemical Weapons Convention Act, 2000
- (s). GST and Income Tax Registration,
- (t). IEC Code, State Export Housing Registration etc.

Intellectual Property

As on the date of the Information Memorandum, there is no intellectual property registered in the name of the Company.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for listing

The Scheme was approved by the Board of Directors of our Company (Resultant Company 1), Lily Commercial Private Limited (Transferor Company), DCM Shriram Industries Limited (Transferee Company) and DCM Shriram International Limited (Resultant Company 2), on November 14, 2023.

Shareholders of DCM Shriram Industries Limited (Transferee Company) had also approved the Scheme with requisite majorities, in accordance with the Companies Act, 2013 on February 08, 2025.

The NCLT, vide its order dated November 21, 2025 (certified true copy of the order was received on December 5, 2025), sanctioned the Scheme.

The Scheme of Arrangement was filed under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 involves:

1. **Amalgamation of the Transferor Company:** The integration of Lily Commercial Private Limited into DCMSR, thereby simplifying the shareholding structure and reducing shareholding tiers.
2. **Demerger of Business Undertakings:** The segregation of two critical business verticals—the Chemical Undertaking (including "Daurala Organics" and "Daurala Chemical Industries" units) and the Rayon Undertaking (including Defence and engineering projects)—into separate, independent companies.
3. **Retention of Residual Undertaking:** The preservation of the sugar, alcohol, and power businesses within DCMSR as the Residual Undertaking.

The Appointed Date of the Scheme is April 1, 2023 and the Effective Date of the Scheme is December 17, 2025 as notified by the Company. Observations letters from BSE and NSE in relation to the Scheme were granted on September 17, 2024 and September 18, 2024, respectively.

In accordance with the Scheme, the Equity Shares of our Company, allotted pursuant to the Scheme, shall be listed and admitted to trading on the Stock Exchanges. Such admission and listing are not automatic and will be subject to fulfilment by our Company of the respective listing criteria of the Stock Exchanges and such other terms and conditions as may be prescribed by the respective Stock Exchanges at the time of the application made by our Company seeking approval for listing.

Eligibility Criteria

There being no initial public offering or rights issue, the eligibility criteria prescribed under Chapter VII of the SEBI ICDR Regulations are not applicable. SEBI vide its circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (the "SEBI Circular") has subject to certain conditions permitted unlisted issuer companies to make an application for relaxing from the strict enforcement of Rule 19(2)(b) of SCRR thereof by making an application to SEBI under sub-rule (7) of Rule 19 of the SCRR as per the SEBI Circular. SEBI vide its letter no. I/3842/2026 dated January 02, 2026 granted relaxation under subrule (7) of Rule 19 of the SCRR. Our Company will submit the Information Memorandum, containing information about itself, making disclosures in line with the disclosure requirement for public issues, as applicable to BSE and NSE and the Information Memorandum shall be made available to public through the respective websites of the Stock Exchanges i.e., www.bseindia.com and www.nseindia.com.

Prohibition by SEBI, RBI or other Governmental Authorities

As on the date of this Information Memorandum, our Company, its Directors, its Promoters, Promoter Group, and persons in control of our Company are not prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Further, none of our Directors or Promoter is a director or promoter of any other company which is currently debarred from accessing the capital markets by SEBI.

Neither our Company nor our Promoter or Directors have been identified as Wilful Defaulter(s) by any bank and/or financial institution in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

Neither our Promoters nor our Directors have been declared as fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent applicable.

General Disclaimer from the Company

The Company accepts no responsibility for statements made otherwise than in the Information Memorandum or in the advertisements to be published in terms of Part II (A) para 2 sub – clause 5 of the SEBI Master Circular or any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at his own risk. All information shall be made available by our Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

Disclaimer clause of BSE Limited

As required, a copy of the Draft Scheme was submitted to BSE. BSE vide its letter dated September 17, 2024 granted its observations on the Scheme under Regulation 37 of the SEBI LODR Regulations and by virtue of that approval, the BSE's name is included in this Information Memorandum as one of the Stock Exchanges on which the Company's securities are proposed to be listed. The approval given by the BSE:

1. should not in any manner be deemed or construed that the Scheme has been approved by BSE;
2. does not in any manner warrant, certify or endorse the correctness or completeness of the details provided for the unlisted Company;
3. does not in any manner take any responsibility for the financial or other soundness of DCM Shriram Fine Chemicals Limited, its promoters, its management etc.

Disclaimer clause of NSE Limited

As required, a copy of the Draft Scheme was submitted to NSE. NSE vide its letter dated September 18, 2024 granted its observations on the Scheme under Regulation 37 of the SEBI LODR Regulations and by virtue of that approval, the NSE's name is included in this Information Memorandum as one of the Stock Exchanges on which the Company's securities are proposed to be listed. The approval given by the NSE:

- should not in any manner be deemed or construed that the Scheme has been approved by NSE;
- does not in any manner warrant, certify or endorse the correctness or completeness of the details provided for the unlisted Company;
- does not in any manner take any responsibility for the financial or other soundness of DCM Shriram Fine Chemicals Limited, its promoters, its management etc.

Disclaimer clause of the jurisdiction

Any dispute arising out of this Information Memorandum will be subject to the jurisdiction of appropriate court(s) of Delhi.

Filing

This Information Memorandum has been filed with BSE and NSE.

Listing

Our Company has obtained in-principle listing approvals from BSE and NSE on [xxx]. Our Company shall make the applications for final listing and trading approvals from the Stock Exchanges. The Company has nominated BSE Limited as the Designated Stock Exchange for the aforesaid listing of shares. The Company ensure that it will take all steps for the completion of necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above within such period as approved by SEBI.

Demat Credit

The Company has executed Tri-partite Agreements with CDSL dated December 10, 2025 and with NSDL dated January 9, 2023 respectively, for admitting its securities in demat form. The ISIN allotted to the Company's Equity Shares is INE00FM01015. Equity Shares have been allotted to those shareholders who have provided necessary details to the Company / RTA and/or who were holding their shares in the Demerged Company in demat form as on the Record Date.

Expert Opinions

Our Company has not obtained any expert opinions.

Commission and Brokerage on previous issues

Since the Company has not issued shares to the public in the past, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since its inception.

Performance vis-à-vis Objects

Since incorporation, our Company has not issued any Equity Shares to public [*other than pursuant to the Scheme of Arrangement. The Equity Shares of our Company will be listed on the Stock Exchanges pursuant to the Scheme of Arrangement*].

Issuances for consideration other than cash

For details in relation to the allotment of Equity Shares for consideration other than cash, please see "*Capital Structure*" on page 34 of this Information Memorandum.

Outstanding debenture or bonds and redeemable preference shares and other instruments issued by the Company

Not Applicable

Stock market data for equity shares of the Company

The Equity shares of the Company are not listed on any stock exchanges. The Company is seeking approval for listing of its Equity Shares through this Information Memorandum.

Disposal of investor grievances

Shareholders can raise their grievances by sending mails to Ms. Kokila Arora, Company Secretary & Compliance Officer to raise complaints in SCORES (common portal introduced by SEBI).

As on the date of this Information Memorandum, our Company has not received any investor complaints since incorporation.

Company Secretary & Compliance Officer

Ms. Kokila Arora is the Company Secretary and Compliance Officer.

Consent

Our Company has obtained consent from our Promoters, Directors, KMP, SMP, Statutory Auditor (Peer Reviewed), Promoter Group entities, Subsidiary company, Group company, Registrar & Transfer Agent, for including their name in the Information Memorandum.

Capitalisation of reserves or profits or revaluation of assets

There has been no capitalization of our reserves or profits or revaluation of our assets since incorporation to the date of this Information Memorandum.

Capital issues in the preceding three years by the Company

Except the allotment of 8,69,92,185 Equity Shares of INR 2/- each pursuant to the Scheme of Arrangement as disclosed in the chapter titled "*Capital Structure*" on page 34 of this Information Memorandum, our Company has not made any capital issue during the preceding three years as on the date of Information Memorandum except to DCM Shriram Industries Limited, the erstwhile holding company. The share capital stand extinguished on the Scheme becoming effective.

SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013 COMPANY LIMITED BY SHARES ARTICLES OF ASSOCIATION OF DCM SHRIRAM FINE CHEMICALS LIMITED

Table F as notified under Schedule I of the Companies Act, 2013 is applicable to the Company

Interpretation

I. 1. In the interpretation of these Articles, unless repugnant to the subject or context:

“The Act” means - the Companies Act, 2013, or any statutory modifications or re-enactment thereof for the time being in force.

‘Auditors’ means and includes those persons appointed as such for the time being by the Company.

“Beneficial Owner” means the beneficial owner as defined in Section 2(1)(a) of the Depositories Act, 1996.

“Capital or Share Capital” means the share capital for the time being raised or authorized to be raised, for the purpose of the Company.

“Company” means DCM Shriram International Limited

‘Director’ means a person appointed to the Board of the Company.

“Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.

“Gender”: Words importing the masculine gender also include the feminine gender.

‘Member’ means a member under Clause 55 of Section 2 of the Act.

“Month” means a calendar month.

“Office” means the Registered Office for the time being of the Company.

“Person/persons” include corporation/s

“Rules” means the Rules framed under the Act.

“Seal” means the Common Seal for the time being of the Company or any other method of authentication of documents, as specified under the Act or Rules.

“Security” means the securities as defined in Companies Act, 2013.

“Singular Number”: Words importing the singular number include, where the context admits or

requires, the plural number and vice versa.

“Written” and “In writing” include printing, lithography and other modes of representing or reproducing words in a visible form.

“Year “means the calendar year, and

“A Group” shall mean DCM Shriram Industries Limited represented through its nominee/s on the Board of the Company.

All the rights of “A group” under these “Articles” shall be exercisable by the nominee/s of DCM Shriram Industries Limited on the Board of the Company duly authorized by the Board of DCM Shriram Industries Limited in writing in this regard.

2. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

Share capital and variation of rights

- II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
- (a) one certificate for all his shares without payment of any charges; or
- (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall specify the shares to which it relates and the amount paid up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary:
- Provided that in case the company has a common seal it shall be affixed in the presence of the persons required to sign the certificate.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- 3 (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

- (ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
- 4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
- 6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
- 7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
- 8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

Lien

- 9. (i) The company shall have a first and paramount lien—
 - (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
14. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18. The Board—
- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
20. The Board may, subject to the right of appeal conferred by section 58 decline to register—
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.
21. The Board may decline to recognise any instrument of transfer unless—
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.
22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Forfeiture of shares

27. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
28. The notice aforesaid shall—

- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fits.
31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
35. Subject to the provisions of section 61, the company may, by ordinary resolution,
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

36. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

Capitalisation of profits

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

General meetings

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary

general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of meeting

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so, directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
 - (a) on a show of hands, every member present in person shall have one vote; and
 - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

58. The following shall be the first Directors of the Company:
 1. Alok Bansidhar Shriram
 2. Madhav Bansidhar Shriram
 3. Vineet Manaktala
59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.
61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
63. Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
68. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. Subject to the requirements of the Act and the Rules, the Board shall appoint

a Chairman and a Vice-Chairman of the Board. In the absence of Chairman, the Vice Chairman shall act as Chairman.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

69. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) The Board, from time to time, may revoke and discharge any such committee either wholly or in part and either as to person or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. Subject to the requirements of applicable laws, all acts done by any such committee of the Board in conformity with such regulations shall have the like force and effect as if done by the Board.

70. (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

71. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

74. Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

76. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

80. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

82. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
85. No dividend shall bear interest against the company.

Accounts

86. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding up

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder—
- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION IX - MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Registered Office of our Company on any Working Day (i.e., Monday to Friday) between 10:00 a.m. and 5:00 p.m. from the date of filing of this Information Memorandum with the Stock Exchanges until the listing of Equity Shares on the Stock Exchanges. The said documents will also be available for inspection through electronic mode on the specific request from the concerned person made on the designated e-mail ID of our Company i.e., compliance@dsfcl.com.

Material Contracts and Documents for Inspection:

- a) Resolution of the Board of Directors of the Company dated November 14, 2023 approving the Scheme of Arrangement;
- b) Observation letter no. Ref: NSE/LIST/38655 dated September 18, 2024 for the Scheme of Arrangement from NSE;
- c) Observation letter no. DCS/AMAL/TL/R37/3330/2024-25 dated September 17, 2024 for the Scheme of Arrangement from BSE;
- d) Composite scheme of arrangement under Chapter XV of the Companies Act, 2013 amongst Lily Commercial Private Limited (“Transferor Company”) and DCM Shriram Industries Limited (“Transferee Company”) and DCM Shriram Fine Chemicals Limited (“Resultant Company 1”) and DCM Shriram International Limited (“Resultant Company 2”) and their respective shareholders and creditors;
- e) Order of the hon’ble National Company Law Tribunal, New Delhi Bench, dated November 21, 2025, approving the Scheme of Arrangement;
- f) BSE letter no. DCS/AMAL/RG/IP/4020/2025-26 dated January 21, 2026 granting in-principle approval for listing;
- g) NSE letter no. NSE/LIST/185 dated January 21, 2026 granting in-principle approval for listing;
- h) Tripartite Agreement dated January 9, 2023 with NSDL, Registrar and Share Transfer Agent and the Company;
- i) Tripartite Agreement dated December 10, 2025 with CDSL, Registrar and Share Transfer Agent and the Company;
- j) Memorandum and Articles of Association of the Company, as amended till date;
- k) Certificate of incorporation of the Company dated September 30, 2021;
- l) SEBI’s letter bearing reference number I/3842/2026 dated February 02, 2026 granting relaxation of Rule 19(2)(b) of the SCRR as per the SEBI Circular as amended from time to time for the purpose of listing of the shares of DCM Shriram Fine Chemicals Limited;
- m) Restated Condensed Consolidated Financial Statements of DCM Shriram Fine Chemicals Limited for the period ended September 30, 2025 and Restated Audited Consolidated Financial Statements for the year ended March 31, 2025 (which also contains comparative figures for FY ended March 31, 2024), along with the respective audit reports thereon.

Any of the contracts or documents mentioned in this Information Memorandum may be amended or modified at any time if so, required in the interest of our Company or if required by other parties, without reference to the Shareholders, subject to compliance with the applicable laws.

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Information Memorandum are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

Urvashi Tilakdhar
Senior Managing Director
DIN: 00294265

Place: New Delhi

Date: February 5, 2026

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Information Memorandum are true and correct.

SIGNED BY THE CFO OF OUR COMPANY

Sd/-

Naresh Handa
Chief Financial Officer

Place: New Delhi

Date: February 5, 2026

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Information Memorandum are true and correct.

SIGNED BY THE CS OF OUR COMPANY

Sd/-

Kokila Arora

Company Secretary & Compliance Officer

ACS 21670

Place: New Delhi

Date: February 5, 2026