

TECHNOPAINTS AND CHEMICALS LIMITED
(Formerly Fortune Paints Private Limited)

**Annual Report
2025-26**

BOARD OF DIRECTORS

Mr. Akuri Srinivasa Reddy – Chairman & Managing Director

Mr. Venkata Lakshmi Narasimha Murthy Chilla- Non-Executive Non-Independent Director

Mr. Anil Kondoth –Executive Director & CEO

Mrs. Guntaka Dhanalakshmi – Independent Director (Appointed w.e.f. 01.07.2025)

Mr. Radhakrishnan Balakrishna Menon – Independent Director (Appointed w.e.f. 30.9.2025)

Mr. Bokkisam Sureshkumar – Independent Director (Appointed w.e.f. 13.08.2026)

STATUTORY AUDITORS

VASG & ASSOCIATES.

Chartered Accountants,
503/A, 5TH Floor Kubera Towers
Narayanaguda, Hyderabad-500029,
Telangana, India.

CHIEF FINANCIAL OFFICER

Mr. S Srikanth Reddy

COMPANY SECRETARY

Mrs. D Madhavi Latha

REGISTRAR AND SHARE TRANSFER AGENT (RTA)

KFIN Technologies Limited

Selenium, Tower B, Plot No – 31 and 32, Financial District,
Nanakramguda, Serilingampally, Hyderabad - 500032,
Telangana, India

BANKERS

Bank of Baroda

HDFC Bank

IDFC First Bank

REGISTERED OFFICE

Plot No. 1A & 1B, Techno Houz, Hitex Road, Shilpa Hills,
Izzat Nagar, Kothaguda (K.V. Rangareddy),
K.V. Rangareddy, Serilingampally, Telangana, India, 500084
CIN: U24220TG2008PLC058787

NOTICE OF 18TH ANNUAL GENERAL MEETING

Notice is hereby given that the Eighteenth (18th) **Annual General Meeting** of the members of **Technopaints and Chemicals Limited** (formerly known as Fortune Paints Private Limited) will be held on Thursday, the 17th day of September, 2026 at 11.30 A.M. at the registered office of the company situated at Plot No. 1A & 1B, Techno Houz, Hitex Road, Shilpa Hills, Izzat Nagar, Kothaguda, K.V. Rangareddy, Serilingampally, Telangana, India, 500084 to transact the following business:

This notice of meeting is given pursuant to Section 101 of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) each as amended.

This notice is a shorter notice of 7 days and requisite consents have been obtained from the shareholders pursuant to Section 101(1) of the Companies Act, 2013 in accordance with the Articles of Association.

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Financial statements of the Company prepared as per Ind AS for the Financial Year ended March 31, 2026, along with the notes to accounts and the reports of the Auditors and Board of Directors thereon.**

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary resolution**.

"RESOLVED THAT the audited financial statements of the Company for the financial year ended March 31, 2026, including the Balance Sheet as at 31.03.2026 the Statement of Profit and Loss, the Cash Flow Statement, and the notes annexed thereto, along with the Reports of the Board of Directors and the Auditors thereon, as placed before the meeting, be and are hereby received, approved, and adopted."

2. **To declare a final dividend at ₹ 0.35 per equity share of Rs. 5/- each on equity shares for the financial year ended 31st March 2026 and, in this regard, to consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the recommendation of the Board of Directors, a final dividend of Rs. 0.35 per equity share face value of Rs. 5/- (Rupees Five each only) amounting to a total payout of Rs. 1,70,49,060/- (Rupees One Crore Seventy Lakhs Forty Nine Thousand and Sixty only) for the financial year ended 31st March, 2026, be and is hereby approved and declared for payment to those equity shareholders whose names appear on the Register of Members of the Company as of the record date/cutoff date fixed as 16th September, 2026.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take all necessary steps and actions to implement and give effect to this resolution, including the payment of the said dividend within the statutory time frame.

3. To appoint a director in the place of Mr. Venkata Lakshmi Narasimha Murthy Chilla (DIN: 01978748), who retires by rotation and being eligible offers himself for re-appointment and, in this regard, to consider and if thought fit, with or without modification, to pass the following resolution as an Ordinary Resolution

“RESOLVED THAT Mr. Venkata Lakshmi Narasimha Murthy Chilla (DIN: 01978748), who retires by rotation in terms of Section 152 of Companies Act, 2013 and being eligible, be and is hereby re-appointed as Director of the Company whose office shall be liable to retirement by rotation”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take all necessary steps and actions to implement and give effect to this resolution.

SPECIAL BUSINESS

4. To approve Initial Public offer of equity shares of the company:

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

“RESOLVED THAT pursuant to the provisions of Sections 23, 62(1)(c) and all other applicable provisions of the Companies Act, 2013, and the rules and regulations made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force), including the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the Companies (Share Capital and Debentures) Rules, 2014, as amended (collectively the **“Companies Act”**), and in accordance with and subject to the provisions of the Securities Contracts (Regulation) Act, 1956, (**“SCRA”**) and the Securities Contracts (Regulation) Rules, 1957 (**“SCRR”**), each as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the **“SEBI ICDR Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**“SEBI Listing Regulations”**), the Foreign Exchange Management Act, 1999, as amended, and the rules and regulations made thereunder, as amended, including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Government of India (**“GoI”**), including the Department for Promotion of Industry and Internal Trade, the Securities and Exchange Board of India (**“SEBI”**), Reserve Bank of India (**“RBI”**) and any other applicable laws, rules and regulations, in India or outside India (including any amendment thereto or re-enactment thereof for the time being in force) (collectively, the **“Applicable Laws”**), and in accordance with the provisions of the memorandum of association (**“Memorandum of Association”**) and the articles of association (**“Articles of Association”**) of the Company and the uniform listing agreements to be entered into between the Company and the respective stock exchanges where the Equity Shares are proposed to be listed (the **“Stock Exchanges”**), and subject to any approvals, consents, permissions and sanctions as may be required from the GoI, the Registrar of Companies, Telangana at Hyderabad (**“RoC”**), the SEBI, RBI, the Department for Promotion of Industry and Internal Trade (**“DPIIT”**), Ministry of Commerce and Industry and all other appropriate statutory authorities and departments (collectively, the **“Regulatory Authorities”**) and subject to such governmental and regulatory conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, waivers, consents, permissions and sanctions and which may be agreed to by the board of directors of the Company (the **“Board”** which term shall include a duly authorized committee thereof for the time being exercising the powers conferred by the Board including the powers conferred by this resolution), the consent and approval of the shareholders

of the Company be and is hereby accorded to create, issue, offer, allot and/or transfer of its Equity Shares up to an aggregate of **₹3250.00 million** by way of a fresh issue of Equity Shares (the “**Fresh Issue**”) and an offer for sale of such number of Equity Shares up to an aggregate amount of **₹ 1750.00 million** by certain existing shareholders (“**Selling Shareholders**”) (“**Offer for Sale**” and together with the Fresh Issue, the “**Offer**”), for cash either at par or premium (with an option to the Company to retain an over-subscription to the extent of 1% of the net Offer or such other extent as may be permitted under the Applicable Laws, for the purpose of rounding off to the nearest integer to make allotment while finalizing the basis of allotment in consultation with the designated stock exchange) including any issue and allotment of Equity Shares to the stabilizing agent pursuant to a green shoe option and/or any other person pursuant to any Pre-IPO Placement in terms of the SEBI ICDR Regulations, at a price to be determined, by the Company and Selling Shareholders, in consultation with the book running lead managers (“**BRLMs**”), through the book building process in terms of the SEBI ICDR Regulations or otherwise in accordance with Applicable Laws, at such premium or discount per Equity Share as permitted under Applicable Laws and as may be fixed and determined by the Company in consultation with the BRLMs in accordance with the SEBI ICDR Regulations (the “**Offer Price**”), to any category of person or persons who are eligible investors as permitted under Applicable Laws. Subject to the above-mentioned approval of the members of the Company, the Board shall do all such acts, matters, deeds and things and negotiate, finalise and execute such deeds, documents and agreements, as it may, in its absolute discretion, deem necessary, proper or desirable in relation to the Offer and the consequent listing of the Equity Shares on the recognized Stock Exchanges on behalf of, and in the best interests, of the Company, including determination of the terms of the Offer, the timing, size and price, in terms of the SEBI ICDR Regulations or otherwise in accordance with Applicable Laws, at such premium or discount per Equity Share as may be fixed and determined by the Board in consultation with the BRLMs in accordance with the SEBI ICDR Regulations, to any category of persons who are eligible investors, who may or may not be the shareholder(s) of the Company as the Board may decide in consultation with the BRLMs including anchor investors and qualified institutional buyers, if any, as defined under Regulations 2(1)(c) and 2(1)(ss) respectively of the SEBI ICDR Regulations, foreign / non-resident investors whether they are one or more of the members of the Company, eligible employees (through a reservation or otherwise), Hindu undivided families, foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, venture capital funds, alternative investment funds, non-resident Indians, state industrial development corporations, insurance companies, registered with the Insurance Regulatory and Development Authority of India, insurance funds, provident funds with a minimum corpus of INR 250 million, pension funds with a minimum corpus of INR 250 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund, insurance funds set up by army, navy, or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India, registered with the Insurance Regulatory and Development Authority of India, trusts/societies registered under the Societies Registration Act, 1860, as amended, multilateral and bilateral development financial institutions, systemically important non-banking financial companies, Indian mutual funds, Indian public, bodies corporate, companies (private or public) or other entities (whether incorporated or not), authorities, and to such other persons including high net worth individuals, retail individual bidders or other entities, in one or more combinations thereof and/or any other category of investors as may be permitted to invest under Applicable Laws by way of the Offer (collectively, the “**Investors**”), in consultation with the BRLMs and/or underwriters and/or the stabilizing agent, pursuant to a green shoe option, if any, in accordance with the SEBI ICDR Regulations and/or other advisors or such persons appointed for the Offer and on such terms and conditions as may be finalised by the Board in consultation with the BRLMs through an offer

document, prospectus and/or an offering memorandum, as required, including the decision to determine the category or categories of investors to whom the allotment/transfer shall be made to the exclusion of all other categories of investors and in such manner as the Board may in its discretion, deem fit, including in consultation with BRLMs, underwriters and/or other advisors as may be appointed for the Offer on such terms as may be deemed appropriate by the Board as permissible under Applicable Law, and that the Board in consultation with the BRLMs may finalise all matters incidental thereto as it may in its absolute discretion think fit and proper in the best interest of the Company, without requiring any further approval of the members, and that all or any of the powers of the Company devolved pursuant to this resolution may be exercised by the Board or any duly constituted committee of the Board, including the IPO Committee.”

“RESOLVED FURTHER THAT in accordance with Applicable Laws, the Offer may include, without limitation, issuance and allotment of Equity Shares to a stabilising agent pursuant to a green shoe option, if any, in terms of the SEBI ICDR Regulations and reservation of a certain number of Equity Shares to be issued to such person or persons, who may or may not be the members of the Company and as the Board may at its discretion decide in consultation with the BRLMs and as may be permissible under Applicable Laws.”

“RESOLVED FURTHER THAT the Board may invite the existing shareholders of the Company to participate in the Offer by making an Offer for Sale in relation to such number of Equity Shares held by them, and which are eligible for the Offer for Sale in accordance with the SEBI ICDR Regulations, as the Board may determine in consultation with the BRLMs (to the extent applicable), subject to the consent of and approvals from SEBI, GoI, RBI, RoC, DIPPT and the Stock Exchanges, and/or such other approvals, permissions and sanctions of all other concerned Regulatory Authorities, if and to the extent necessary, and subject to such conditions and modifications as may be prescribed in granting such approvals, permissions and sanctions, at a price to be determined by the book building process in terms of the SEBI ICDR Regulations, for cash at such premium per share as may be fixed and determined by the Company and the Selling Shareholders in consultation with the BRLMs, to such category of persons as may be permitted or in accordance with the SEBI ICDR Regulations or other Applicable Laws, as may be prevailing at that time and in such manner as may be determined by the Board in consultation with the BRLMs and/or underwriters and/or other advisors or such persons appointed for the Offer.”

“RESOLVED FURTHER THAT the Board and any duly authorized committee thereof be and is hereby authorized on behalf of the Company to make available for allocation a portion of the Offer to any category(ies) of persons permitted under Applicable Law, including without limitation, 5% (the **“Reservation”**) or to provide a discount to the Offer price to any categories as may be permitted under applicable law to 5% (the **“Discount”**), at the discretion of the Board; and to take any and all actions in connection with any Reservation or Discount as the Board may think fit or proper in its absolute discretion, including, without limitation, to negotiate, finalize and execute any document or agreement, and any amendments, supplements, notices or corrigenda thereto; seek any consent or approval required or necessary; give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, think necessary, appropriate, or desirable; and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 23, 42, 62(1)(c), and any other applicable provisions, if any, of the Companies Act and other Applicable Laws, and in accordance with the provisions of the memorandum of association and articles of association of the Company, subject to

such further corporate and other approvals as may be required the consent and approval of the shareholders of the Company is hereby accorded either by itself or the IPO Committee thereof, to complete a private placement or such other route as may be permitted under the applicable law at the discretion of the Board aggregating up ₹ 650.00 million as may be decided by the Board (or duly authorised committee thereof), to certain investors as permitted under Applicable Laws on or prior to the date of the red herring prospectus ("**Pre-IPO Placement**"), at such other price as decided by the Company and the Selling Shareholders in consultation with the BRLMs and/or other advisors, in light of the then prevailing market conditions in accordance with Applicable Laws, and in the event of the consummation of the Pre-IPO Placement, the size of the Offer would be reduced to the extent of specified securities issued and subscribed under the Pre-IPO Placement, and to take any and all actions in connection with the Pre-IPO Placement as the Board or the IPO Committee may think fit or proper in its absolute discretion, including, without limitation, and do all such other acts, deeds, matters and things as the Board may from time to time, in their absolute discretion deem fit and including without limitation, negotiate, finalise and execute any document or agreement, including without limitation any private placement offer letters, placement agreement, escrow agreement, term sheet and such other documents or any amendments or supplements thereto and to open any bank account for the purpose if required, and to open any shares or securities account or escrow or custodian accounts as may be required in connection therewith and generally to do all such acts, deeds, matters and things in relation to all matters incidental to the Pre-IPO Placement or in relation to the foregoing and to settle any question, difficulty, or doubt that may arise with regard thereto or in relation to the foregoing. In the event of a Pre-IPO Placement, the size of the Offer would be reduced from the Fresh Issue portion to the extent of Equity Shares issued under the Pre-IPO Placement subject to the Offer satisfying the minimum offer size requirements under the SCRR and Applicable Laws."

"RESOLVED FURTHER THAT the Equity Shares so allotted or transferred pursuant to the Offer shall be listed on one or more recognized stock exchanges in India."

"RESOLVED FURTHER THAT the Equity Shares so allotted under the Fresh Issue (including any reservation) and transferred pursuant to the Offer for Sale (including pursuant to green shoe option) shall be subject to the Memorandum of Association and the Articles of Association of the Company, as applicable and shall rank *pari passu* in all respects with the existing Equity Shares of the Company including rights in respect of dividend."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions and any transfer and allotment of Equity Shares pursuant to the Offer, the Board, or any duly authorised committee thereof, in consultation with the BRLMs, may determine the terms of the Offer including the class of investors to whom the Equity Shares are to be allotted or transferred, the number of Equity Shares to be allotted or transferred, Offer price, premium amount, discount (as allowed under Applicable Laws), listing on one or more stock exchanges in India as the Board in its absolute discretion deems fit and do all such acts, deeds, matters and things and to negotiate, finalize and execute such deeds, documents agreements and any amendment thereto, as it may, in its absolute discretion, deem necessary, proper or desirable including arrangements with BRLMs, underwriters, escrow agents, legal advisors, etc., to approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise, in regard to the Offer, transfer and allotment of the Equity Shares, and utilization of the Offer proceeds, if applicable and such other activities as may be necessary in relation to the Offer and to accept and to give effect to such modifications, changes, variations, alterations, deletions and/or additions as regards the terms and conditions as it may, in its absolute discretion, deem fit and proper

in the best interest of the Company and the Offer, and that all or any of the powers conferred on the Board pursuant to these resolutions may be exercised by the Board or such duly authorised committee thereof as the Board may constitute in its behalf.”

“**RESOLVED FURTHER THAT** all monies received out of the Offer shall be transferred to a separate bank account opened for the purpose of Offer, referred to in Section 40(3) of the Companies Act, 2013, and application monies received pursuant to the Offer shall be refunded within such time, as specified by SEBI and in accordance with Applicable Laws, or the Company and/or the selling shareholders shall pay interest on failure thereof, as per Applicable Laws.”

“**RESOLVED FURTHER THAT** subject to compliance with Applicable Laws such Equity Shares as are not subscribed and/or not transferred by way of the Offer, may be disposed off by the Board in consultation with the BRLMs to such persons and in such manner and on such terms as the Board in its absolute discretion thinks most beneficial to the Company including offering or placing them with banks/ financial institutions/ investment institutions/ mutual funds/ bodies corporate/ foreign portfolio investors / such other persons or otherwise.”

“**RESOLVED FURTHER THAT** in connection with any of the foregoing resolutions, the members of the Board and such other persons as may be authorized by the Board, on behalf of the Company, be and are hereby severally or jointly authorized to do such acts, deeds and things as the Board in its absolute discretion deems necessary or desirable in connection with the Offer and to delegate all or any of the powers herein conferred in such manner as it may deem fit, to execute and deliver any and all other documents, papers or instruments, issue and provide certificates and to do or cause to be done any and all acts or things as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions for the Offer; and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be.”

“**RESOLVED FURTHER THAT** any of the Directors and/or Company Secretary of the Company is authorised to certify the true copy of the aforesaid resolutions which may be forwarded to any concerned authorities for necessary action.”

By order of the Board
For Technopaints and Chemicals Limited
(Formerly known as Fortune Paints Private Limited)

Srinivasa Reddy Akuri
Chairman & Managing Director
[DIN: 01746988]

Place: Hyderabad
Date: 09.09.2026

Registered Office:

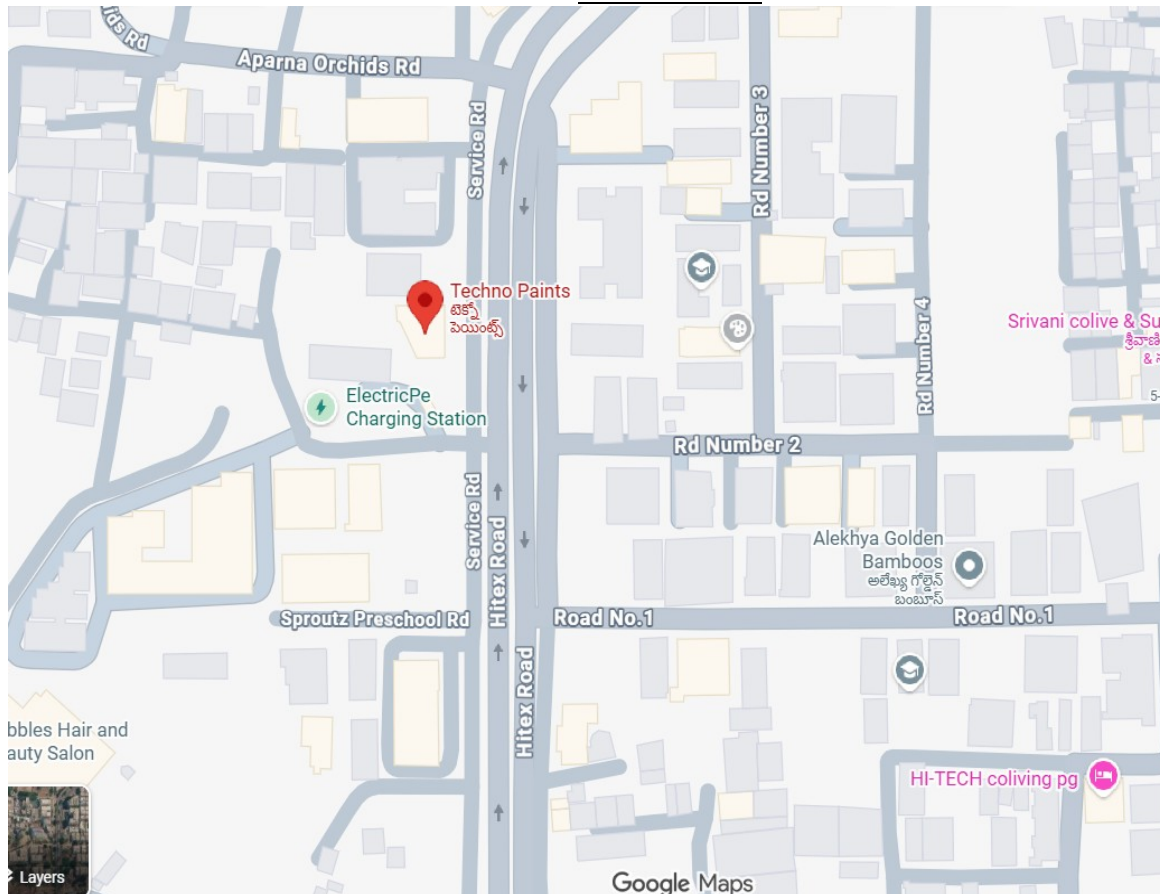
Plot No. 1A & 1B, Techno Houz, Hitex Road, Shilpa Hills, Izzat Nagar,
Kothaguda, K.V. Rangareddy, Serilingampally, Hyderabad - 500084, Telangana

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy, in order to be effective, must be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than **48 hours before the commencement of the AGM.**
2. A person can act as a proxy on behalf of members not exceeding **fifty (50) members** and holding in the aggregate not more than **ten per cent (10%) of the total share capital of the Company carrying voting rights.** A member holding more than ten per cent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided such person shall not act as proxy for any other person or shareholder.
3. Members/Proxies/Authorised Representatives are requested to bring the duly filled attendance slip and a valid identity proof for attending the AGM.
4. In case of **Corporate Members**, intending to send their authorised representatives to attend the AGM pursuant to Section 113 of the Companies Act, 2013 ("Act") are requested to send a certified true copy of the Board Resolution or other appropriate authorisation, authorising their representative to attend and vote on their behalf at the AGM, to the Company at its Registered Office before the commencement of the meeting.
5. Members are requested to note that, pursuant to Section 105 of the Act, a proxy shall not have the right to speak at the AGM and shall not be entitled to vote except on a poll.
6. **Inspection of Documents:** All relevant documents referred to in the accompanying Notice and Explanatory Statement shall be available for inspection by the Members at the Registered Office of the Company in person at 1A & 1B, Techno Houz, Hitex Road, Shilpa Hills, Izzat Nagar, Kothaguda (K.V. Rangareddy), K.V. Rangareddy, Serilingampally, Telangana-500084 during 11 am to 3 pm on all working days, except Saturdays, Sundays and public holidays, up to the date of the meeting.
7. Pursuant to Section 20(2) of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014, as amended, companies are permitted to send official documents to their shareholders electronically.
8. This meeting is being called at a shorter notice than the statutory required minimum of 21 clear days. Pursuant to the provisions of Section 101 of the Companies Act, 2013, a general meeting other than AGM may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote thereat. The members have accordingly given their consents to hold the meeting at a shorter notice.
9. Those shareholders whose email IDs are not registered, are requested to register their email ID with the Company, by providing their Name, Address, email ID, PAN, DPID/Client ID or Folio Number and Number of shares held by them by sending an email to cs@technopaints.in

10. The Board of the Company has recommended dividend of Rs.0.35/- per share for each fully paid Equity shares of Rs.5/- (post sub-sub-division) each for the year ended 31st March 2026.
11. Final dividend for the financial year ended 31st March 2026, if approved by the members at the ensuing AGM, will be paid on or after 17.09.2026, to those members whose names appear in the Register of Members of the Company or Register of Beneficial Owners maintained by the Depositories as on the record date i.e., 16.09.2026.
12. Members holding shares in physical/demat form are required to submit their bank account details, if not already registered, as mandated by the SEBI.
13. In case the Company's dividend banker is unable to process the final dividend to any Member by electronic mode, due to non-availability of the details of the bank account or for any other valid reason whatsoever, the Company shall dispatch the dividend warrants/demand drafts/intimation letter to KYC non-compliant physical folios by post.
14. **Route Map:** A route map showing the location of the venue of the AGM, along with a prominent landmark, is annexed to the Notice for the convenience of the Members.

ROUTE MAP



EXPLANATORY STATEMENT

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, ANNEXURE TO AND FORMING PART OF THE NOTICE DATED 09.09.2026

ITEM NO. 4:

In order to meet the financial needs of the company's expansion plan, reduce its debt burden, and strengthen its manufacturing capabilities and for general corporate purposes, the company proposes to execute a comprehensive financial restructuring and growth strategy by undertaking an initial public offering.

The Company intends to list its equity shares of face value of ₹ 5/- (Rupees Five only) each (the "**Equity Shares**") on one or more recognised stock exchanges to enable the shareholders to have a formal marketplace for dealing with the Company's Equity Shares. For this purpose, the Company proposes to undertake an initial public offering of Equity Shares by way of fresh issue of Equity Shares (the "**Fresh Issue**") and an offer for sale of Equity Shares by certain existing shareholders ("**Selling Shareholders**") ("**Offer for Sale**" and together with the Fresh Issue, the "**Offer**"). The Company intends to, at the discretion of the Board, undertake the Offer and list its Equity Shares at an opportune time in consultation with the book running lead managers ("**BRLMs**") and other advisors in relation to the Offer and subject to applicable regulatory approvals and other approvals, to the extent necessary.

In view of the above and in terms of Section 23, 42, 62(1)(c), and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, each as amended (the "**Companies Act**"), the approval of the members of the Company is required through a special resolution.

The Company proposes to create, offer, issue and allot and/or transfer such number of Equity Shares in the Offer aggregating up to ₹3250.00 million (including share premium), including by way of a fresh issuance of Equity Shares, out of the authorized share capital of the Company ("**Fresh Issue**") and/or an offer of sale of such number of Equity Shares by certain of the existing and eligible shareholders of the Company, as may be determined at the Board's discretion after considering the prevailing the market conditions and other relevant factors ("**Offer for Sale**" and together with the Fresh Issue, the "**Offer**") on such terms and at such price or prices and at such time as may be considered appropriate by the Board or a duly authorized committee thereof, in consultation with the BRLMs, to the various categories of permitted investors who may or may not be the shareholder(s) of the Company in the initial public offer by way of book building method under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**") and the Securities Contracts (Regulation) Rules, 1957. The Equity Shares, if any, allotted vide the Offer shall rank in all respects *pari passu* with the existing Equity Shares of the Company. The net proceeds of the Offer will be utilised for the purposes that shall be disclosed in the draft red herring prospectus, updated draft red herring prospectus, red herring prospectus and the prospectus. The Board has the authority to modify the above objects on the basis of the requirements of the Company, subject to Applicable Laws. The price at which the Equity Shares will be allotted through the Offer, as well as the price band within which bidders in the Offer will be able to put in bids for Equity Shares offered in the Offer shall be determined and finalised by the Company in consultation with the BRLMs to the Offer, in accordance with applicable laws.

The Equity Shares are proposed to be listed on BSE Limited, National Stock Exchange of India Limited and any other stock exchange as determined by the Board at its absolute discretion (together, the “**Stock Exchanges**”) and the Company will be required to enter into listing agreements with each of the Stock Exchanges.

The Company will not make an offer of Equity Shares to the promoter, or member of the promoter group of the Company in the Offer. However, the directors (except who are part of the promoter group or are independent directors) or the key managerial personnel of the Company may apply for the Equity Shares in the various categories under the Offer in accordance with the SEBI ICDR Regulations, the Companies Act and any other Applicable Laws.

Other than through their participation in the Offer as mentioned above, none of the directors, key managerial personnel, senior management of the Company, or the relatives of the aforementioned persons are interested in the said resolution.

No change in control of the Company or its management of its business is intended or expected pursuant to the Offer.

Further, pursuant to the provisions of Sections 23, 42, 62(1)(c), and any other applicable provisions, if any, of the Companies Act and other Applicable Laws, and in accordance with the provisions of the memorandum of association and articles of association of the Company subject to such further corporate and other approvals as may be required, the Company proposes to complete a private placement or such other route as may be permitted under the applicable law at the discretion of the Board aggregating up to ₹ 650.00 million as may be decided by the Board (or duly authorised committee thereof), to certain investors as permitted under Applicable Laws on or prior to the date of the red herring prospectus (“**Pre-IPO Placement**”), at such other price as decided by the Company and the Selling Shareholders, in consultation with the BRLMs and/or other advisors, in light of the then prevailing market conditions in accordance with Applicable Laws. In the event of a Pre-IPO Placement, the size of the Offer would be reduced from the Fresh Issue portion to the extent of Equity Shares issued under the Pre-IPO Placement subject to the Offer satisfying the minimum offer size requirements under the SCRR and Applicable Laws.”

In view of the above and in terms of Sections 23, 42, 62(1)(c) and other applicable provisions of the Companies Act, 2013 (“**Companies Act**”), and the rules and regulations made thereunder, each as amended, the approval of the shareholders of the Company is required through a special resolution.

The Board recommends the resolutions in Item No. 4 of the accompanying Notice for your approval as special resolutions. Accordingly, approval of the shareholders of the Company is sought to issue Equity Shares under Sections 23, 42, 62(1)(c) and other applicable provisions of the Companies Act and the rules and regulations made thereunder, each as amended.

By order of the Board
For Technopaints and Chemicals Limited
(Formerly known as Fortune Paints Private Limited)



technopoints

Srinivasa Reddy Akuri
Chairman & Managing Director
[DIN: 01746988]

Place: Hyderabad

Date: 09.09.2026

Registered Office:

Plot No. 1A & 1B, Techno Houz, Hitex Road, Shilpa Hills,
Izzat Nagar, Kothaguda, K.V. Rangareddy,
Serilingampally, Hyderabad - 500084,
Telangana

BRIEF RESUME OF DIRECTOR SEEKING APPOINTMENT AT THIS ANNUAL GENERAL MEETING:

Name of The Director	Venkata Lakshmi Narasimha Murthy Chilla
DIN	01978748
Date of Birth	10-08-1958
Age	68 years
Nationality	Indian
Date of first appointment on Board	03.08.2024
Qualification	He holds a bachelor's degree in commerce and a bachelor's degree in law, both from Nagarjuna University, and a master's degree in human

	resource management from Pondicherry University. He has been enrolled as an advocate with the Bar Council of the state of Andhra Pradesh since 1986.
Experience	He has approximately 40 years of experience in the legal sector.
Terms and Conditions of appointment	Non-Executive Non-Independent Director
Nature of Expertise and skill set require in specific functional areas	Nature of Experience: A Law Graduate with extensive experience in the practice of law, including handling and advising on civil and criminal matters. He has provided legal advice and representation in various legal matters and has developed experience in understanding and addressing legal and business-related issues. In addition, he has worked as a Management Consultant for various organisations, providing advisory services relating to management, business operations, organisational matters and strategic decision-making. His experience encompasses a combination of legal practice, advisory services and management consultancy across diverse organisations.
Number of meetings attended during the year	10
Directorships held in other Companies	i) Independent Director of Couth Infotech Private Limited; and ii) Director in Ojus Software Labs Private Limited
Membership/ Chairmanships of Committees in other Companies	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel	NIL
Shareholding in the Company	2,10,000

BOARD'S REPORT

To,

The Members,
TECHNOPAINTS AND CHEMICALS LIMITED,
(Formerly Fortune Paints Private Limited)
 Hyderabad.

Your directors have pleasure in presenting the 18th Annual Report on the business and operations of your Company along with the audited financial statements for the financial year ended March 31, 2026.

1. FINANCIAL RESULTS:

The Financial performance of your Company for the financial year ended March 31, 2026 is summarized below as compared to the previous Financial Year:

(Amount in Millions)

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Revenue from sale of products and services	3505.04	2080.95
Other Income	19.23	25.19
Total Income	3524.27	2106.14
Total Expenses	3017.71	1819.01
EBITDA	621.69	423.14
Depreciation	31.70	27.80
Finance cost	83.43	51.99
Profit Before Tax (PBT)	506.56	287.13
<u>Tax:</u>		
Current Tax	148.99	80.58
Previous Year Adjustment	6.18	-
Deferred Tax Liability/(Asset)	(20.51)	31.64
Profit/(loss) for the period (PAT)	371.90	174.91
Earnings per Share (EPS)	8.10	4.21

2. INDUSTRY OVERVIEW AND STATEMENT OF COMPANY'S AFFAIRS:

India's paints industry is changing steadily, evolving from a largely decorative, consumption-driven market into a diversified sector supported by housing growth, infrastructure development, industrial expansion, and rising consumer aspirations. Paints are no longer viewed only as surface finishes; they are increasingly valued for durability, protection, aesthetics, and functional performance. As urbanization deepens and construction activity accelerates across the country, the paints industry continues to position itself as a critical downstream segment of India's broader building materials and manufacturing ecosystem.

Industry overview and market structure

The Indian paints industry is broadly classified into decorative paints and industrial paints, with decorative paints accounting for the larger share of more than 70% of the overall demand.

The India paints & coatings industry was valued at Rs. 93,094 crore (US\$ 10.46 billion) in 2025 and is projected to reach Rs. 1,45,782 crore (US\$ 16.38 billion) by 2030. The market is projected to grow due to several factors, including rapid urbanization, rising disposable incomes, and substantial infrastructure development. Government initiatives such as the Pradhan Matri Awas Yojana (PMAY) and the Smart Cities Mission are accelerating demand for decorative paints across the country.

Challenges faced by the industry:

During 2025–26, the global and regional paint and coatings industry faced heavy strains driven by geopolitical conflict, raw material inflation, and aggressive market competition.

The Aggressive Hike: Asian Paints took the boldest stance in the market by implementing an aggressive 12% price hike in mid-2026 across its decorative portfolio to directly offset West Asian inflationary pressures.

Supply Chain and Freight Bottlenecks: Instability near key shipping lanes like the Strait of Hormuz and Red Sea restricted maritime transport had prolonged lead times, and increased shipping and insurance costs.

Weak Urban Demand: Discretionary spending in urban centers slowed down, leading to muted volume growth and forcing companies to rely on heavy promotional spending.

Contracting Profit Margins: Operating margins have shrunk as established brands increase their advertising budgets, dealer incentives, and product discounting to defend their market position

Unseasonal rains and shifting weather patterns negatively impacted exterior painting schedules and subdued seasonal demand spikes.

New heavily-backed players have expanded rapidly, using aggressive discounting and broad dealer networks to steal market share from legacy giants.

Key Drivers and Opportunities:

Rising disposable incomes and housing activity:

Rising household incomes, particularly among the middle class, are expanding the addressable market for branded and premium paints. Affordable housing initiatives, urban redevelopment projects, and increasing homeownership are directly translating into higher paint consumption.

Pradhan Mantri Awas Yojana-Urban (PMAY-U) 2.0:

Under the Union Budget 2024, Pradhan Mantri Awas Yojana Urban (PMAY U) 2.0 aims to construct 1 crore houses over the next five years, with a total investment of approximately Rs. 10 lakh crore (US\$ 112 billion), including a government subsidy of Rs. 2.50 lakh crore (US\$ 28 billion). The program's focus on affordable and quality housing is expected to significantly drive demand for architectural decorative coatings during the forecast period.

Infrastructure development and public spending:

Large-scale public investments in highways, metros, airports, ports, smart cities, and logistics parks are significantly boosting demand for protective and performance coatings. Infrastructure assets require specialized paints for corrosion resistance, weather durability, and safety compliance, creating sustained opportunities for industrial paint manufacturers.

Industrial growth and manufacturing expansion:

The expansion of automotive manufacturing, general engineering, consumer durables, and capital goods production is strengthening demand for industrial coatings. As India positions itself as a global manufacturing hub, coatings used in OEM and aftermarket applications are witnessing steady growth. Increasing automation and quality standards are also encouraging the adoption of high-performance coatings.

Government initiatives and policy support:

Policy initiatives such as housing for all, urban infrastructure programs, and incentives for domestic manufacturing are indirectly supporting the paints industry. Increased focus on sustainable construction and energy-efficient buildings is also encouraging the adoption of advanced coating technologies.

Despite the adverse market conditions and the impact of the middle east war, you company could post a commendable turnover of Rs. 352.00 crores which is almost 68% higher than the previous years.

The following are some of new products that your company has proudly added to its product line of during the year 2025-26 are:

Sl. No.	Name of the product
1.	Techno Kashmiri White
2.	Micro Topping (base + liquid)
3.	Efflorescence Primer

4.	Wood Primer
5.	Protect + Weather Xpert10
6.	Protect + Weather Xpert12
7.	Protect + Weather Xpert15
8.	Water Proof Top Coat (PU)
9.	Protective Top Coat
10.	Lavish Luster
11.	Water Proof Base Coat (PU)
12.	Oak Wood
13.	Supra Epoxy (Black)
14.	Epoxy 1K DA Grey Primer
15.	Epoxy Primer (White)

3. FINANCIAL PERFORMANCE OF THE COMPANY AND FUTURE OUTLOOK:

The Company has generated total revenue amounting to **Rs. 3524.27 million** in the current financial year as against **Rs. 2106.14 million** in the previous year. The Company has posted a net profit after tax amounting to **Rs. 371.90 million** in the current financial year as against **Rs. 174.91 million** in the previous year and the directors are continuously looking for avenues to increase profits.

The future outlook of the paints and coatings industry for the 2026-27 financial year points toward steady, volume-driven growth, anchored by robust construction and infrastructure activities. However, the period is marked by a structural shift toward intense market competition, green regulatory transitions, and defensive pricing strategies to combat volatile raw material costs

The Indian paints and coatings sector is projected to reach approximately \$12.51 billion in 2026 and scale past \$14.6 billion through 2027, boasting a significantly higher CAGR of 9.1% to 9.28%

Your company is all geared up for grabbing the opportunities by expanding its demographical presence and exploring newer markets.

The Company continues to fortify its operations, achieving several notable milestones and implementing numerous new initiatives.

4. CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of business of the company during the year under review.

5. DIVIDEND:

The Board of Directors of your Company has recommended a final Dividend for the Financial Year 2025-26 at the rate of 7% (Seven per cent), i.e. ₹0.35 (Rupees Thirty-Five Paise) per Equity Share of Face Value of ₹5/- (Rupees Five Only) each, subject to approval of the Shareholders at the ensuing Annual General Meeting.

The Dividend will be paid to the Shareholders whose names appear in the Register of Members of the Company as on 16.09.2026.

The Shareholders of your Company are requested to note that the Income Tax Act, 1961, as amended by the Finance Act, 2022, mandates that dividends paid or distributed by a Company after April 1, 2020 shall be taxable in the hands of the Shareholders. The Company shall, therefore, be required to deduct Tax at Source (TDS) at the time of making payment of the Final Dividend.

The Final Dividend declared and paid for the Financial Year 2025-26 by the Company is in compliance with the provisions of the Companies Act, 2013 and the Rules framed thereunder.

6. TRANSFER TO RESERVES:

The Company does not propose to transfer any amounts to General Reserve for the financial year ended 31st March 2026.

7. ANNUAL RETURN

As required under Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the Company's website at <https://technopaints.in/investor-relations/>

8. CHANGE IN SHARE CAPITAL STRUCTURE OF THE COMPANY:

Changes in Authorized Share Capital

During the year under review, there was no change in the authorised share capital of the Company. Accordingly, as on March 31, 2026, the authorised share capital of the Company stood at ₹25,00,00,000/- (Rupees Twenty-Five Crores Only) divided into 2,50,00,000 Equity Shares of ₹10/- each.

Subsequent to the close of the financial year, at the Extraordinary General Meeting held on August 13, 2026, the Members of the Company approved the increase in the authorised share capital of the Company from ₹25,00,00,000/- to ₹42,00,00,000/- (Rupees Forty-Two Crores Only).

Further, at the said Extraordinary General Meeting held on August 13, 2026, the Members also approved the sub-division of the Equity Shares of the Company from a face value of ₹10/- each into Equity Shares of ₹5/- each.

Changes in Paid-up Share Capital

During the year under review, the paid-up share capital was changed in the following manner:

Sl.no.	Nature of allotment	No. of shares allotted
1.	Preferential Allotment	2,270
2.	Conversion of warrants allotted on Preferential Basis	16,50,000

The paid-up share capital of the company as on 31.03.2026 stands at Rs. 17,39,70,000/-.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

i) Retirement by rotation and subsequent re-appointment

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013 read with the relevant Rules made thereunder, Mr. Venkata Lakshmi Narasimha Murthy Chilla (DIN: 01978748), being the Director liable to retire by rotation at the ensuing Annual General Meeting, is eligible for re-appointment and offers himself for re-appointment.

The Board has recommended his re-appointment for the approval of the Members.

ii) Appointment of Independent Directors and Declaration by an Independent Director(s):

During the financial year 2025-26, Mrs. Guntaka Dhanalakshmi and Mr. Radhakrishnan Balakrishna Menon were appointed as Independent Directors of the Company with effect from 01st July 2025 which was approved by the shareholders at the EGM held on 25.8.2025 and 30th September 2025, respectively.

Further, subsequent to the close of the financial year and up to the date of this Report, Mr. Bokkisam Sureshkumar was appointed as an Independent Director of the Company with effect from 13th August 2026.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and that they are not aware of any circumstance or situation which exists or may be reasonably anticipated to impair or impact their ability to discharge their duties with objective and independent judgment, in accordance with Section 149(7) of the Companies Act, 2013.

The Independent Directors have also confirmed that they have complied with the provisions relating to inclusion of their names in the Independent Directors Databank, as applicable.

iii) (a) Directors and any changes in the board of directors:

Details of changes in the board of directors during the financial year are mentioned below.

S. No	Name	Designation	Type of Appointment	BM/GM	Category	Appointment Date
1	Akuri Srinivasa Reddy	Chairman & Managing Director	Reappointment	AGM	Promoter	30-09-2025
2	Guntaka Dhanalakshmi	Additional Director	Appointment	BM	Independent	01.07.2025
3	Guntaka Dhanalakshmi	Director	Change in Designation from Additional Director to Independent	EGM	Independent	01.07.2025

			Director			
4	Radhakrishnan Balakrishna Menon	Director	Appointment	AGM	Independent	30.09.2025

(b) The following are the board of directors as at 31.03.2026:

Sl. No.	Name of the director	Designation
1.	Akuri Srinivasa Reddy	Chairman & Managing Director
2.	Anil Kondoth	Executive Director & CEO
3.	Venkata Lakshmi Narasimha Murthy Chilla	Non-Executive Non-Independent Director
4.	Guntaka Dhanalakshmi	Independent Director
5.	Radhakrishnan Balakrishna Menon	Independent Director

(c) Changes in the Board of Directors after the end of the Financial Year and up to the date of this Report:

During the period commencing from the end of the financial year and up to the date of this Report, Mr. Bokkisam Sureshkumar was appointed as an Independent Director of the Company with effect from 13 August 2026, pursuant to the approval of the Members at the Extra-Ordinary General Meeting held on 13 August 2026.

iv) Key Managerial Personnel

During the financial year 2025-26, the Company has appointed the following Key Managerial Personnel in accordance with the provisions of Section 2(51) and Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sl. No.	Name of the Person	Designation	Date of Appointment
1.	Sanikommu Srikanth Reddy	Chief Financial Officer	01.07.2025
2.	D. Madhavi Latha	Company Secretary	01.07.2025
3.	Anil Kondoth	Chief Executive Officer	01.09.2025

Further, after the end of the financial year and up to the date of this Report, Ms. D. Madhavi Latha, Company Secretary, was appointed as the Compliance Officer of the Company with effect from 13th July 2026.

10. NUMBER OF MEETINGS OF THE BOARD AND ITS COMMITTEES:

During the year 2025-26, the Board of Directors has met 10 (Ten) times. The intervening gap between two meetings was within the period as prescribed under the Companies Act, 2013 (the Act) and the Secretarial Standards.

Directors' attendance at Board Meetings held during the year under review:

Sl. No.	Date of the board meeting	Number of directors associated as on the date of the meeting	Number of directors attended	% of attendance
1	07-04-2025	6	4	67%
2	13-05-2025	6	4	67%
3	26-05-2025	6	4	67%
4	01-07-2025	6	4	67%
5	22-08-2025	7	4	57%
6	25-08-2025	7	3	43%
7	08-09-2025	4	4	100%
8	03-11-2025	5	3	60%
9	24-11-2025	5	5	100%
10	16-03-2026	5	5	100%

Board Committees:

The Company constituted an Audit Committee and a Nomination and Remuneration Committee with effect from **01 October 2025**, pursuant to the approval of the Board of Directors at its meeting held on **08 September 2025**, in accordance with the applicable provisions of the Companies Act, 2013.

The composition of the Audit Committee and the Nomination and Remuneration Committee during the financial year ended **31 March 2026** is as follows:

Audit committee:

The composition of the Audit Committee as on the financial year ended **31 March 2026** was as follows:

Name of the Director	Designation	Position on the Committee
Guntaka Dhanalakshmi	Independent Director	Chairperson
Radhakrishnan Balakrishna Menon	Independent Director	Member
Venkata Lakshmi Narasimha Murthy Chilla	Non-Executive & Non-Independent Director	Member

The Audit Committee met once during the financial year 2025-26, on 16th March 2026. The attendance of the members at the meeting was as follows:

Sl. No.	Name of the Director	Category	Position	No. of Meetings Held	No. of Meetings Attended
1.	Guntaka Dhanalakshmi	Independent Director	Chairperson	1	1
2.	Radhakrishnan Balakrishna Menon	Independent Director	Member	1	1
3.	Venkata Lakshmi Narasimha Murthy Chilla	Non-Executive Director Non-Independent Director	Member	1	1

Nomination and Remuneration Committee:

The composition of the Nomination and Remuneration Committee as on the financial year ended **31 March 2026** was as follows:

Name of the Director	Designation	Position on the Committee
Radhakrishnan Balakrishna Menon	Independent Director	Chairperson
Venkata Lakshmi Narasimha Murthy Chilla	Non-Executive & Non-Independent Director	Member
Akuri Srinivasa Reddy	Chairman & Managing Director	Member
Guntaka Dhanalakshmi	Independent Director	Member

The Committee did not convene any meeting during the financial year 2025-26.

11. CHANGES IN THE COMPOSITION OF THE BOARD COMMITTEES AND CONSTITUTION OF NEW COMMITTEES AFTER THE END OF THE FINANCIAL YEAR AND UP TO THE DATE OF THIS REPORT:

Subsequent to the end of the financial year and the appointment of Mr. Bokkisam Sureshkumar as an Independent Director, the Board of Directors, at its meeting held on 08 August 2026, reconstituted the Audit Committee and Nomination and Remuneration Committee.

Accordingly, the composition of the Committees as on the date of this Report is as follows:

Audit Committee:

Name of the Director	Designation	Position on the Committee
Guntaka Dhanalakshmi	Independent Director	Chairperson
Radhakrishnan Balakrishna Menon	Independent Director	Member
Bokkisam Sureshkumar	Independent Director	Member
Venkata Lakshmi Narasimha Murthy Chilla	Non-Executive Non-Independent Director	Member

Nomination and Remuneration committee:

Name of the Director	Designation	Position on the Committee
Radhakrishnan Balakrishna Menon	Independent Director	Chairperson
Guntaka Dhanalakshmi	Independent Director	Member
Venkata Lakshmi Narasimha Murthy Chilla	Non-Executive Non-Independent Director	Member
Bokkisam Sureshkumar	Independent Director	Member

Stakeholders' Relationship Committee:

The Company has constituted a Stakeholders' Relationship Committee at its meeting held on **08 August 2026**, in accordance with the applicable provisions of the Companies Act, 2013 and SEBI LODR Regulations.

The composition of the Stakeholders' Relationship Committee as on the date of this report is as follows:

Name of the Director	Designation	Position on the Committee
Venkata Lakshmi Narasimha Murthy Chilla	Non-Executive Non-Independent Director	Chairperson
Bokkisam Sureshkumar	Independent Director	Member
Anil Kondoth	Executive Director & CEO	Member
Akuri Srinivasa Reddy	Chairman and Managing Director	Member

Corporate Social Responsibility Committee:

The Company, at its meeting held on 08 August, 2016, constituted a Corporate Social Responsibility Committee in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder

The composition of the Corporate Social Responsibility Committee is as follows:

Name of the Director	Designation	Position on the Committee
Akuri Srinivasa Reddy	Chairman and Managing Director	Chairperson
Anil Kondoth	Executive Director & CEO	Member
Guntaka Dhanalakshmi	Independent Director	Member
Venkata Lakshmi Narasimha Murthy Chilla	Non-Executive Non-Independent Director	Member

Independent Directors' Meeting:

During the financial year under review, the Independent Directors of the Company met separately on **16th March, 2026** without the attendance of Non-Independent Directors and members of the management, in accordance with the provisions of Schedule IV to the Companies Act, 2013. The Independent Directors, inter alia, reviewed the performance of the Non-Independent Directors and the Board as a whole, the performance of the Chairperson of the Company and assessed the quality, quantity and timeliness of the flow of information between the management and the Board.

Extra Ordinary General Meetings: During the year under review, 1 (One) Extra-Ordinary General Meeting of the Members of the Company was held on 25 August 2025.

12. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THIS REPORT:

There were no material changes or commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

13. PUBLIC DEPOSITS:

During the year under review, your Company has not accepted any deposits as prescribed under Chapter V of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

14. DETAILS OF THE DEPOSITS NOT IN COMPLIANCE OF REQUIREMENTS OF THE CHAPTER V: Nil

15. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

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

16. NAMES OF THE COMPANIES WHICH HAVE BEEN CEASED TO BE SUBSIDIARIES/ JVs/ ASSOCIATES: Nil

17. HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY:

The Company does not have any Subsidiary, Associate or Joint Venture Company during the financial year under review. HIPL -FPPL is the JV of the company. The provisions relating to the highlights of performance and contribution of such entities are attached as **Annexure I** to this Report.

Subsequent to the close of the financial year, the Company acquired the entire shareholding of Richwaves Specialities Private Limited (target company), pursuant to which it became a wholly-owned subsidiary of the Company. Accordingly, the performance of the said subsidiary does not form part of the financial performance of the Company for the financial year under review.

18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH THE RELATED PARTIES ALONG WITH THE JUSTIFICATION FOR ENTERING INTO SUCH TRANSACTIONS AS PER SECTION 188(1) - 134(3)(H) & RULE8(2):

Related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. There are no materially significant related party transactions made by the company which may have potential conflict with the interest of the Company. Disclosure of Form AOC-2 is

given in **Annexure II** and forms part of this Report. (Please refer to Note 36 to the audited Financial Statements).

19. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The details of loans, guarantees or investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report. (Please refer Note. 5 to the Audited financial statements).

20. LOANS FROM DIRECTORS & RELATIVES OF DIRECTORS:

During the year under review, the Company has not accepted any loans from the Directors or relatives of Directors. However, the Company has made repayments towards the loans outstanding to the Directors during the year. The details of the same are provided in Note No. 15 of the Audited Financial Statements.

21. DETAILS IN RESPECT OF THE ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS – RULE 8(5)(VII):

The Company has adopted the policies and procedures for ensuring orderly and efficient conduct of the business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors.

Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations.

The company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

The Company's internal control system is in commensurate with the size, nature, and operations of the Company.

22. COMPLIANCE OF SECRETARIAL STANDARDS:

The Company has duly complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and shareholders (SS-2).

23. AUDITORS AND AUDITORS' REPORT:

i) Statutory Auditors:

As per the provisions of Section 139, 141 of the Companies Act, 2013 and rules made thereunder (hereinafter referred to as "The Act"), the Company at its 15th Annual General Meeting('AGM') held on **30th September, 2023** approved the appointment of M/s. VASG & ASSOCIATES, Chartered Accountants, Hyderabad, [Firm Regn. No: 006070S] as Statutory Auditors for the company for a period **of 5 years** commencing from the conclusion of 15th AGM till the conclusion of the 20th AGM to be held for the year 2027-28.

EXPLANATION / COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION, ADVERSE REMARK OR DISCLAIMER MADE BY THE STATUTORY AUDITORS:

Auditor's observations / Remarks	Explanation
--No Emphasis of Matters--	--Not Applicable--

ii) Maintenance of Cost Records and Cost Auditors:

The provisions of Rule 8(5)(ix) of Companies (Accounts) Rules, 2014 read with Section 148(1), pertaining to maintenance of cost records are not applicable to the Company and accordingly, cost records are not maintained by the Company

iii) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company has appointed M/s. KVSS & CO. LLP (Formerly Known as BS & CO LLP), Practicing Company Secretaries, as the Secretarial Auditor of the Company for the financial year 2025-26.

The Secretarial Audit Report for the financial year 2025-26, in Form MR-3, is annexed to this Board's Report as *Annexure IV*.

The report for the year does not contain any observations, adverse remarks or qualifications.

iv) Internal auditors:

The company has appointed M/s. ABK & Co., chartered accountants (FRN: 020811S), Hyderabad as internal auditors of the company.

The internal auditors directly report to the Audit committee of the company.

Internal Control:

The Company has a proper and adequate system of internal control to ensure all the assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, regarded and reported correctly.

The internal control is supplemented by an extensive program of internal audits, review by management and procedures. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of assets.

The Company's Internal Audit Department is regularly carrying out the Audit in all areas. Additionally, the Audit committee is reviewing all Audit Reports with significant control, all issues raised by internal and external auditing regularly, reports on the business development, all the past and the future plans are given to the Board of Directors, Internal Auditor's reports are regularly circulated to all the senior management to comply with the findings.

Normal forcible risks of the Company's Assets are adequately covered by comprehensive insurances.

24. DETAILS OF FRAUDS REPORTED BY AUDITORS:

There is no fraud in the company during the FY ended 31st March 2026. This is also being supported by the report of the auditors of the company as no fraud has been reported in their audit report for the FY ended 31st March 2026.

25. RISK MANAGEMENT POLICY:

The Board declared that the company is in compliance of section 134 (3) (n) of the Companies Act 2013 and the company has proper risk management policy and systems.

The Board has developed a Risk Management Policy to minimize the risks and threats from the outside, Operational Risks, and other risks which can affect the company operations and existence. The Board declares that there is no risk which can affect the company operations and Existence.

Further, they have taken adequate care in its implementation by identifying various elements of risk which may cause serious threat to the existence of the Company.

26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014.

(A) Conservation of Energy:

- (i) The steps taken or impact on conservation of energy: NIL
- (ii) The steps taken by the company for utilising alternate sources of energy: NIL
- (iii) The capital investment on energy conservation equipment: NIL

(B) Technology Absorption:

- (i) The efforts made towards technology absorption: NIL
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - : NIL
- (iv) The expenditure incurred on Research and Development: NIL

(C) Foreign Exchange Earnings and Outgoing:

Total Earning in foreign Currency – NIL
Total outgo in Foreign Currency - NIL

27. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- i) In the preparation of the annual accounts for the Financial Year ended March 31, 2026, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2026 and of the profit of the Company for the Financial Year ended March 31, 2026;
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts have been prepared on a 'going concern' basis;
- v) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

28. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has put in place an Anti-sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 to ensure healthy working environment without fear of prejudice, gender bias and sexual harassment and has constituted an Internal Compliant Committee for readdress of complaints received regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed off during the year 2025-26:

No. of Complaints received during the year :	NIL
No. of complaints disposed off during the year:	NIL
No. of cases pending for a period exceeding 90 days:	NIL

The Board states that there were no cases or complaints filed pursuant to the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 during the year under review.

29. COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:

The Company has constituted and reconstituted the Nomination and Remuneration Committee in accordance with the applicable provisions of the Companies Act, 2013.

The Company has formulated and adopted a Nomination and Remuneration Policy in accordance with the provisions of Section 178 of the Companies Act, 2013, which provides the criteria for determining the qualifications, positive attributes and independence of Directors and matters relating to their appointment and remuneration.

30. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND.

There were no unclaimed amounts to be transferred to Investor Education and Protection Fund.

31. STATEMENT ON MATERNITY BENEFIT COMPLIANCE:

The company has complied with the provisions of Maternity Benefit Act, 1961 and the rules made thereunder during the period under review.

32. WHISTLE BLOWER POLICY AND WHISTLE MECHANISM:

In Compliance with the provisions of section 177 of the Companies Act, 2013 the Company has in place the Whistle Blower Policy and Vigil Mechanism for Directors, employees and other stakeholders which provides a platform to them for raising their voice about any financial irregularities, illegal or unethical practices, unethical behaviour, actual or suspected fraud. Adequate safeguards are provided against victimization to those who use such mechanism and direct access to the Chairperson of the Audit Committee in appropriate cases is provided.

The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination is made against any person.

The Whistle Blower Policy and Vigil Mechanism may be accessed on the Company's website at <https://technopaints.in/investor-relations/>

33. CORPORATE SOCIAL RESPONSIBILITY

The Company has a Corporate Social Responsibility Policy as per the requirements of the Act and the same is available on the website of the Company.

The prime objective of our Corporate Social Responsibility policy is to Contribute to the social, economic, and environmental development of communities. Promote sustainable and inclusive growth.

The Board of Directors of your Company has formulated and adopted a policy on Corporate Social Responsibility which can be accessed at: <https://technopaints.in/investor-relations/>

The annual report on corporate social responsibility activities as per Section 134 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached and marked as Annexure – III and forms part of this report.

34. EVALUATION OF BOARD EFFECTIVENESS:

The provisions relating to evaluation of the performance of the Board, its committees and individual Directors are not applicable to the Company, as the paid-up share capital of the Company is less than ₹25 Crores as on 31.3.2026. Accordingly, the Company has not undertaken a formal evaluation of the performance of the Board, its committees and individual Directors during the financial year under review.

35. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

No significant and material order passed by any regulators or courts or tribunals during the year impacting the going concern status and company's operations in future.

36. DETAILS OF THE DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS WITH THE REASONS THEREOF.

Your Company has availed financial assistance from banks and financial institutions; however, no One Time Settlement has been undertaken during the period under review.

37. STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR:

The Board is of the opinion that Mrs. Guntaka Dhanalakshmi and Mr. Radhakrishnan Balakrishna Menon, who were appointed as Independent Directors of the Company during the year under review, possess the requisite integrity, expertise and experience required for the effective discharge of their duties as Independent Directors of the Company.

38. MANAGERIAL REMUNERATION

The remuneration paid to the Managing Director / Executive Director of the Company during the financial year under review was within the limits prescribed under Section 197 read with Schedule V and other applicable provisions of the Companies Act, 2013. The requisite approval of the members of the Company has been obtained, wherever applicable.

39. APPOINTMENT OF RELATIVE OF DIRECTOR TO AN OFFICE OR PLACE OF PROFIT

During the financial year, the Members of the Company, at their meeting held on 30th September 2025, approved by way of Special Resolution the appointment of Mrs. Akuri Sandhya, relative of Mr. Akuri Srinivasa Reddy, Managing Director of the Company, to hold an office or place of profit as Chief Administrative Officer (CAO) in the Administration Division of the Company, with effect from the

date of appointment, at a monthly remuneration of ₹4,00,000/- (Rupees Four Lakhs only), on such terms and conditions as applicable to the relevant grade officers of the Company.

The appointment was approved pursuant to the applicable provisions of Section 188(1)(f) of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014.

The transaction was duly approved by the Members and was entered into in accordance with the applicable provisions of the Companies Act, 2013.

40. MATERIAL CHANGES AND SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR AND UP TO THE DATE OF THIS REPORT:

The Company is pursuing its proposed Initial Public Offering (IPO) and listing of its Equity Shares on a recognised stock exchange(s), pursuant to the enabling resolution approved by the Members of the Board on 16 March 2026. In preparation for the proposed IPO and to align the corporate structure and constitutional documents of the Company with the applicable requirements, the Company has undertaken various corporate restructuring measures.

In this regard, the Members of the Company, at the Extra-Ordinary General Meeting held on 13 August 2026, approved various resolutions relating to the increase in the authorised share capital, sub-division of face value of the equity shares, alteration of Memorandum of Association, Articles of Association and Employee Stock Option Scheme, as detailed below:

1. Increase in Authorised Share Capital:

The Members approved the increase in the Authorised Share Capital of the Company from ₹25 Crores to ₹42 Crores. Consequent to the increase in Authorised Share Capital, the Capital Clause of the Memorandum of Association of the Company was altered accordingly.

2. Issue of Bonus Equity Shares:

The Members approved the issue of Bonus Equity Shares in the ratio of 2:5, i.e., 2 (Two) Bonus Equity Shares for every 5 (Five) existing Equity Share held by the Members as on the Record Date, i.e., 07 August 2026, in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

3. Sub-division of Equity Shares

The Members approved the sub-division of the existing Equity Shares of the Company having a face value of ₹10/- each into Equity Shares having a face value of ₹5/- each. Accordingly, each Equity Share of ₹10/- each was sub-divided into 2 (Two) Equity Shares of ₹5/- each. Consequent to the sub-division, the relevant provisions of the Memorandum of Association relating to the share capital of the Company were altered accordingly.

4. Alteration of Memorandum of Association

The Members approved the alteration of the Memorandum of Association of the Company consequent to the increase in Authorised Share Capital, and sub-division of Equity Shares.

Further, the Objects Clause of the Memorandum of Association was altered to ensure proper alignment of the objects of the Company with its proposed business activities and the requirements in connection with the proposed IPO and listing of its Equity Shares.

5. Alteration of Articles of Association

The Members approved the alteration of the Articles of Association of the Company to align the provisions thereof with the applicable provisions of the Companies Act, 2013, SEBI regulations and other requirements applicable to companies proposing to undertake an Initial Public Offering and listing of their Equity Shares on a recognised stock exchange.

6. Employee Stock Option Scheme

The Members approved the Employee Stock Option Scheme of the Company for granting stock options to eligible employees in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

The aforesaid corporate actions and restructuring measures have been undertaken as part of the Company's preparations for the proposed Initial Public Offering and listing of its Equity Shares. The proposed IPO and listing shall be subject to the requisite corporate, statutory and regulatory approvals and compliances under the Companies Act, 2013, applicable SEBI regulations, rules and regulations of the recognised stock exchange(s) and other applicable laws.

41. GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions falling under the purview of these provisions, during the year under review or the respective provisions are **not applicable** to the Company:

1. The provisions of Section 134(3)(p) of the Companies Act, 2013 read with Rule 8 (4) of Companies (Accounts) Rules, 2014, pertaining to formal evaluation of the Board;
2. The provisions of Rule 8(5)(ix) of Companies (Accounts) Rules, 2014 read with Section 148(1), pertaining to maintenance of cost records are not applicable to the Company and accordingly, cost records are not maintained by the Company.
3. Disclosure relating to employees drawing remuneration in excess of the limits specified, in accordance with the provisions Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
4. Disclosure about issue of shares (including sweat equity shares) to employees of the Company under any scheme;

5. During the year under review no proceedings have been initiated against the Company under Insolvency and Bankruptcy Code, 2016 and no proceedings under the Insolvency and Bankruptcy Code, 2016 were pending at the end of the year;
6. During the year under review the Company has not made any onetime settlement with its bankers;

42. ACKNOWLEDGEMENT & APPRECIATION

Your directors express their sincere appreciation for the assistance and co-operation received from the Government authorities, financial institutions, banks, customers, vendors, Contractors, and Shareholders and other stakeholders during the year under review for their unstinted support to the Company. Your directors also wish to place on record their deep sense of appreciation for the committed services by the employees.

**For and on behalf of Board of Directors
For TECHNOPAINTS AND CHEMICALS LIMITED
(formerly known as Fortune Paints Private Limited)**

Akuri Srinivasa Reddy
Managing Director
DIN: 01746988

Anil Kondoth
Director
DIN: 09398109

Place: Hyderabad
Date: 09.09.2026

Form AOC-1

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

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

Part "A": Subsidiaries - As on 31.03.2026 the company does not have any subsidiary companies.

Part "B": Associates and Joint Ventures

Name of associates/Joint Ventures	HIPL-FPPL JV
1. Latest audited Balance Sheet Date	31.03.2026
2. date on which the Associate / Joint Venture was associated or acquired	23.05.2022
3. Shares of Associate/Joint Ventures held by the company on the year end	% of holding
No.	NIL
Amount of Investment in Associates/Joint Venture	NIL
Extend of Holding%	20%
4. Description of how there is significant influence	There is no significant influence
5. Reason why the associate/joint venture is not consolidated	The %holding is less than 51%
6. Net worth attributable to shareholding as per latest audited Balance Sheet	NIL
7. Profit/Loss for the year	
i. Considered in Consolidation	NO
ii. Not Considered in Consolidation	Yes

1. Names of associates or joint ventures which are yet to commence operations - Nil

2. Names of associates or joint ventures which have been liquidated or sold during the year - NIL

For and on behalf of Board of Directors
For TECHNOPAINTS AND CHEMICALS LIMITED
(formerly known as Fortune Paints Private Limited)

Srinivasa Reddy Akuri
Managing Director
[DIN: 01746988]

Anil Kondoth
Director
[DIN: 09398109]

Place: Hyderabad
Date: 09.09.2026

FORM NO.AOC-2
Particulars of contracts/arrangements entered with Related Parties

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013, read with Rule 8(2) of the Companies (Accounts) Rules, 2014 – in Form AOC-2)

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

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

During the year ended 31st March 2026, no contracts or arrangements or transaction were entered with Related Parties, which are not at arm's length basis.

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

Sl. No.	Name of the Related Party (Nature of relationship)	Nature of contracts / arrangement / transactions	Duration of contract	Terms of the contract	Amount (in Millions)
1.	Richwaves Specialities Private Limited	Purchase of Materials	1 year	As per the Purchase Order	16.87
		Sale of Material	1 year	As per the Sales Invoice	11.09
2.	Masterbond Construction Chemicals Private Limited	Purchase of Materials	1 year	As per the Purchase Order	17.88
3.	Akuri Srinivasa Reddy	Sale of Investments	One time	As per the shareholders' approval	15.00
5.	HIPL - FPPL JV	Supply of Services	Till the currency of the JV agreement	As per the JV agreement	1177.35
6.	RSIX Engineers Private Limited (Formerly Techno Coats Private Limited)	Painting Services Received	1 year	As per the service agreement	103.24
		Sale of Material	1 year	As per the Sales Invoice	28.99
7.	Techno Coats	Painting Services Received	1 year	As per the service	29.00

Sl. No.	Name of the Related Party (Nature of relationship)	Nature of contracts / arrangement / transactions	Duration of contract	Terms of the contract	Amount (in Millions)
				agreement	
8	A. Sandhya	Payment of salary/remuneration for holding office or place of profit	Continuing during the period of appointment	As per Shareholders' Approval	2.34

Notes:

Appropriate Board / shareholders' approvals were taken for the above contracts / arrangement / transactions.

For and on behalf of Board of Directors
For Technopaints and Chemicals Limited
(Formerly known as Fortune Paints Private Limited)

Akuri Srinivasa Reddy
Managing Director
DIN: 01746988

Anil Kondoth
Director
DIN: 09398109

Place: Hyderabad
Date: 09.09.2026

Annual Report on CSR

[Pursuant to Section 135 of the Companies Act, 1935 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. Brief outline of CSR Policy of the Company:

Technopaints and Chemicals Limited (hereinafter referred to as "the Company") (formerly known as Fortune Paints Private Limited) is committed to conduct business in a socially responsible, ethical, and sustainable manner. As a responsible corporate entity, the Company acknowledges its role in contributing to the well-being of society and environmental sustainability through Corporate Social Responsibility (CSR) initiatives.

This CSR Policy is formulated in accordance with Section 135 of the Companies Act, 2013, and the Companies (Corporate Social Responsibility Policy) Rules, 2014, and aligns with the Company's vision of social responsibility. The CSR programs shall be in line with statutory norms defined in Schedule VII of the Companies Act, 2013, or any other Acts, as applicable

In accordance with Section 135 of the Companies Act, 2013 and notifications issued thereafter, this CSR Policy focuses on addressing the social, environmental and economic needs of the marginalized /underprivileged/ talented sections. Through this policy, we align our CSR strategy with the company's vision and goals.

2. Composition of CSR Committee:

As per the Provisions of Section 135(9) of the Companies Act, 2013 "Where the amount to be spent by a company does not exceed fifty lakh rupees, the requirement for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company.

During the financial year under review, the amount required to be spent by the Company towards Corporate Social Responsibility was within the aforesaid threshold. Accordingly, the functions of the Corporate Social Responsibility Committee were discharged by the Board of Directors of the Company.

Subsequent to the end of the financial year, the Board of Directors at its meeting held on **08th August 2026** constituted the Corporate Social Responsibility Committee with the following composition:

Name of the Director	Position on the Committee	Designation
Akuri Srinivasa Reddy	Chairperson	Executive Director
Anil Kondoth	Member	Executive Director & CEO
Guntaka Dhanalakshmi	Member	Independent Director
Venkata Lakshmi Narasimha Murthy Chilla	Member	Non-Executive Director

The Committee is entrusted with such functions and responsibilities as may be prescribed under Section 135 of the Companies Act, 2013 and the rules made thereunder.

3. Web-link where CSR Policy and CSR projects approved by the Board are disclosed on the website of the company:

The Company would place a copy of CSR Policy and CSR projects approved by the Board on its website <https://technopaints.in/investor-relations/>

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable: Not Applicable

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

6. Average net profit of the company as per section 135(5): Rs. INR 18,65,01,294.67

7. a. Two percent of average net profit of the company as per section 135(5): Rs. 37,30,025.89

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

c.Amount required to be set off for the financial year, if any: Nil

d. Total CSR obligation for the financial year (7a+7b- 7c): Rs. 37,30,025.89

8. (a) CSR amount spent or unspent for the financial year: Rs. 37,40,500

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount. (In Rs.)	Date of transfer	Fund	Amount	Date of transfer
Rs. 37,40,500 /-	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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

Sl No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration No.

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

Sl No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Reg n. No.
1	Technopoints Green Initiative	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal	Yes - Hyderabad	Telangan	Hyderabad	2,46,620	No	Anubhuti Welfare Foundation	CSR 0003 6239

		welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water							
2	Support and welfare of youth and child through education, economic environment, skill education, health and cultural programs	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Yes - Hyderabad	Telangan	Hyderabad	34,75,000	No	Ghoomar Kala EVM Shiksha Seva Sansthan	CSR 0008 0591
						Rs. 37,21,620			

- (d) Amount spent in Administrative Overheads: 18,880
(e) Amount spent on Impact Assessment, if applicable: N.A
(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. **37,40,500/-**
(g) Details of excess amount for set-off are as follows:

Sl. No.	Particular	Amount (in Rs.)
1	Two percent of average net profit of the Company as per Section 135(5)	37,30,025.89
2	Total amount spent for the Financial Year	37,40,500
3	Excess amount spent for the financial year [(ii)-(i)]	10,474.11
4	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	-
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	10,474.11

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

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

10 In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **No capital asset was created / acquired.**

11 Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not applicable**

**For and on behalf of Board of Directors
For Technopaints and Chemicals Limited
(Formerly known as Fortune Paints Private Limited)**

Akuri Srinivasa Reddy
Managing Director
DIN: 01746988

Anil Kondoth
Director
DIN: 09398109

Place: Hyderabad
Date: 09.09.2026

FORM NO. MR-3

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

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026**

To,
The Members,
TECHNOPAINTS AND CHEMICALS LIMITED,
Hyderabad.

We were appointed by the Board of Directors of Technopaints and Chemicals Limited to conduct the Secretarial Audit for the financial year ended March 31, 2026.

We have conducted the secretarial audit for the year 2025-26 of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TECHNOPAINTS AND CHEMICALS LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **TECHNOPAINTS AND CHEMICALS LIMITED** ("the Company") for the financial year ended on **31st March, 2026** according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- III. Secretarial Standards issued by The Institute of Company Secretaries of India;

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

We further report that

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

Adequate notices were given to all the Directors to schedule the Board Meetings. The agenda and detailed notes on agenda were circulated in advance and, wherever the same were not circulated at least seven days before the meeting, the consent of the Directors for holding the meeting at shorter notice was duly obtained. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meetings.

During the period under review, resolutions were carried through majority decisions. As confirmed by the Management, there were no dissenting views expressed by any of the members on any business transacted at the meetings held during the period under review.

Based on the information, documents provided and the representations made by the Company, its officers during our audit process and also on review of the compliance reports of the Company Secretary taken on record by the Board of Directors of the Company periodically, in our opinion, there are adequate systems and processes exists in the Company to commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

The compliance by the Company of the applicable financial laws like direct and indirect tax laws, labour laws - general and specific laws as applicable to the Company and maintenance of financial records, books of accounts have not been reviewed by us since the same have been subject to review by statutory auditors and other professionals.

For KVSS & CO. LLP
(Formerly Known BS & CO LLP)

K.V.S. Subramanyam
Designated Partner
M.No: 5400
C.P No:4815
PR. No: 6593/2025
UDIN: F005400H001240920
Place: Hyderabad
Date: 29.08.2026

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

Annexure

**TO
THE MEMBERS,
TECHNOPAINTS AND CHEMICALS LIMITED.**

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

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of applicable laws, rules, regulations and happening of events etc.
5. The compliance of the provisions of Companies Act, 2013 and other applicable laws, Rules, Regulations, secretarial standards issued by ICSI is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit, in our opinion, adequate systems and process and control mechanism exists in the Company to monitor compliance with applicable laws
8. We further report that the compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws, Labour Laws – General and Other Specific laws as may be applicable to the company, have not been reviewed in this audit since the same has been subject to review by the statutory financial auditor and other designated professionals.

9. This Secretarial Audit was conducted for the year 2025-26 by verifying and checking all the documents, records and other information electronically, as provided by the management.

**For KVSS & CO. LLP
(Formerly Known BS & CO LLP)**

**K.V.S. Subramanyam
Designated Partner
M.No: 5400
C.P No:4815
PR. No: 6593/2025**

UDIN: F005400H001240920

**Place: Hyderabad
Date: 29.08.2026**

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Technopaints and Chemicals Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Technopaints and Chemicals Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (IND-AS) specified under section 133 of the Act read with the Rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and we communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure 1**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure 2**".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations as on 31st March, 2026 on its financial position (refer to Note 34);
- ii. The Company has not entered into any long-term contracts including derivative contracts requiring provision under the applicable law or accounting standards, for material foreseeable losses;
- iii. On the basis of information and explanations given to us and on our audit of books of account, there are no dues, required to be transferred to the Investor Education and Protection Fund by the Company.

- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

- v. a. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

b. The Board of Directors of the Company have proposed dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

- vi. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same was operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per statutory requirements of records retention.

Chartered Accountants
Firm Reg. No.006070S

G.S.Sridhar
Partner
M.No.026878
UDIN : 26026878ZIYRLU3591
Place: Hyderabad
Date: August 08, 2026

“ANNEXURE-1” TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2026:

Sl. No	CARO Ref No.	Auditors Report
1	3 (i)	Fixed Assets
	3(i)(a)(A)	The Company has maintained proper records showing full particulars, including quantitative details and location details of its property, plant and Equipment.
	3(i)(a)(B)	The Company has maintained proper records showing full particulars of intangible assets.
	3(i)(b)	The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the book records and the physical fixed assets have been noticed.
	3(i)(c)	The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
	3(i)(d)	The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2026
	3(i)(e)	According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
2	3 (ii)	Inventories
	3(ii)(a)	The management has conducted physical verification of inventory [including inventory lying with third parties] at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate considering the size and nature of the business and no material discrepancies were noticed on such physical verification.
	3(ii)(b)	As disclosed in note 44(xv) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

3	3(iii)	Loans given by the Company																		
		a) In our opinion and according to the information and explanations given to us, the Company has granted loans or provided advances in the nature of loans, or stood guarantee, or provided security during the year to the following entities: <table><tr><th>Particulars</th><th>Loans given Rs in Lakhs</th></tr><tr><td>Amount of loans given during the year</td><td></td></tr><tr><td>- Subsidiaries</td><td></td></tr><tr><td>- Associates</td><td></td></tr><tr><td>- Others</td><td>2176</td></tr><tr><td>Balance outstanding as at the end of the year</td><td></td></tr><tr><td>- Subsidiaries</td><td></td></tr><tr><td>- Associates</td><td></td></tr><tr><td>- Others</td><td>1707</td></tr></table>	Particulars	Loans given Rs in Lakhs	Amount of loans given during the year		- Subsidiaries		- Associates		- Others	2176	Balance outstanding as at the end of the year		- Subsidiaries		- Associates		- Others	1707
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- Subsidiaries																				
- Associates																				
- Others	1707																			
		b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest. c) The Company has granted loans and advance in the nature of loan which are payable on demand. During the year the Company has not demanded such loans. Having regard to the fact that the repayment of principal or payment of interest, wherever applicable, has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular. d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans and advance in the nature of loan provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date as the Company has not demanded such loans and advance in nature of loan (including receivable in nature of loan). e) None of the loans granted and advances in the nature of loans by the Company have fallen due during the year as the Company has not demanded such loans and advance in nature of loan. f) Above mentioned loans and advance in the nature of loan in clause (iii) (a) granted by the Company are repayable on demand. The Particulars are as follows: <table><tr><th>Particulars</th><th>Others</th><th>Promoters</th><th>Related parties</th></tr><tr><td>amount of loans/ advances in nature of loans: - Repayable on demand - Agreement does not specify any terms or period of repayment</td><td>647.7</td><td></td><td>1059.3</td></tr><tr><td>Total</td><td>647.7</td><td></td><td>1059.3</td></tr><tr><td>Percentage of loans given to Promoters and related parties</td><td></td><td>0%</td><td>62%</td></tr></table>	Particulars	Others	Promoters	Related parties	amount of loans/ advances in nature of loans: - Repayable on demand - Agreement does not specify any terms or period of repayment	647.7		1059.3	Total	647.7		1059.3	Percentage of loans given to Promoters and related parties		0%	62%		
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4	3(iv)	Compliance of Section 185 and 186 of the Companies Act 2013: Loan to directors, etc																																												
		In our opinion and according to the information and explanations given to us, the company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.																																												
5	3(v)	Acceptance of Deposits																																												
		The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.																																												
6	3(vi)	Maintenance of Cost Records																																												
		The Company is not in the business of sale of any goods or provision of such services as prescribed under Companies (Cost Records and Audit) Rules, 2014. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.																																												
7	3(vii)	Deposit of Statutory dues																																												
	3(vii)(a)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including Provident Fund, Employee State Insurance, Income-Tax, Goods and Services Tax, Duty of Customs, cess and other material statutory dues have generally been deposited regularly during the year by the Company with the appropriate authorities except in few instances. According to the information and explanations given to us and based on audit procedures performed by us, there are no undisputed dues in respect of goods and services tax, provident fund, employees’ state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.																																												
	3(vii)(b)	The statutory dues that have not been deposited on account of disputes, are as follows <table><tr><th>Nature of Statute</th><th>Nature of dispute</th><th>Amount in Lakhs</th><th>Period relating to</th><th>Forum where dispute is pending</th></tr><tr><td>Income Tax</td><td>Rectification</td><td>Rs. 30.2</td><td>FY 2020-21</td><td>Rectification u/s 154</td></tr><tr><td>Income Tax</td><td>Assessment</td><td>Rs.122.6</td><td>FY 2021-22</td><td>CIT (Appeals)</td></tr><tr><td>Income Tax</td><td>Penalty</td><td>Rs. 75.33</td><td>FY 2021-22</td><td>CIT (Appeals)</td></tr><tr><td>Income Tax</td><td>Assessment</td><td>Rs. 608.21</td><td>FY 2022-23</td><td>CIT (Appeals)</td></tr><tr><td>Income Tax</td><td>Assessment</td><td>Rs. 0.44</td><td>FY 2022-23</td><td>Paid</td></tr><tr><td>Income Tax</td><td>Assessment</td><td>Rs.24.93</td><td>FY 2023-24</td><td>CIT (Appeals)</td></tr><tr><td>Income Tax</td><td>Assessment</td><td>Rs.113.26</td><td>FY 2024-25</td><td>Paid</td></tr></table>					Nature of Statute	Nature of dispute	Amount in Lakhs	Period relating to	Forum where dispute is pending	Income Tax	Rectification	Rs. 30.2	FY 2020-21	Rectification u/s 154	Income Tax	Assessment	Rs.122.6	FY 2021-22	CIT (Appeals)	Income Tax	Penalty	Rs. 75.33	FY 2021-22	CIT (Appeals)	Income Tax	Assessment	Rs. 608.21	FY 2022-23	CIT (Appeals)	Income Tax	Assessment	Rs. 0.44	FY 2022-23	Paid	Income Tax	Assessment	Rs.24.93	FY 2023-24	CIT (Appeals)	Income Tax	Assessment	Rs.113.26	FY 2024-25	Paid
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8	3(viii)	Unrecorded Income
		According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in tax assessments under the Income tax Act, 1961 as income during the year.
9	3(ix)	Defaults in repayment of loans to Banks and Financial Institutions
	3(ix)(a)	In our opinion and according to the information and explanations given to us, the Company has obtained Term loans for purchase of vehicles from banks and financial institutions during the year under Audit. The Company has not defaulted in payments to Banks and Financial Institutions.
	3(ix)(b)	According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
	3(ix)(c)	According to the information and explanations given to us by the management, the Company has utilised the Term Loans and vehicle Loans for the purposes for which they were obtained.
	3(ix)(d)	According to the information and explanation given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been utilised for long term purposes. Accordingly, clause 3(ix)(d) of the Order is not applicable.
	3(ix)(e)	According to the information and explanation given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
	3(ix)(f)	According to the information and explanation given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
10	3(x)	IPO / FPO/ Term loans
	3(x)(a)	Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (x)(a) of the Order are not applicable to the Company and hence not commented upon.
	3(x)(b)	The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment or private placement of Equity Shares and Share Warrants issued during the year. The funds raised, have been used for the purposes for which the funds were raised.
11	3(xi)	Frauds by or on the Company
	3(xi)(a)	Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

	3(xi)(b)	According to the information and explanations given to us, no report under Section 143 (12) of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
	3(xi)(c)	As represented to us by the management, there were no whistle blower complaints received by the Company during the year. Accordingly, clause 3(xi)(c) of the Order is not applicable.
12	3(xii)	Nidhi Company
		In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii)(a) to (c) of the Order are not applicable to the Company.
13	3(xiii)	Related Party Transactions
		As per the explanations given to us and the records of the Company, in our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14	3(xiv)	Internal Audit
	3(xiv)(a)	In our opinion, the Company has adequate internal Audit system commensurate with the size and nature of its business.
	3(xiv)(b)	We have considered the internal audit Reports for the year under audit issued to the Company till date, in determining the timing, nature and extent of our audit procedures.
15	3(xv)	Non-cash Transactions with directors
		In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.
16	3(xvi)	Registration under RBI Act, 1934
	3(xvi)(a)	In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.
	3(xvi)(b)	The company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi)(b) of the Order is not applicable to the Company.
	3(xvi)(c)	The Company is not a Core Investment Company (CIC) as defined in the regulations is made by the Reserve Bank of India. Accordingly, clause 3 (xvi)(c) of the Order is not applicable to the Company.
	3(xvi)(d)	According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, clause 3 (xvi)(d) of the Order is not applicable to the Company.
17	3(xvii)	Cash Losses during the year
		The Company has not incurred cash losses in the current financial year covered by our audit and in the immediately preceding financial year.

18	3(xviii)	Statutory Auditors' resignation
		There has been no resignation of the statutory auditors during the year. Accordingly, clause 3 (xviii) of the Order is not applicable to the Company.
19	3(xix)	Financial ratios
		According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20	3(xx)	Unspent project funds in ongoing projects
	3(xx)(a)	In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.
	3(xx)(b)	There are no unspent amounts remaining for the ongoing projects requiring transfer of funds as prescribed under section 135(6).
21	3(xxi)	Audit Qualifications
		In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company does not have any subsidiary. Accordingly, clause 3 (xxi) of the Order is not applicable to the Company.

For **VASG & ASSOCIATES**
CHARTERED ACCOUNTANTS
FRN: 006070S

G S Sridhar
Partner
M.NO.026878
UDIN :
Place : Hyderabad
Date:

Annexure – 2 to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Technopaints and chemicals Limited ("the Company") as of 31st March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on the Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **VASG & ASSOCIATES**

Chartered Accountants

Firm Reg. No.006070S

G.S.Sridhar

Partner

M.No.026878

UDIN :

Place: Hyderabad

Date:

Technopaints and Chemicals Limited (formerly Fortune Paints Private Limited)
CIN: U24220TG2008PLC058787
Balance Sheet as at 31 March 2026
(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

		As at		
	Note	31-Mar-26	31-Mar-25	01-Apr-24
ASSETS				
Non-current assets				
Property, plant and equipment	3	288.13	268.43	167.24
Right-of-use assets	4	61.30	63.85	43.54
Capital work-in-progress		-	-	6.35
Investment property		15.36	59.62	72.04
Other intangible assets	5	3.19	0.04	-
Financial assets				
(i) Other financial assets	6	42.32	56.17	55.55
Deferred tax assets (net)	19	1.82	-	13.38
		412.12	448.11	358.10
Current assets				
Inventories	8	530.77	627.90	445.64
Contract assets	9	34.29	22.45	24.56
Financial assets				
(i) Trade receivables	10	2,061.04	1,120.70	548.45
(ii) Cash and cash equivalents	11	893.46	147.78	35.81
(iii) Bank balances other than (ii) above	12	-	20.52	-
Other current assets	7	257.69	226.45	32.89
		3,777.25	2,165.80	1,087.35
Total assets		4,189.37	2,613.91	1,445.45
EQUITY AND LIABILITIES				
Equity				
Equity share capital	13	173.97	157.45	11.04
Other equity	14	1,197.51	695.47	296.14
		1,371.48	852.92	307.18
Share Application money Pending for allotment		-	0.30	-
		-	0.30	-
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	15	179.88	164.75	145.49
(ii) Lease liabilities	16	55.30	57.42	39.91
(iii) Other financial liabilities	17	50.54	37.75	33.14
Provisions	18	3.71	5.56	0.21
Deferred tax liabilities (net)	19	-	18.39	-
		289.43	283.87	218.75
Current liabilities				
Financial liabilities				
(i) Borrowings	15	749.14	369.16	361.51
(ii) Lease liabilities	16	10.47	7.04	1.84
(iii) Trade payables	20			
- total outstanding dues of micro and small enterprises;		40.22	6.28	-
- total outstanding dues of creditors other than micro and small enterprises		1,287.27	683.69	273.81
(iv) Other financial liabilities	17	14.19	16.88	11.90
Other current liabilities	21	348.31	265.26	251.96
Provisions	18	9.00	91.68	3.24
Current tax liabilities (net)	22	69.86	36.83	15.27
		2,528.46	1,476.82	919.52
Total equity and liabilities		4,189.37	2,613.91	1,445.45

The accompanying notes 1 to 46 form an integral part of these Financial Statements.
This is the Balance Sheet referred to in our report of even date.

For VASG & Associates
Chartered Accountants
Firm's Registration No. 006070S

For and on behalf of the Board of Directors of
Technopaints and Chemicals Limited (formerly Fortune Paints Private Limited)
CIN: U24220TG2008PLC058787

G S Sridhar
Partner
Membership No. 026878
UDIN:

Srinivasa Reddy Akuri
Managing Director
DIN: 01746988

Anil Kondoth
Director & CEO
DIN: 09398109

Place: Hyderabad
Date:

S Srikanth Reddy
Chief Financial Officer
Place: Hyderabad
Date:

D Madhavi Latha
Company Secretary (F7394)

Technopaints and Chemicals Limited (formerly Fortune Paints Private Limited)

CIN: U24220TG2008PLC058787

Statement of Profit and Loss for the year ended 31 March 2026

(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

	Note	For the year ended	
		31st March, 2026	31st March, 2025
Income			
Revenue from operations	23	3,505.04	2,080.95
Other income	24	19.23	25.19
Total income		3,524.27	2,106.14
Expenses			
Cost of materials consumed	25	1,075.78	797.49
Manufacturing Expenses		72.26	54.55
Changes in inventories of stock-in -trade	26	84.12	(145.05)
Painting Service Expenses		1,285.98	751.94
Employee benefits expense	27	134.49	84.02
Finance costs	28	83.43	51.99
Depreciation and amortisation expense	29	31.70	27.80
Other expenses	30	249.95	196.27
Total expenses		3,017.71	1,819.01
Profit before tax		506.56	287.13
Tax expenses	32		
Current tax		148.99	80.58
Deferred tax		(20.51)	31.64
Taxes in respect of prior periods		6.18	-
Total tax expenses		134.66	112.22
Profit for the year		371.90	174.91
Other Comprehensive Income ('OCI')			
Items that will not be reclassified subsequently to profit or loss			
- Re-measurement gains/(losses) on defined benefit plans		1.69	0.52
- Income tax effect on the above		(0.42)	(0.13)
Items that will be reclassified subsequently to profit or loss		-	-
Total other comprehensive (loss)/ income		1.26	0.39
Total comprehensive income for the year		373.16	175.30
Earnings per share (EPS) (nominal value of Rs. 10 each)			
Basic EPS (in absolute ₹ terms)	33	8.10	4.21
Diluted EPS (in absolute ₹ terms)	33	8.10	4.21

The accompanying notes 1 to 46 form an integral part of these Financial Statements.

This is the Statement of profit and loss account referred to in our report of even

For VASG & Associates

Chartered Accountants

Firm's Registration No. 006070S

G S Sridhar

Partner

Membership No. 026878

UDIN:

Place: Hyderabad

Date:

For and on behalf of the Board of Directors of

Technopaints and Chemicals Limited (formerly Fortune Paints Private Limited)

CIN: U24220TG2008PLC058787

Srinivasa Reddy Akuri

Managing Director

DIN: 01746988

S Srikanth Reddy

Chief Financial Officer

Place: Hyderabad

Date:

Anil Kondoth

Director & CEO

DIN: 09398109

D Madhavi Latha

Company Secretary (F7394)

Technopaints and Chemicals Limited (formerly Fortune Paints Private Limited)**CIN: U24220TG2008PLC058787****Statement of Cash Flow for the year ended 31 March 2026**

(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

	For the year ended	
	31-Mar-26	31-Mar-25
Cash flows from operating activities		
Profit before tax	506.56	287.13
Adjustments:		
Depreciation and amortisation expense	31.70	27.80
Interest income on bank deposits	-	(1.34)
Interest income on security deposits measured at amortised cost	(15.80)	(3.02)
Profit on sale of property, plant and equipment (net)	-	(10.56)
Loss on sale of property, plant and equipment (net)	1.17	-
Profit on sale of investments	(1.40)	(1.65)
Finance cost	83.43	51.99
Interest income	(16.47)	(3.63)
Operating profit before working capital changes	589.19	346.71
Changes in working capital:		
(Increase) / decrease in inventories	97.13	(182.26)
(Increase) / decrease in Contract asset	(11.84)	2.11
(Increase) / decrease in trade receivables	(940.34)	(572.25)
(Increase) / decrease in other assets	(31.24)	(193.56)
(Increase) / decrease in other financial assets	29.65	3.75
(Decrease) / increase in trade payables	637.52	416.16
(Decrease) / increase in provisions	(82.84)	94.31
(Decrease) / increase in other liabilities	84.19	13.25
(Decrease) / increase in other financial liabilities	10.10	9.59
Cash flows generated from operating activities	381.52	(62.19)
Income-taxes paid	(122.14)	(59.02)
Net cash flows generated from/ (used in) operating activities	259.38	(121.21)
Cash flows from investing activities		
(Purchase)/Sale of property, plant and equipment and intangible assets	(37.41)	(99.33)
(Purchase)/Sale of Investment Property	44.26	12.42
Changes in other bank balances	20.52	(20.52)
Interest received	16.47	3.63
Net cash flows generated from/ (used in) investing activities	43.84	(103.80)
Cash flows from financing activities		
Proceeds from / (repayment of) long-term borrowings	41.55	22.19
Proceeds from/(repayment) of short-term borrowings,net	353.56	4.72
Proceeds from issue of share capital	160.88	324.87
Dividend paid	(15.78)	(7.74)
Transfer to capital reserve		53.63
Repayment of principal portion of lease liabilities	(14.33)	(8.74)
Repayment of interest portion of lease liabilities	(6.43)	(5.14)
Interest paid	(77.00)	(46.85)
Net cash flows generated from/ (used in) financing activities	442.45	336.97
Net increase/ (decrease) in cash and cash equivalents	745.67	111.96
Cash and cash equivalents at the beginning of the period	147.78	35.81
Cash and cash equivalents at the end of the year	893.45	147.77
Cash and cash equivalents includes:		
Cash on hand	1.19	0.82
Balances with banks in current accounts	892.26	146.95
	-	-
Cash and cash equivalents at end of the year	893.45	147.77

The accompanying notes 1 to 46 form an integral part of these Financial Statements.

This is the Cash flow statement referred to in our report of even date.

For VASG & Associates

Chartered Accountants

Firm's Registration No. 006070S

G S Sridhar

Partner

Membership No. 026878

Place: Hyderabad

Date:

For and on behalf of the Board of Directors of

Technopaints and Chemicals Limited (formerly Fortune Paints Private Limited)

CIN: U24220TG2008PLC058787

Srinivasa Reddy Akuri

Managing Director

DIN: 01746988

S Srikanth Reddy

Chief Financial Officer

Place: Hyderabad

Date:

Anil Kondoth

Director & CEO

DIN: 09398109

D Madhavi Latha

Company Secretary

(F7394)

Technopaints and Chemicals Limited (formerly Fortune Paints Private Limited)
CIN: U24220TG2008PLC058787
Statement of Changes in Equity for the year ended 31 March 2026
(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

A Equity share capital

	No. of shares	Amount
As at 1 April 2024	11,04,000	11.04
Changes in equity share capital	1,46,40,730	146.41
As at 31 March 2025	1,57,44,730	157.45
Changes in equity share capital	16,52,270	16.52
As at 31 March 2026	1,73,97,000	173.97

B Other equity

	Reserves and surplus		Other comprehensive income ("OCI")	Total
	Retained earnings	Security premium	Re-measurement of defined benefit plans, net of tax	
As at 1 April 2024	296.15	-	-	296.15
Profit for the year	174.91	-	-	174.91
Dividend paid	(7.74)	-	-	(7.74)
Capitalization of Reserves	(121.44)	-	-	(121.44)
Securities premium	-	299.61	-	299.61
Issue of share warrants	53.63	-	-	53.63
Other comprehensive income, net of taxes	-	-	0.39	0.39
As at 31 March 2025	395.51	299.61	0.39	695.51
Profit for the year	371.90	-	-	371.90
Dividend paid	(15.78)	-	-	(15.78)
Capitalization of Reserves	-	-	-	-
Securities premium	-	198.28	-	198.28
Redemption of share warrants	(53.63)	-	-	(53.63)
Other comprehensive income, net of taxes	-	-	1.26	1.26
As at 31 March 2026	698.01	497.89	1.65	1,197.54

The accompanying notes 1 to 46 form an integral part of these Financial Statements.
This is the Statement of Changes in Equity referred to in our report of even date.

For VASG & Associates
Chartered Accountants
Firm's Registration No. 006070S

For and on behalf of the Board of Directors of
Technopaints and Chemicals Limited (formerly Fortune Paints Private Limited)
CIN: U24220TG2008PLC058787

G S Sridhar
Partner
Membership No. 026878
UDIN:

Srinivasa Reddy Akuri
Managing Director
DIN: 01746988

Anil Kondoth
Director & CEO
DIN: 09398109

Place: Hyderabad
Date:

S Srikanth Reddy
Chief Financial Officer

D Madhavi Latha
Company Secretary (F7394)

Place: Hyderabad
Date:

Technopaints and Chemicals Limited (formerly Fortune Paints Private Limited)

CIN: U24220TG2008PLC058787

Summary of material accounting policies and explanatory information

(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

3 Property, plant and equipment

Particulars	Land	Buildings	Plant and machinery	Computer Equipment	Furniture and fixtures	Vehicles	Electrical Equipment	Lab Equipment	Office Equipment	Total
Gross Carrying Value										
Balance as at 1 April 2024	17.39	66.30	21.80	1.70	22.56	31.05	0.57	2.62	17.99	181.98
Additions	63.92	35.94	5.02	0.60	5.69	8.08	-	-	0.32	119.56
Deletions	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2025	81.31	102.24	26.82	2.30	28.25	39.13	0.57	2.62	18.31	301.54
Additions	-	0.75	1.83	2.49	1.32	40.03	-	-	1.25	47.67
Deletions	-	-	-	-	-	(17.03)	-	-	-	(17.03)
Balance as at 31 March 2026	81.31	102.99	28.65	4.79	29.57	62.12	0.57	2.62	19.56	332.18
Accumulated depreciation					(1.69)				(1.13)	
Up to 1 April 2024	-	3.54	0.92	0.43	2.31	4.09	0.06	0.09	3.31	14.74
Charge for the year	-	2.31	1.73	0.53	2.85	8.75	0.06	0.25	3.66	20.13
On deletions	-	(1.76)	-	-	-	-	-	-	-	(1.76)
Up to 31 March 2025	-	4.08	2.65	0.96	5.16	12.84	0.12	0.34	6.97	33.11
Charge for the year	-	2.41	1.87	1.02	2.93	6.52	0.06	0.25	3.80	18.86
On deletions	-	-	-	-	-	(7.92)	-	-	-	(7.92)
Up to 31 March 2026	-	6.49	4.52	1.98	8.09	11.44	0.18	0.59	10.77	44.05
Net book value										
As at 31 March 2026	81.31	96.50	24.13	2.81	21.48	50.68	0.39	2.03	8.79	288.13
As at 31 March 2025	81.31	98.16	24.17	1.34	23.09	26.29	0.45	2.28	11.34	268.43
As at 1 April 2024	17.39	62.76	20.88	1.27	20.25	26.96	0.51	2.53	14.68	167.24

Notes:

- On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 01 April 2024 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment after making appropriate reclassifications/adjustments.
- The title deeds of all immovable properties are held in the name of the Company.
- The Company has not revalued its property, plant and equipment.
- With regard to security of the assets please refer to Borrowings note 14

4 Right-of-use assets

Gross Carrying Value

Balance as at 01 April 2023

Additions

Deletions

Balance as at 1 April 2024

Additions

Deletions

Balance as at 31 March 2025

Additions

Deletions

Balance as at 31 March 2026

Accumulated depreciation

Up to 01 April 2023

Charge for the year

On deletions

Up to 1 April 2024

Charge for the year

On deletions

Up to 31 March 2025

Charge for the year

On deletions

Up to 31 March 2026

Net book value

As at 31 March 2026

As at 31 March 2025

As at 1 April 2024

Note:

For additional disclosures on leases please refer to note number 32.

	Building	Total
Balance as at 01 April 2023	-	-
Additions	-	-
Deletions	-	-
Balance as at 1 April 2024	43.54	43.54
Additions	27.45	27.45
Deletions	-	-
Balance as at 31 March 2025	70.99	70.99
Additions	9.57	9.57
Deletions	-	-
Balance as at 31 March 2026	80.56	80.56
Accumulated depreciation		
Up to 01 April 2023	-	-
Charge for the year	-	-
On deletions	-	-
Up to 1 April 2024	-	-
Charge for the year	7.14	7.14
On deletions	-	-
Up to 31 March 2025	7.14	7.14
Charge for the year	12.12	12.12
On deletions	-	-
Up to 31 March 2026	19.26	19.26
Net book value	148	
As at 31 March 2026	61.30	61.30
As at 31 March 2025	63.85	63.85
As at 1 April 2024	43.54	43.54

5 Investment Property

Particulars	Building	Total
Gross Carrying Value		
Balance as at 01 April 2023	-	-
Additions	-	-
Deletions	-	-
Reclassification to assets held for sale	-	-
Balance as at 1 April 2024	72.04	72.04
Additions	28.90	28.90
Deletions	(41.80)	
Balance as at 31 March 2025	59.13	100.94
Additions	-	-
Deletions	(43.73)	(43.73)
Balance as at 31 March 2026	15.40	57.21
Accumulated depreciation		
Up to 01 April 2023	-	-
Charge for the year	-	-
On deletions	-	-
Reclassification to assets held for sale	-	-
Up to 1 April 2024	-	-
Charge for the year	0.53	0.53
On deletions	(1.02)	-
Up to 31 March 2025	(0.49)	0.53
Charge for the year	0.53	0.53
On deletions	-	-
Up to 31 March 2026	0.04	0.04

Net book value		
As at 31 March 2026	15.36	15.36
As at 31 March 2025	59.62	59.62
As at 1 April 2024	72.04	72.04
Fair value		
As at 31 March 2026	15.36	15.36
As at 31 March 2025	59.62	59.62
Balance as at 1 April 2024	72.04	72.04

Notes:

- (a) As the investment property was not available for use as at 31 March 2025, no depreciation was provided for the years ended 31 March 2024 and 31 March 2025.
- (b) Fair value of the investment property is not determined as at 31 March 2026, 31 March 2025 and 01 April 2024
- (c) Information regarding income and expenditure of investment properties:

	For the year ended		
	31-Mar-26	31-Mar-25	01-Apr-24
Rental income derived from investment properties	0.29	0.24	0.24
Less: Depreciation	(0.53)	(0.53)	-
Profit/(loss) arising from investment properties	(0.23)	(0.29)	0.24

As the investment property was not available for use as at 31 March 2025, no depreciation was provided for the years ended 31 March 2024 and 31 March 2025.

- (d) The minimum rentals receivables on lease of investment properties are as follows:

	As at		
	31-Mar-26	31-Mar-25	01-Apr-24
within 1 year	0.31	0.29	0.24
between 1 to 3 years	0.92	0.88	0.71
between 3 to 5 years	0.61	0.58	0.48

On transition to Ind AS (i.e. April, 2023), the Company has elected to continue with the carrying value of Investment property measured as per the previous GAAP and use that carrying value as the deemed cost.

5 Other intangible assets

Particulars	Other intangible assets	
	Computer Softwares	Total
Gross carrying Value		
Balance as at 01 April 2023	-	-
Additions	-	-
Deletions	-	-
Balance as at 1 April 2024	-	-
Additions	0.04	0.04
On account of business combination	-	-
Deletions	-	-
Balance as at 31 March 2025	0.04	0.04
Additions	3.35	3.35
Deletions	-	-
Balance as at 31 March 2026	3.39	3.39
Accumulated amortization		
Up to 01 April 2023	-	-
Charge for the year	-	-
Deletions/Disposals	-	-
Up to 1 April 2024	-	-
Adjustments	-	-
Charge for the year	0.00	-
Up to 31 March 2025	-	-
Adjustments	-	-
Charge for the year	0.20	0.20
Up to 31 March 2026	0.20	0.20
Net book value		
As at 31 March 2026	3.19	3.19
As at 31 March 2025	0.04	0.04
As at 1 April 2024	-	-

6 Other financial assets

	As at		
	31-Mar-26	31-Mar-25	01-Apr-24
Non-current			
Unsecured, considered good			
Rental deposits	8.23	4.43	2.07
Deposits with having maturity more than 12 months*	15.24	9.12	9.09
Retained Security Deposits	18.84	42.61	44.38
	42.32	56.17	55.55

*Amount of lien marked on deposits against guarantees issued is Rs. 15.24 million as at March 31, 2026 (Rs. 9.12 Million as at March 31, 2025 and Rs. 9.09 Million as at April 1, 2024)

7 Other assets

Current			
Unsecured, considered good			
Advances for projects	20.56	115.18	-
Loans and advances	170.73	101.28	5.70
Prepaid expense	61.51	5.64	23.35
Advances to employees	0.12	0.22	0.16
Balances with government authorities	4.77	4.06	3.68
Others	-	0.07	-
	257.69	226.45	32.89

8 Inventories

	As at		
	31-Mar-26	31-Mar-25	01-Apr-24
Raw materials (including raw material-in-transit)	122.55	135.57	98.36
Work-in-progress	275.36	366.84	286.24
Finished goods	132.86	125.49	61.04
	530.77	627.90	445.64
Carrying amount of inventories pledged as security for liabilities	530.77	627.90	445.64
The write-downs and reversals are included in changes in inventories of finished goods	-	-	-

9 Contract assets

	As at		
	31-Mar-26	31-Mar-25	01-Apr-24
Contract assets (relating to refund liability)	34.29	22.45	24.56
	34.29	22.45	24.56

10 Trade receivables

	As at		
	31-Mar-26	31-Mar-25	01-Apr-24
Unsecured, considered good	2,101.89	1,139.61	553.78
Less: Allowance for expected credit loss	(40.86)	(18.92)	(5.33)
	2,061.04	1,120.70	548.45

As at 31 March 2026	Outstanding for following periods from due date of payment						Total
	Not due	<6 months	6 months - 1 year	1 - 2 years	2 - 3 years	>3 years	
Undisputed trade receivables - considered good	-	1,220.81	721.45	159.25	0.38	-	2,101.89
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	-	-	-	-	-	-	-
Less: Provision for Credit impaired receivable	-	-	-	-	-	-	(40.86)
	-	1,220.81	721.45	159.25	0.38	-	2,061.04
As at 31 March 2025	Outstanding for following periods from due date of payment						Total
	Not due	<6 months	6 months - 1 year	1 - 2 years	2 - 3 years	>3 years	
Undisputed trade receivables - considered good	-	830.20	84.00	216.32	2.29	6.80	1,139.61
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	-	-	-	-	-	-	-
Less: Provision for Credit impaired receivable	-	-	-	-	-	-	(18.92)
	-	830.20	84.00	216.32	2.29	6.80	1,120.70
As at 1 April 2024	Outstanding for following periods from due date of payment						Total
	Not due	<6 months	6 months - 1 year	1 - 2 years	2 - 3 years	>3 years	
Undisputed trade receivables - considered good	-	504.94	34.45	14.40	-	-	553.78
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	-	-	-	-	-	-	-
Less: Provision for Credit impaired receivable	-	-	-	-	-	-	(5.33)
	-	504.94	34.45	14.40	-	-	548.45

Technopaints and Chemicals Limited (formerly Fortune Paints Private
CIN: U24220TG2008PLC058787
Summary of material accounting policies and explanatory information

(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

(a) Trade receivables ageing:

Undisputed outstanding for following periods from due date of payment

- (i) Unbilled
- (i) Not due
- (ii) Less than 6 months
- (iii) 6 months - 1 year
- (iv) 1 - 2 years
- (v) 2 - 3 years
- (vi) More than 3 years

31-Mar-26	31-Mar-25	01-Apr-24
-	-	-
-	-	-
1,220.81	830.20	504.94
721.45	84.00	34.45
159.25	216.32	14.40
0.38	2.29	-
-	6.80	-
2,101.89	1,139.61	553.78

There are no disputed receivables outstanding as at 31 March 2025, 31 March 2024 and 01 April 2024.

(b) Expected credit loss (ECL):

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit in the normal course of business. Before accepting any new customer, the Company assesses the potential customer's credit quality.

As a practical expedient, the Company uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. The ECL allowance (or reversal) during the year is recognised in the statement of profit and loss.

Movement in the allowance for trade receivables for the year ended 31 March 2026, 31 March 2025, 31 March 2024 and 01 April 2023 is as follows:

	31-Mar-26	31-Mar-25	01-Apr-24
Opening balance at beginning of the year	18.92	5.33	-
Provision made/(reversed) during the year	21.94	13.59	5.33
Bad debts written off during the year	-	-	-
Closing balance at end of the year	40.86	18.92	5.33

Notes:

- (c) Trade receivables balance from the Company's largest customers individually representing more than 5% of total trade receivables balance.
- (d) Refer Note 33 for trade receivables from related parties
- (e) Trade receivables are non-interest bearing and are generally on credit terms of 30 to 90 days.

31-Mar-26	31-Mar-25	01-Apr-24
1,412.26	636.40	225.10

11 Cash and cash equivalents

 Cash on hand
 Balances with banks
 - In current accounts

As at		
31-Mar-26	31-Mar-25	01-Apr-24
1.19	0.82	0.81
892.26	146.95	35.00
893.46	147.78	35.81

1. There are some unauthorised bank transactions on March 25, 2025 for the amount Rs. 11,20,000, and the same have been reported to Cyber Crime Department and its under investigation

2. There are some unauthorised bank transactions on April 08, 2025 for the amount Rs. 19,45,012, and the same have been reported to Cyber Crime Department and its under investigation

12 Bank balances other than Cash and cash equivalents

Deposits with having maturity more than 3 months but less than 12 months

As at		
31-Mar-26	31-Mar-25	01-Apr-24
-	20.52	-
-	20.52	-

Technopaints and Chemicals Limited (formerly Fortune Paints Private Limited)

CIN: U24220TG2008PLC058787

Summary of material accounting policies and explanatory information

(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

13 Equity share capital

	31-Mar-26		31-Mar-25		01-Apr-24	
	Number	Amount	Number	Amount	Number	Amount
Authorised share capital						
Equity shares face value of ₹10 each	2,50,00,000	250.00	2,50,00,000	250.00	1,20,00,000	120.00
Issued, subscribed and fully paid up						
Equity shares face value of ₹10 each	1,73,97,000	173.97	1,57,44,730	157.45	11,04,000	11.04
	1,73,97,000	173.97	1,57,44,730	157.45	11,04,000	11.04

Notes:

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year / period:

	For the year ended 31-Mar-26		For the year ended 31-Mar-25		For the year ended 01-Apr-24	
	Number	Amount	Number	Amount	Number	Amount
Balance at the beginning	1,57,44,730	157.45	11,04,000	11.04	-	-
Add: Shares issued	16,52,270	16.52	1,46,40,730	146.41	11,04,000	11.04
Balance at the end	1,73,97,000	173.97	1,57,44,730	157.45	11,04,000	11.04

(ii) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a face value of ₹10 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. 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 number of equity shares held by the shareholders.

(iii) The Company has issued 1,21,44,000 Bonus shares at ratio of 11:1 per share for the financial year 24-25

(iv) Details of shareholders holding more than 5% shares in the Company:

Name of the shareholders	As at 31-Mar-26		As at 31-Mar-25		As at 01-Apr-24	
	Number	% holding	Number	% holding	Number	% holding
Akuri Srinivasa Reddy	99,00,000	56.91%	91,00,000	57.80%	8,27,325	74.94%
Akuri Sandhya	25,00,000	14.37%	25,00,000	15.88%	2,20,800	20.00%
K Siva Reddy	-	0.00%	-	0.00%	-	0.00%
A. Kasi reddy	-	0.00%	-	0.00%	-	0.00%

(v) Details of shareholding of promoters:

Name of promoter	31-Mar-26		31-Mar-25		% change in holding
	Number	% holding	Number	% holding	
Akuri Srinivasa Reddy	99,00,000	56.91%	91,00,000	57.80%	-0.89%
Akuri Sandhya	25,00,000	14.37%	25,00,000	15.88%	-1.51%
	31-Mar-25		01-Apr-24		% change in holding
	Number	% holding	Number	% holding	
Akuri Srinivasa Reddy	91,00,000	57.80%	8,27,325	74.94%	-17.14%
Akuri Sandhya	25,00,000	15.88%	2,20,800	20.00%	-4.12%

14 Other equity

Reserve and surplus

Retained earnings
Securities premium
Share warrants
Other comprehensive income, net of taxes

Notes:

Retained earnings

Opening balance
Add: Profit for the year
Less: Dividend paid
Less: Capitalization of Reserves
Closing balance

Securities premium

Opening balance
Premium on issue of shares
Closing balance

Other comprehensive income

Remeasurement of defined benefit plan, net of taxes

Opening balance
- Re-measurement gains/(losses) on defined benefit plans
Closing balance

Retained earnings

Represent the cumulative undistributed profits after tax of the Company and can be utilized in accordance with the provisions of the Act.

Securities premium

Securities premium represents the amount received in excess of the face value of the equity shares. The utilisation of the securities premium is governed by the Section 52 of the Act.

Share warrants

The company has issued 16,50,000 warrants as on 28th May 2024 to promoters and non-promoters at Rs. 130 per warrant. The company has received 25% of the upfront amount i.e. 53.63 million and balance has to be received within 18 months from the date of offer. The share warrants were redeemed fully in FY 2025-2026.

Re-measurement gains/ (losses) on defined benefit plans, net of tax

Remeasurement of defined plan represents the remeasurement gains/(losses) arising from the actuarial valuation of the defined benefit plan of the Company. The remeasurement gains/(losses) are recognized in other comprehensive income and accumulated under this reserve within equity. The amounts recognized under this reserve are not reclassified to statement of profit and loss.

As at			
	31-Mar-26	31-Mar-25	01-Apr-24
	697.95	341.85	296.14
	497.89	299.61	-
	-	53.63	-
	1.65	0.39	-
	1,197.51	695.47	296.14
ended			
	31-Mar-26	31-Mar-25	01-Apr-24
	341.85	296.14	148.13
	371.90	174.91	148.94
	(15.78)	(7.74)	(0.92)
	-	(121.44)	-
	697.95	341.85	296.14
	299.61	-	-
	198.28	299.61	-
	497.89	299.61	-
	0.39	-	-
	1.26	0.39	-
	1.65	0.39	-

15 Borrowings

- (i) **Non-current (at amortised cost)**
Secured from banks
Term loans from banks
Term Loan from Financial Institution
Unsecured Loans
Loan from Director -Unsecured Loan
- (ii) **Current**
Secured
Loans repayable on demand
Current maturities of long term borrowings

As at		
31-Mar-26	31-Mar-25	01-Apr-24
77.61	78.69	104.06
77.05	4.79	3.65
25.22	81.27	37.79
179.88	164.75	145.49
704.85	351.29	346.58
44.29	17.87	14.93
749.14	369.16	361.51

Notes:
(a) **Terms of borrowings**
The Working Capital Facilities are secured by:

- (i) First pari passu charge on the entire current assets of the Company, including inventories, receivables, book debts, and other current assets, ranking pari passu among the working capital lenders.
(ii) Second charge on the Company's movable and immovable fixed assets, including land, buildings, plant and machinery, and other fixed assets, except those assets over which an exclusive charge has been created in favour of specific lenders.
(iii) Collateral security as stipulated in the respective sanction letters and security documents executed in favour of the lenders.
(iv) Personal guarantees of the Mr. A Srinivasa Reddy and Mrs. A Sandhya (Promoters) in favour of the lending institutions/banks for securing the working capital facilities.

The following are details

Name of the bank	Sanctioned amount	Type of loan	Rate of interest/commission	Security
Bank of baroda	497.50	Working capital loan	8.60%	1) Primary Security: Hypothecation of entire current assets of the company including but not limited to raw material, stock in process, semi-finished goods, finished goods and book debts both present and future along with HDFC Bank& IDFC Bank on pari-passu basis. 2)Collateral security: a. Equitable mortgage of Industrial land situated at, H no. 7-61/4, Sy No 8 M/S Fortune Paints Private Limited, CheriyaGp And Village Kandi Mandal, Sanga Reddy District 502285, admeasuring 7139 sq. yards or 5968.91 sq. mts with industrial shed area of 11856 sq. ft. and as per gram panchayat records 6776 sq. yards in the name of M/s Fortune Paints Private Limited (now M/s Technopaints and Chemicals Limited). b. Equitable mortgage of all the piece and parcel of the industrial urban vacant land (Acc roof shed is constructed without approval plan, hence value of the vacant land is considered) admeasuring 1503 sq yards farming a part of Survey number 405/AA1, situated at palancheru village and Mandal, Sanga reddy District Telangana state, standing in the name of M/S Fortune Paints Private limited (Now Technopaints Private limited). c. Equitable mortgage of the residential property situated at, flat No 31006, in 10th Floor, Cedar Block, Indu Fortune Fields, Phase XIII, KPHB Colony, Hyderabad, Telangana 500072 admeasuring 1865.36 sq. ft. of built-up area 256 Sq. ft. of car parking nos. 595 and 595A with undivided share of land admeasuring 72.22 sq. yards (out of total land 9.96 acres) in Sy. No. 1009 in the name of Sri Akuri Srinivasa Reddy. d. Equitable mortgage of the residential property situated at, Flat no 102 (1st Floor), Hno 199/MIG / (MCH no 15-21-1/ MIG /199) Balaji Nagar, Kukatpally, Hyderabad500072, with a built up area of 850 sq. ft. and car parking area of 80 sq. ft. along with undivided share of land admeasuring 35 sq. yards (out of 213.88 sq. yards) in the name of Sri. Akuri Srinivasa Reddy. e. Equitable mortgage of the industrial land situated in D. No. 1271/15 Plot no 7/A, Industrial Park, Phase II Nadikudi Village, Dacheppalli Mandal, Guntur-522414. To the extent of 9662.48 Sq. yards equivalent to 8077 sq. mts in the name of M/s Technopaints and Chemicals Pvt Ltd. (now M/s Technopaints and Chemicals Ltd.) Equitable mortgage of all commercial properties situated at, Shop no 205 & 206, Second Floor, No 8-3-166/6& 7, Bhavya Sree Arcade, Enragadda, Hyderabad 500018 admeasuring 882 Sq. Ft. of Built up area and car parking of 200 Sq. Ft. together with undivided share of land admeasuring 21 Sq. Yards (out of 1375 Sq. yards) in the name of M/s Fortune Paints Private Limited (now M/s Technopaints and Chemicals Limited). f. Extension of Equitable mortgage of all that piece and parcel of Semi-finished villa No.118, having super builtup area of 6500 Sq.ft. consisting of Ground + 2 upper floors, admeasuring 409.80 Sq.yards inclusive verandas, balconies & external wall in "PROSPARA COUNTY" in S.No.29/p. 30/p. 31/p. 33/p. 34/p. 35/p. 41/p. 42/p. 43/p. 44/p. 45/p & 49 at Kismatpur Village, Gandipet Mandal, Rangareddy District now coming under Bandlagunda Jagir Municipal Corporation, Telangana State stands in the name of Mr.Akuri Srinivasa Reddy & Mrs. Akuri Sandhya. g. Equitable mortgage of Residential property situated at Independent Duplex House with Municipal No.2-60/5/31/R332, on Plot No 151, admeasuring 183.33 Sq.Yards or Sq.Mtrs., with Plinth area 2099 Sq.feet (Consisting of Ground Floor, First Floor & Head Room RCC) and the layout named as "APR VAARAAHI PRAVEEN'S HYNORA Nos. 16/29/0a/2/6., 17/ies/ai/ GAGILLAPUR village and 790/29/99/09/09,791/29/29/29/e9, in DUNDIGAL Village, Dundigal Gandimaisamma Mandal, Under Dundigal Municipality ,Medchal-Malkajgiri District,Telangana and belongs to Mr.Akuri Srinivasa Reddy.

				h. Equitable mortgage of residential plot bearing No.19, admeasuring 222.21 Sq.Yds in "Kavuri One City Grove" Layout forming part of land admeasuring Ac.11-00 in Sy.No.330/P, Ac.3-20 in Sy.No.331/P and Ac.0-28 in Sy.No.332/P total admeasuring Ac.15-08, situated at Lemoor Village, under Lemoor Grama Panchayat, Kandukur Revenue Mandal, Range Reddy District in the name of Mrs.Akuri Sandhya W/o.Akuri Srinivasa Reddy. i. Equitable mortgage of residential plot bearing No.20, admeasuring 222.21 Sq.Yds in "Kavuri One City Grove" Layout forming part of land admeasuring Ac.11-00 in Sy.No.330/P, Ac.3-20 in Sy.No.331/P and Ac.0-28 in Sy.No.332/P total admeasuring Ac.15-08, situated at Lemoor Village, under Lemoor Grama Panchayat, Kandukur Revenue Mandal, Range Reddy District in the name of Mrs.Akuri Sandhya W/o.Akuri Srinivasa Reddy. j. Equitable mortgage of residential plot bearing No.37, admeasuring 222.21 Sq.Yds in "Kavuri One City Grove" Layout forming part of land admeasuring Ac.11-00 in Sy.No.330/P, Ac.3-20 in Sy.No.331/P and Ac.0-28 in Sy.No.332/P total admeasuring Ac.15-08, situated at Lemoor Village, under Lemoor Grama Panchayat, Kandukur Revenue Mandal, Range Reddy District in the name of Mrs.Akuri Sandhya W/o.Akuri Srinivasa Reddy. k. Equitable mortgage of residential plot bearing No.38, admeasuring 222.21 Sq.Yds in "Kavuri One City Grove" Layout forming part of land admeasuring Ac.11-00 in Sy.No.330/P, Ac.3-20 in Sy.No.331/P and Ac.0-28 in Sy.No.332/P total admeasuring Ac.15-08, situated at Lemoor Village, under Lemoor Grama Panchayat, Kandukur Revenue Mandal, Range Reddy District in the name of Mrs.Akuri Sandhya W/o.Akuri Srinivasa Reddy. l. Equitable mortgage of Residential Independent Duplex House bearing Municipal No.2-60/5/3/1/R334, on Plot No.9, with PTIN No.1232502292 admeasuring 185 Sq.Yards or 154.68 Sq.Mtrs.,with Plinth area 2086 Sq.feet (Consisting of Ground Floor, First Floor & Head Room RCC),and the layout named as "APR VAARAH PRABEEN'S HYNORA "(formerly known as VAARAH VAAHINI ENCLAVE) in survey Nos. 14, 15, 16, 17, 14/e9/e9/2/63, 15/e9/e9/63, 16/e9/e9/2/63, 17/e9/e9/ in GAGILAPUR village and 790, 791, 790/e9/e9/e9, 791/e9/e9/e9, in DUNDIGAL Village ,Dundigal Gandimaisamma Mandal,Under Dundigal Municipality,Medchal- Malkajgiri District, Telangana stands in the name of Mr.Akuri Srinivasa Reddy, S/o.Mr.Akuri Kishu Reddy. m. Exclusive charge on fixed assets (Plant and Machinery) on both present and future save and except vehicles and other assets specifically financed by other financiers. Lien of RD vide A/c No.27530300031673 (monthly Rs.10.00 lakhs for a period of 36 months)
HDFC Bank Limited	1,800.00	Working Capital Loan	8.24%	1) Primary Security: Hypothecation of entire current assets of the company including but not limited to raw material, stock in process, semi-finished goods, finished goods and book debts both present and future along with HDFC Bank& IDFC Bank on pari-passu basis.
HDFC Bank Limited	1,100.00	Term loan	8.12%-8.53%	2)Collateral security: 1. RESIDENTIAL – Sy. No. 507/1-B-3-A, Dacherapalli Mandal, Guntur District, 507/1-A-3-C, 507/1B1A, 499/1-C, Ramapuram Village, Sri Nagar Sri Gram Panchayat, 522601, Guntur. 2. RESIDENTIAL FLAT – Flat Bearing No. 1702 on 17th Floor, Aditya Empress Towers, New Block-M, Ward No. 13, situated at Shaikpet Village, Puranabagh, Tolichowki Area, Shaikpet Mandal, in H-Block, in Sy. Nos. 18, 19, 20, 21, 27, 28, 29, 30 & 31, in Ward No. 8, Block No. 1500001 Bus Stop.
HDFC Bank Limited	85.70	Bank guarantee	1.00%	3. RESIDENTIAL FLAT – Flat Bearing No. 1707 on 17th Floor, Aditya Empress Towers, New Block-M, Ward No. 13, situated at Shaikpet Village, Puranabagh, Tolichowki Area, Shaikpet Mandal, in H-Block, in Sy. Nos. 18, 19, 20, 21, 27, 28, 29, 30 & 31, in Ward No. 8, Block No. 1500001 Bus Stop. 4. COMMERCIAL – Plot No. 1, Azzat Nagar Village, Serilingampally Mandal, 1B (forming part of Plot No. 1), "Gem Silver Star", part of "Silpa Hills", 500001 Bus Stop.
IDFC First bank	100.00	Working capital loan	Repo Rate + 2.5% + 1.25% (Spread)	1) Primary Security: Hypothecation of entire current assets of the company including but not limited to raw material, stock in process, semi-finished goods, finished goods and book debts both present and future along with HDFC Bank& IDFC Bank on pari-passu basis.
IDFC First bank	250.00	Bank guarantee	1.00%	2)Collateral security:Yet to be created.
Oxzyo Finance Limited	100.00	Working capital term loan	12.00%	Open Land on survey no 90/E1.90/E.4/2.90/E2.90/U, Munidevuni pally Village ,kondapur mandal ,sangareddy Dt ,Telangana 501203

(b) Vehicle Loans

Name of the bank	Sanctioned amount	Type of loan	Rate of interest/commission	Security
Total Vehicle Loans	46.70	Vehicle Loans	8.24% - 13.19%	Respective Vehicles

(c) Changes in liabilities arising from financing activities:

	As at 01 April 2025	Cash inflows	Repayment	Others	As at 31-Mar-26
Term loans from banks (including current maturities)	101.35	97.60	-	-	198.95
Loans from related parties	81.27	(56.05)	-	-	25.22
Lease Liabilities	64.46	9.21	(14.33)	6.43	65.76
Loans repayable on demand	351.29	353.56	-	-	704.85
	<u>598.37</u>	<u>404.32</u>	<u>(14.33)</u>	<u>6.43</u>	<u>994.79</u>

	As at 01 April 2024	Cash inflows	Repayment	Others	As at 31-Mar-25
Term loans from banks (including current maturities)	122.64	(21.29)	-	-	101.35
Loans from related parties	37.79	43.48	-	-	81.27
Lease Liabilities	41.75	26.31	(8.74)	5.14	64.46
Loans repayable on demand	346.58	4.72	-	-	351.29
	<u>548.75</u>	<u>53.22</u>	<u>(8.74)</u>	<u>5.14</u>	<u>598.37</u>

16 Lease liabilities (Refer Note: 35)

	As at		
	31-Mar-26	31-Mar-25	01-Apr-24
Non-current			
Lease liabilities	55.30	57.42	39.91
	55.30	57.42	39.91
Current			
Lease liabilities	10.47	7.04	1.84
	10.47	7.04	1.84

17 Other financial liabilities

	As at		
	31-Mar-26	31-Mar-25	01-Apr-24
Non-current			
Margin money deposits	29.53	26.63	23.99
Channel Partner Deposits	21.01	11.12	9.15
	50.54	37.75	33.14
Current			
Employee payables	11.57	7.77	5.99
Other payables	2.62	9.11	5.91
	14.19	16.88	11.90

18 Provisions

	As at		
	31-Mar-26	31-Mar-25	01-Apr-24
Non-current			
Provision for gratuity	3.71	5.56	0.21
Provision for compensated absences	-	-	-
	3.71	5.56	0.21
Current			
Provision for gratuity	0.20	0.15	3.24
Provision for compensated absences	2.04	-	-
Provision for expenses	6.76	91.53	-
	9.00	91.68	3.24

19 Deferred tax assets / (liabilities), net

	As at		
	31-Mar-26	31-Mar-25	01-Apr-24
Property, plant and equipment	(13.59)	(12.48)	8.73
Right of use asset and lease liabilities	1.13	0.15	(0.45)
Security deposits receivables	0.66	0.67	0.45
Provision for expected credit loss (ECL)	10.28	(4.76)	1.34
Provision for expected sales returns	3.90	(2.55)	2.79
Provision for defective liability period	-	-	-
Margin money and retention money payables	(2.04)	(0.87)	(0.35)
Provision for employee benefits expense	1.50	1.44	0.87
	1.82	(18.39)	13.38

Note: Deferred tax assets/(liabilities), net, recognised in the Statement of profit and loss ("SPL") and OCI:

For the year ended 31 March 2026:

	As at 01 April 2025	(Charged) / credited to SPL	(Charged) / credited to OCI	As at 31 March 2026
Property, plant and equipment	(12.48)	(1.12)	-	(13.59)
Right of use asset and lease liabilities	0.15	0.97	-	1.13
Security deposits receivables	0.67	(0.02)	-	0.66
Provision for expected credit loss (ECL)	(4.76)	15.04	-	10.28
Provision for expected sales returns	(2.55)	6.45	-	3.90
Provision for defective liability period	-	-	-	-
Margin money and retention money payables	(0.87)	(1.17)	-	(2.04)
Provision for employee benefits expense	1.44	0.48	(0.42)	1.50
	(18.39)	20.64	(0.42)	1.82

For the year ended 31 March 2025:

	As at 01 April 2024	(Charged) / credited to SPL	(Charged) / credited to OCI	As at 31 March 2025
Property, plant and equipment	8.73	(21.21)	-	(12.48)
Right of use asset and lease liabilities	(0.45)	0.60	-	0.15
Security deposits receivables	0.45	0.22	-	0.67
Provision for expected credit loss (ECL)	1.34	(6.10)	-	(4.76)
Provision for expected sales returns	2.79	(5.34)	-	(2.55)
Provision for defective liability period	-	-	-	-
Margin money and retention money payables	(0.35)	(0.52)	-	(0.87)
Provision for employee benefits expense	0.87	0.70	(0.13)	1.44
	13.38	(31.64)	(0.13)	(18.39)

Technopaints and Chemicals Limited (formerly Fortune Paints Private Limited)
CIN: U24220TG2008PLC058787
Summary of material accounting policies and explanatory information
(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

20 Trade payables

	As at		
	31-Mar-26	31-Mar-25	01-Apr-24
- total outstanding dues of micro and small enterprises;	40.22	6.28	-
- creditors for capital goods	-	0.93	0.62
- total outstanding dues of creditors other than micro and small enterprises (Supplier of services)	976.92	278.16	69.15
- total outstanding dues of creditors other than micro and small enterprises(Supplier of goods)	310.35	404.61	204.04
	1,327.49	689.97	273.81

Notes:

Amounts due to related parties out of the above trade payable (Refer note: 36)
Refer Note 40 for information about the Company's exposure to financial risks.
Trade payables are non-interest bearing and are normally settled within 60 to 90 days.

Trade payables ageing schedule:

As at	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
31 March 2026			<1 year	1-2years	2-3years	>3 years	
MSME	-	-	40.20	0.03	-	-	40.22
Others	-	-	1,191.34	95.92	-	-	1,287.27
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - others	-	-	-	-	-	-	-
	-	-	1,231.54	95.95	-	-	1,327.49

As at	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
31 March 2025			<1 year	1-2years	2-3years	>3 years	
MSME	-	-	6.28	-	-	-	6.28
Others	-	-	404.61	-	-	-	404.61
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - others	-	-	-	-	-	-	-
	-	-	410.89	-	-	-	410.89

As at	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
1 April 2024			<1 year	1-2years	2-3years	>3 years	
MSME	-	-	-	-	-	-	-
Others	-	-	204.04	-	-	-	204.04
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - others	-	-	-	-	-	-	-
	-	-	204.04	-	-	-	204.04

- (d) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006: The amount due to Micro and Small Enterprises as defined in the 'The Micro, Small and Medium Enterprises Development Act, 2006' has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro, Small and Medium Enterprises are as under:

	As at		
	31-Mar-26	31-Mar-25	01-Apr-24
(i) Principal amount remaining unpaid to supplier at the end of the year	40.22	6.28	-
(ii) Interest due thereon remaining unpaid to supplier at the end of the year	3.60	0.59	-
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-	-
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-	-
(v) Interest paid to suppliers under MSMED Act (Section 16)	-	-	-
(vi) Interest due and payable to suppliers under MSMED Act, for payments already made	-	-	-
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	3.60	0.59	-
(ii) + (vi)	-	-	-

21 Other current liabilities

	As at		
	31-Mar-26	31-Mar-25	01-Apr-24
Statutory dues payable	181.88	106.92	55.11
Capital Advances	20.30	41.55	-
Refund liability	49.76	32.59	35.64
Advances received from customers	96.37	84.21	161.20
	348.31	265.26	251.96

22 Current tax liabilities (net)

	As at		
	31-Mar-26	31-Mar-25	01-Apr-24
Current			
Provision for tax, net of advance taxes	69.86	36.83	15.27
	69.86	36.83	15.27

Summary of material accounting policies and explanatory information

(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

23 Revenue from operations

	For the year ended	
	31st March, 2026	31st March, 2025
Revenue from turnkey projects	3,198.23	1,856.29
Revenue from sale of products	306.80	224.66
	3,505.04	2,080.95

The Company's turnkey painting solutions are an integrated offering of products and services, which include paint products and painting/application services

Revenue from contracts with customers

Set out below is the disaggregation of the Company's revenue from contracts with customers and reconciliation to profit and loss account:

	31-Mar-26	31-Mar-25
(i) Revenue from contracts with customers comprises of:		
Revenue from turnkey projects	3,198.23	1,856.29
Revenue from sale of products	323.98	221.60
	3,522.21	2,077.89
(ii) Primary geographical markets		
In India	3,522.21	2,077.89
Outside India	-	-
	3,522.21	2,077.89
(iii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contract	3,522.21	2,077.89
Adjustments for:		
— Volume discounts / rebates	-	-
— Price escalation clauses	-	-
— Refund liabilities	(17.18)	3.06
Total Revenue from contracts with customers	3,505.03	2,080.95
(iv) Timing of revenue recognition		
At a point in time	3,522.21	2,077.89
Over a period of time	-	-
	3,522.21	2,077.89
(v) Assets and liabilities related to contracts with customers		
	31-Mar-26	31-Mar-25
Trade receivables	2,061.04	1,120.70
Advance from customers	96.37	84.21
Contract assets	52.71	40.87
Refund liability	76.50	59.32
(vi) There are customers who are generating sales more than 10% of the total revenue. For the year ended 31 March 2026, 2025 and 2024 there 3,2 of the revenue.		

24 Other income

	For the year ended	
	31st March, 2026	31st March, 2025
Interest income on bank deposits	0.67	0.61
Interest income on deposits measured at amortized cost	15.80	3.02
Discount Received	0.18	0.44
Profit on sale of property, plant and equipment (net)	-	10.56
Fair value gain on Financial liability measured at amortized cost	-	-
Profit on sale of investment property	1.40	1.65
Rental income	0.29	0.24
Interest Income on Rental Deposits	-	1.34
Chit Dividend	-	3.69
Income From Dealer Service	-	3.64
Miscellaneous income	0.88	-
	19.23	25.19

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Summary of material accounting policies and explanatory information

(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

25 Cost of materials consumed

	31st March, 2026	31st March, 2025
Raw material at the beginning of the year	135.57	98.36
Add: Purchases	1,062.76	834.69
Less: Raw material at the end of the year	(122.55)	(135.57)
	1,075.78	797.49

26 Changes in inventories of stock-in -trade

	For the year ended	
	31st March, 2026	31st March, 2025
Opening Finishing Goods	125.49	61.04
Opening WIP	366.84	286.24
Less: Closing Finishing Goods	(132.86)	(125.49)
Less Closing WIP	(275.36)	(366.84)
	84.12	(145.05)

27 Employee benefits expense

	For the year ended	
	31st March, 2026	31st March, 2025
Salaries and wages	103.48	63.12
Employee Bonus	0.52	0.10
Directors Remuneration	17.85	11.90
Contribution to provident fund and other funds	5.23	3.80
Gratuity expense	1.83	2.99
Staff welfare expenses	5.59	2.11
	134.49	84.02

28 Finance costs

	For the year ended	
	31st March, 2026	31st March, 2025
Interest expense on term loan from bankers	63.90	37.60
Interest expense on lease liabilities	6.43	5.14
Loan Processing Fee	6.58	2.64
Interest expenses on financial liability measured at amortized cost	4.75	3.99
Bank Charges	1.78	2.61
	83.43	51.99

29 Depreciation and amortisation expense

	For the year ended	
	31st March, 2026	31st March, 2025
Depreciation on plant, property and equipment	19.39	20.66
Amortization of Intangible assets	0.20	0.00
Depreciation on right-of- use asset	12.12	7.14
	31.70	27.80

Summary of material accounting policies and explanatory information

(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

30 Other expenses

	For the year ended	
	31st March, 2026	31st March, 2025
Advertisement, branding and marketing expenses	60.58	88.32
Rates and taxes	1.02	4.20
Provisional for Expected Credit Loss	21.94	13.59
Fair value differential on security deposits	25.85	23.43
Printing and Stationery	2.13	2.96
Rent (Refer note: 3)	2.20	0.76
Interest and late charges on GST and TDS	6.79	8.98
Electricity expenses	1.45	1.44
Audit fees(refer note (i) below)	1.00	0.50
Repairs and maintenance: others	4.12	4.46
Legal and professional charges	11.28	8.15
Loss on sale of property, plant and equipment (net)	1.17	-
Chit bid loss	0.94	2.54
Travelling expenses	4.72	8.41
Transport Charges	23.29	17.03
Miscellaneous expenses	6.31	1.47
CSR Expenses (refer note (ii) below)	3.74	3.91
Advances written off	51.45	-
Commission charges	5.34	0.15
Office maintenance	8.76	3.07
Telephone and Internet charges	0.87	0.44
Security Expenses	1.90	1.60
Postage&Courier Charges	0.17	0.04
Insurance	2.91	0.80
	249.95	196.27

(i) Details of payments to auditors:

As auditor:

	31st March, 2026	31st March, 2025
-Statutory audit fees	0.75	0.50
- Tax audit fee	-	-
-Certification fee	0.25	-

(ii) Details of CSR expenditure:

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The permitted activities are as per Schedule VII of the Companies Act, 2013, which are specifically identified and approved by CSR Committee. The funds were utilised through the year on these activities.

	For the year ended	
	31st March, 2026	31st March, 2025
(a) Gross amount required to be spent during the year	3.73	1.91
(b) Amount spent during the year		
i) Construction/ acquisition of any asset	-	-
ii) on purposes other than (i) above	3.73	1.91
(c) Excess spent during previous years	-	-
(d) Shortfall/(Excess) at the end of the year	-	-
(e) Total of previous years shortfall	-	-
(f) Reason for shortfall	NA	NA
(g) Nature of CSR activities	Contribution to prime minister's national relief fund for Socio-economic development	
(h) Details of related party transactions	NA	NA
(i) Provision made during the year	-	-

Summary of material accounting policies and explanatory information

(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

31 First-time adoption of IND AS

The following reconciliations provides the effect of transition to Ind AS from Indian GAAP in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards:

(a) Reconciliation of total equity as at April 01, 2024, and as at March 31, 2025.

(b) Reconciliation of total comprehensive income for the year ended March 31, 2025.

(c) Impact of Ind AS adoption on the statement of cash flows for the year ended March 31, 2025.

(d) Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

(a) Reconciliation of balance sheet as at date of transition April 01, 2024

Particulars	Notes to first-time adoption	Indian GAAP	Adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment	i(i)	228.35	(61.11)	167.24
Right-of-use assets	i(iv)	-	43.54	43.54
Capital work-in-progress	(x)	6.35	(0.00)	6.35
Investment properties		-	72.04	72.04
Other intangible assets		-	-	-
Financial assets				
Other financial assets	i(iv)&i(ix)	-	55.55	55.55
Deferred tax asset (net)		-	13.38	13.38
Non current investments		14.70	(14.70)	-
Other non current assets		3.87	(3.87)	-
Total non-current assets		253.28	104.83	358.10
Current assets				
Inventories		445.64	(0.00)	445.64
Contract assets		0.00	24.56	24.56
Financial assets		0.00	0.00	-
Trade receivables	i(v)	392.58	155.87	548.45
Cash and cash equivalents		44.38	(8.57)	35.81
Bank balances other than cash and cash equivalent		-	-	-
Loans		-	-	-
Other financial assets		-	-	-
Current tax assets (net)		-	-	-
Short Term Loans & Advances		7.40	(7.40)	0.00
Other current assets		104.31	(71.42)	32.89
Total current assets		994.31	93.04	1,087.35
Total assets		1,247.58	197.87	1,445.45
Equity and liabilities				
Equity				
Equity share capital		11.04	-	11.04
Other equity	i(itoxii)	281.69	14.45	296.14
Total equity		292.73	14.45	307.18
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	i(vii)	160.43	(14.94)	145.49
Lease liabilities	i(iv)	0.00	39.91	39.91
Trade Payables		-	-	-
i) Total outstanding dues of micro enterprises and small enterprises		-	-	-
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
Other financial liabilities		-	33.14	33.14
Employee benefit obligations		-	0.21	0.21
Deferred Tax Liabilities (net)	i(iii)	6.87	(6.87)	-
Other non-current liabilities		54.70	(54.70)	-
Total non-current liabilities		222.00	(3.25)	218.75

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(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

Current liabilities				
Financial liabilities				
Borrowings		346.58	14.93	361.51
Lease liabilities	i(iv)	-	1.84	1.84
Trade payables		-	-	-
i) Total outstanding dues of micro enterprises and small enterprises		-	-	-
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		271.74	2.07	273.81
Other financial liabilities		-	11.90	11.90
Other current liabilities	i(viii)	68.59	183.37	251.96
Employee benefit obligations		-	3.24	3.24
Short Term Provisions		45.96	(45.96)	-
Total current liabilities		732.86	186.67	919.52
Total liabilities		954.86	183.42	1,138.27
Total equity and liabilities		1,247.58	197.87	1,445.45

(b) Reconciliation of balance sheet as at March 31, 2025

Particulars	Notes to first-time adoption	Indian GAAP	Adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment	i(i)	288.28	(19.85)	268.43
Right-of-use assets	i(iv)	-	63.85	63.85
Capital work-in-progress	x)	-	0.00	-
Investment properties		-	59.62	59.62
Intangible assets		-	0.04	0.04
Intangible assets under development		-	-	-
Financial assets		-	-	-
Other financial assets	i(iv)&i(ix)	-	56.17	56.17
Deferred tax asset (net)		0	0.00	-
Non Current Investments		43.60	(43.60)	-
Other non current assets		7.12	(7.12)	-
Total non-current assets		339.00	109.11	448.11
Current assets				
Inventories		627.90	0.00	627.90
Contract assets		-	22.45	22.45
Financial assets		-	-	-
Trade receivables	i(v)	1,071.98	48.72	1,120.70
Cash and cash equivalents		176.87	(29.09)	147.78
Bank balances other than (iii) above		-	20.52	20.52
Loans		-	-	-
Other financial assets		-	-	-
Short Term Loans & Advances		101.50	(101.50)	-
Other current assets		128.13	98.33	226.45
Total current assets		2,106.37	59.43	2,165.80
Total assets		2,445.38	168.54	2,613.91
Equity and liabilities				
Equity				
Equity share capital		157.45	0.00	157.45
Other equity	i(itoxii)	749.76	(54.29)	695.47
Share application money pending allotment		0.30	0.00	0.30
Total equity	i(vii)	907.51	(54.29)	853.22
	i(iv)			

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Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	i(vii)	167.77	(3.02)	164.75
Lease liabilities	i(iv)	-	57.42	57.42
Other financial liabilities		-	37.75	37.75
Employee benefit obligations		-	5.56	5.56
Deferred Tax Liabilities (net)	i(iii)	9.47	8.92	18.39
Other non-current liabilities		98.61	(98.61)	-
Total non-current liabilities		275.85	8.02	283.87
Current liabilities				
Financial liabilities				
Borrowings		369.16	0.00	369.16
Lease liabilities	i(iv)	-	7.04	7.04
Trade payables		-	-	-
i) Total outstanding dues of micro enterprises and small enterprises			6.28	6.28
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		574.64	109.06	683.69
Other financial liabilities		-	16.88	16.88
Other current liabilities	i(viii)	237.65	27.61	265.26
Provisions		-	91.68	91.68
Employee benefit obligations		-	-	-
Current tax liabilities (net)		-	36.83	36.83
Short Term Provisions		80.58	(80.58)	-
Total current liabilities		1,262.03	214.79	1,476.82
Total liabilities		1,537.87	222.82	1,760.69
Total equity and liabilities		2,445.38	168.53	2,613.91

(c) Reconciliation of profit or loss for the year ended March 31, 2025

Particulars	Notes to first-time adoption	Indian GAAP	Adjustments	Ind AS
Income				
Revenue from operations	i(viii)	2,077.89	3.06	2,080.95
Other income	i(ix) & i(iv)	24.25	0.95	25.19
Total income		2,102.14	4.00	2,106.14
Expenses				
Cost of materials consumed		749.74	47.75	797.49
Manufacturing Expenses		60.67	(6.12)	54.55
Changes in inventories of finished goods		(145.05)	(0.00)	(145.05)
Contract Expenses		751.94	(0.00)	751.94
Employee benefits expense	i(ii)	71.59	12.43	84.02
Finance costs	i(iv) & i(vii)	45.88	6.11	51.99
Depreciation and amortization expense	i(iv)	20.66	7.15	27.80
Other expenses	i(ii) & i(v) & i(viii)	219.50	(23.23)	196.27
Total expenses		1,774.93	44.08	1,819.01
Profit /(Loss) before exceptional items and tax		327.21	(40.08)	287.13
Exceptional items		-	-	-
Profit before tax		327.21	(40.08)	287.13
Tax expense				
Current tax		80.58	(0.00)	80.58
Deferred tax		2.60	29.04	31.64
Total tax expense		83.18	29.04	112.22
Profit for the year		244.02	(69.12)	174.91
Dividend (Appropriation)		(7.74)	7.74	-
Net Profit Available to Equity Share Holders		236.29	(61.38)	174.91

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Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans	-	0.52	0.52
Income tax relating to items that will not be reclassified to profit or loss	-	(0.13)	(0.13)
Total other comprehensive income for the year	-	0.39	0.39
Total comprehensive income	236.29	(61.38)	175.30

(d) Reconciliation of total equity as at March 31, 2025 and April 01, 2024

Particulars	Notes to first-time adoption		As at March 31, 2025	As at April 01, 2024
Equity share capital			157.45	11.04
Other equity			749.76	281.69
Shareholder's equity as per Indian GAAP (A)			907.21	292.73
Add/(Less): Adjustment				
ROU assets creation as per Ind AS 116			68.06	41.75
ROU assets creation on account of rental deposits			2.93	1.80
ROU lease liability creation as per Ind AS 116			(68.06)	(41.75)
Fair valuation of rental deposits			(2.93)	(1.80)
Fair valuation of other deposits			(32.12)	(5.28)
Provision for expected credit loss			(18.92)	(5.33)
Depreciation on ROU Assets			(6.85)	0.00
Interest on lease liability			(5.14)	0.00
Rental expenses to be adjusted to lease liability			8.74	0.00
Depreciation on ROU Assets on account of rental deposits			(0.29)	0.00
Interest income on security deposits			0.84	0.00
Impact on account of gratuity as per ind as 19			0.00	(0.21)
Impact on account of difference in Deferred taxes			(8.79)	20.25
Adjustment relating measurement of investment property			(4.73)	(3.77)
Provision for expected sales returns			(31.81)	(35.64)
Interest expenses on financial liability measured at amortized cost			3.81	1.38
Adjustment relating to Contract asset			22.45	24.56
Adjustment on margin money deposit			18.51	18.49
Adjustment relating to income tax of earlier periods			0.00	0.00
Total adjustments (B)			(54.28)	14.45
Shareholder's equity as per Ind AS (A+B)			852.93	307.18

(e) Reconciliation of total comprehensive loss for the year ended March 31, 2025

Particulars	Notes to first-time adoption		As at March 31, 2025
Profit after tax as per Indian GAAP (A)			244.02
Add/(Less): Adjustment			
Depreciation on investment property			(0.96)
ROU Depreciation			(6.85)
Lease liability Interest			(5.14)
Rental expenses			8.74
Security Deposits Due to depreciation as per Ind AS 116			(0.29)
Security Deposits Due to interest income as per Ind AS 116			0.24
Impact on account of gratuity as per ind as 19			0.00
Impact on account of ECL Ind AS 109			(13.59)
Fair valuation of security deposits			(26.84)
Interest on security deposits			0.85
Adjustments due to Deferred Tax			(29.04)
Provision for expected sales returns			3.06
Interest expenses on financial liability measured at amortized cost			2.43
Adjustment relating to Contract asset			(2.11)
Adjustment on margin money deposit			0.00
Adjustment relating to income tax of earlier periods			0.00
Adjustment on account of change in measurement of depreciation			0.00
Others			0.00
Total comprehensive income/(loss)			174.53

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(f) Impact of Ind AS adoption on cash flow statements for the year ended March 31, 2025

Particulars	Indian GAAP	Adjustments	Ind AS
Net cash flow from operating activities	(75.95)	258.00	(334.40)
Net cash flow from investing activities	(164.69)	(102.44)	(62.25)
Net cash flow from financing activities	373.13	(106.15)	479.28
Net increase / (decrease) in cash and cash equivalents	132.49	49.42	82.63
Cash and cash equivalents as at April 01, 2024	44.38	44.38	-
Cash and cash equivalents as at March 31, 2025	176.87	93.79	82.63

(g) Notes to first-time adoption under "Ind AS 101" (including Optional exemptions and Mandatory exceptions availed on first time adoption of Ind AS):**(i) Deemed Cost**

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognized as at April 01, 2023 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(ii) Remeasurement gain/(loss) of net defined benefit plan

Under Previous GAAP the Company recognized actuarial gains and losses in the statement of profit and loss. Under Ind AS 19 – Employee Benefits, actuarial gains and losses on defined benefit obligations are recognised in Other Comprehensive Income (OCI) and not through the statement of profit and loss. Employee benefit liabilities are measured at the present value of the defined benefit obligations using the projected unit credit method.

Impact as at April 01, 2024:

a) There is no impact on transition date on account of employee benefits.

Impact as at March 31, 2025:

a) Recognition of gratuity expense of INR 2.11 million in the statement of profit and loss, increasing the employee benefit expenses.

b) Actuarial gain of INR 0.00 million on remeasurement of gratuity was recognised in Other Comprehensive Income (OCI).

Impact as at March 31, 2026:

a) Recognition of gratuity expense of INR 0.003 million in the statement of profit and loss, increasing the employee benefit expenses.

b) Actuarial gain of INR 0.52 million on remeasurement of gratuity was recognised in Other Comprehensive Income (OCI).

(iii) Deferred Tax

Under Previous GAAP, Deferred tax is calculated using the income statement approach which focuses on differences between taxable profits and accounting profits for the period. Under Ind AS 12 deferred tax is calculated using balance sheet approach which focuses on differences between taxable profits and accounting profits for the period.

Impact as on April 01, 2024:

a) Net Deferred tax asset of INR 3.07 million recognized in the Balance Sheet as at April 01, 2024.

For the year ended March 31, 2025:

a) Deferred tax expense of INR 21.17 million recognized in the statement of profit and loss on account of movements in temporary differences.

b) Deferred tax income of INR 0.13 million recognized in Other Comprehensive Income.

c) Consequently, a net Deferred tax liability of INR 18.24 million has been recognized in the Balance Sheet as at March 31, 2025.

For the year ended March 31, 2026:

a) Deferred tax income of INR 20.31 million recognized in the statement of profit and loss on account of movements in temporary differences.

b) Deferred tax income of INR 0.42 million recognized in Other Comprehensive Income.

c) Consequently, a net Deferred tax asset of INR 1.78 million has been recognized in the Balance Sheet as at March 31, 2026.

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(iv) Lease liability and Right of use asset

Under Ind AS 116, leases are capitalized at the lease's inception at the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Further, lessee shall recognize a right-of-use- asset and lease liability.

The security deposit are measured at fair value using amortized cost method. The difference between fair value and transaction value will be recognised as Right-of use asset and depreciated over the lease term. Fair value of the deposit will be unwinded over the lease term by recognising interest income.

The following is the impact under Ind AS:

As at April 01, 2024:

- a) The Company recognised a Right-of-Use (ROU) asset of INR 43.54 million, and a corresponding lease liability of INR 41.75 million as at April 01, 2024, resulting in an increase in assets and borrowings.
- b) A fair valuation adjustment of INR 1.80 million was made to the security deposit, resulting in a decrease in financial assets (deposit) and a corresponding increase in the ROU asset.

For the year ended March 31, 2025:

- a) Depreciation of INR 7.14 million was recognised on the ROU asset (increase in depreciation expense and decrease in ROU Asset).
- b) Finance cost of INR 5.14 million was recognised on the lease liability (increase in finance cost and lease liability).
- c) Interest income of INR 1.1 million was recognised from the unwinding of the security deposit (increase in other income and Other financial asset).
- d) Lease rent expense of INR 8.74 million under previous GAAP was reversed (decrease in other expenses and lease liability).

For the year ended March 31, 2026:

- a) Depreciation of INR 12.12 million was recognised on the ROU asset (increase in depreciation expense and decrease in ROU Asset).
- b) Finance cost of INR 6.43 million was recognised on the lease liability (increase in finance cost and lease liability).
- c) Interest income of INR 6.17 million was recognised from the unwinding of the security deposit (increase in other income and Other financial asset).
- d) Lease rent expense of INR 14.33 million under previous GAAP was reversed (decrease in other expenses and lease liability).

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(v) Expected credit loss

Under previous GAAP (Indian GAAP), the Company recognised impairment on trade receivables and other financial assets only when there was objective evidence of a specific loss event (incurred loss model). Upon transition to Ind AS, the Company is required to apply the impairment requirements of Ind AS 109, Financial Instruments, which mandates recognition of Expected Credit Loss (ECL) on all financial assets measured at amortised cost. For trade receivables that do not contain a significant financing component, the Company applies the simplified approach, whereby a loss allowance is recognised at an amount equal to lifetime expected credit losses. The excess of the ECL allowance so computed over any specific provision already recognised under previous GAAP as at the transition date has been recognised as a charge to retained earnings in the opening Ind AS Balance Sheet. The resulting transition adjustment, net of the applicable deferred tax impact recognised in accordance with Ind AS 12, Income Taxes, has been disclosed in the reconciliation of equity forming part of this note.

Impact as at April 01, 2024:

An amount of Rs. 5.33 million representing the provision for expected credit loss is adjusted against the equity with a corresponding adjustment to Trade receivables.

Impact as at March 31, 2025:

Consequent to the adjustment as at April 01, 2023 to the Trade receivables, an amount of INR 18.92 million representing the provision for expected credit loss on Trade receivables has been provided.

Impact as at March 31, 2026:

An amount of INR 40.86 million representing the provision for expected credit loss on Trade receivables has been provided.

(vi) Other comprehensive income:

The concept of other comprehensive income (OCI) did not exist under IGAAP. Also refer point (iii) above.

(vii) Impact of borrowings under Ind AS 109 - Processing charges

Under previous GAAP, processing charges are recognised directly in statement of profit and loss account. Under Ind AS 109 – Financial Instruments, transaction costs directly attributable to the acquisition of borrowings are adjusted against the carrying amount of the respective borrowings and are amortised over the tenure of the borrowings using the effective interest rate method.

Impact as at April 01, 2024:

a) The Company reversed INR 0.00 million of processing charges previously recognised as expense under the erstwhile Indian GAAP. The reversed amount was deducted from the carrying amount of the respective borrowings with a corresponding adjustment to retained earnings.

Impact as at March 31, 2025:

Processing charges of INR 0.73 million were recognised as expense in the statement of profit and loss for the year ended March 31, 2025, representing the amortisation of transaction costs over the tenure of the borrowings in accordance with the effective interest rate method (Increase in finance cost and financial liability).

Impact as at March 31, 2026:

Processing charges of INR 1.02 million were recognised as expense in the statement of profit and loss for the year ended March 31, 2026, representing the amortisation of transaction costs over the tenure of the borrowings in accordance with the effective interest rate method (Increase in finance cost and financial liability).

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(viii) Provision for expected sales returns

Upon transition to Ind AS, the Company is required to recognise a refund liability for the portion of consideration received that is expected to be refunded to customers, in accordance with Ind AS 115. A corresponding recovery asset, representing the right to recover goods from customers is recognised only to the extent such goods are capable of being resold in accordance with paragraph B25 of Ind AS 115.

The net impact of recognition of the refund liability and the recovery asset, along with the related deferred tax effect, has been adjusted against opening retained earnings as at 1 April 2023.

Impact as at April 01, 2024:

a) The Company provided INR 35.64 million of provision for expected sales returns with a corresponding adjustment to retained earnings.

Impact as at March 31, 2025:

An amount of INR 3.06 million representing the reversal of provision for expected sales returns on sales has been provided.

Impact as at March 31, 2026:

An amount of INR 17.18 million representing the provision for expected sales returns on sales has been provided.

Impact of contract assets

Impact as at April 01, 2024:

a) The Company recognised INR 24.56 million of contract assets with a corresponding adjustment to retained earnings.

Impact as at March 31, 2025:

An amount of INR 2.11 million representing the reversal of contract assets on CoGS has been provided.

Impact as at March 31, 2026:

An amount of INR 11.84 million of contract assets on CoGS has been provided.

(ix) Fair value of security deposits receivables

The security deposit are measured at fair value using amortized cost method. The difference between fair value and transaction value will be recognised as expenses. Fair value of the deposit will be unwinded over the term by recognising interest income.

Impact as at April 01, 2023:

a) The Company recognised INR 5.28 million as expenses as the difference between the fair value and transaction with a corresponding adjustment to retained earnings.

Impact as at March 31, 2025:

An amount of INR 26.14 million net impact has been recognised.

Impact as at March 31, 2026:

An amount of INR 26.18 million net impact has been recognised.

(x) Investment property

Under Ind AS 40, any land or a building or part of a building or both held (by the owner or by the lessee as a right-of-use asset) to earn rentals or for capital appreciation or both, rather than for (a) use in the production or supply of goods or services or for administrative purposes; or (b) sale in the ordinary course of business shall be classified as investment property. This distinguishes investment property from owner-occupied property.

The following is the impact under Ind AS:

As at April 1, 2024:

An amount of INR 30.24 million has been reclassified as investment properties

As at April 1, 2025:

An amount of INR 15.53 million has been reclassified as investment properties

As at April 1, 2026:

An amount of INR 0.00 million has been reclassified as investment properties

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(xi) Fair valuation of Margin money deposit payable

The security deposit payables are measured at fair value using amortized cost method. The difference between fair value and transaction value will be recognised as income. Fair value of the deposit will be unwinded over the term by recognising interest expenses.

Impact as at April 01, 2024:

a) The Company recognised INR 2.4 million as expense as the difference between the fair value and transaction with a corresponding adjustment to retained earnings.

Impact as at March 31, 2025:

An amount of INR 2.64 million as expenses, net impact has been recognised.

Impact as at March 31, 2026:

An amount of INR 2.90 million as expenses, net impact has been recognised.

(xii) Other adjustments

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

(xiii) Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies. As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS). The Company's estimates under Ind AS are consistent with the above requirement.

(xiv) Derecognition of financial assets and liabilities

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

(xv) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost has been done retrospectively except where the same is impracticable.

(xvi) Reversal of Goodwill on Acquisition of Calstone Minerals Business

Under previous GAAP, the Company had recognised goodwill of ₹31.93 million on the acquisition of the business undertaking of M/s Calstone Minerals pursuant to a Business Transfer Agreement dated 24 March 2025, for a lump sum consideration of ₹80.00 million.

On transition to Ind AS, the Company assessed the transaction in accordance with the definition of a "business" under Ind AS 103, Business Combinations. Based on this assessment, it was concluded that the assets acquired — comprising land, and buildings— did not constitute an integrated set of activities and assets capable of being conducted and managed for the purpose of providing a return to investors, as the acquired set lacked a substantive process. Accordingly, the transaction does not meet the definition of a business combination under Ind AS 103 and has been accounted for as an acquisition of assets. Consequently, the goodwill of ₹31.93 million recognised under previous GAAP has been derecognised, and the total consideration of ₹80.00 million has been allocated to the identifiable assets acquired, being land of ₹56.28 million and buildings of ₹23.72 million, in proportion to their relative fair values as at the date of acquisition. Transaction costs of ₹0.00 million directly attributable to the acquisition, previously expensed under previous GAAP, have been capitalised as part of the cost of the assets acquired.

As the transaction was effected on 24th March 2025, this reclassification impacts the Balance Sheet as at 31st March 2025, with an increase/(decrease) of ₹31.93 million in Property, Plant and Equipment and a corresponding derecognition of Goodwill of ₹31.93 million. The capitalisation of transaction costs previously expensed results in a corresponding reduction of ₹0.00 million in expenses recognised in the Statement of Profit and Loss for the year ended 31st March 2025.

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32 Tax expense

(i) Income tax expense recognised in the Statement of Profit and Loss

Current tax expense
Deferred tax credit

For the year ended		
31-Mar-26	31-Mar-25	01-Apr-24
148.99	80.58	45.96
(20.51)	31.64	(17.51)
134.66	112.22	28.45

(ii) Income tax expense charged to other comprehensive income (OCI):

Income tax impact on re-measurement of defined benefit plans

For the year ended		
31-Mar-26	31-Mar-25	01-Apr-24
(0.42)	(0.13)	-
(0.42)	(0.13)	-

(iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate :

The reasons for the difference between the actual income tax expense for the year and the standard rate of corporate tax applied to profits for the year are as follows:

Profit before tax
Enacted tax rates in India
Expected tax expense

31-Mar-26	31-Mar-25	01-Apr-24
506.56	287.13	177.39
25.17%	25.17%	25.17%
127.49	72.26	44.65

Tax effect of amounts which are not deductible / taxable in calculating taxable income:

Effect of expenses not deductible
Others

Income tax expense

0.94	0.98	-
0.05	38.98	(16.20)
134.66	112.22	28.45

33 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period/year. Diluted EPS amounts are calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period/year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computation:

Profit for the year
Effect of dilution
Profit/(Loss) attributable to equity shareholders adjusted for the effect of dilution

31-Mar-26	31-Mar-25	01-Apr-24
371.90	174.91	148.94
-	-	-
371.90	174.91	148.94

Weighted average number of equity shares outstanding during the year
Effect of dilution

Weighted average number of equity shares adjusted for the effect of dilution

1,73,97,000	1,57,44,730	1,57,44,730
-	-	-
1,73,97,000	1,57,44,730	1,57,44,730

Earnings per equity share (in absolute ₹ terms):

Basic EPS
Diluted EPS
Face value per equity share

8.10	4.21	11.40
8.10	4.21	11.40
1.00	1.00	1.00

Note: No potential equity shares are outstanding as on 31 March 2026 and 31 March 2025, and there are no items giving rise to dilutive equity shares. Hence basic EPS is considered diluted EPS.

34 Contingent liabilities and commitments

(A) Commitments: Estimated Amount of contracts remaining to be executed on capital account. (Net of Advances) is:

Capital Commitments

31-Mar-26	31-Mar-25
-	-
-	-

(B) Contingent liabilities:

Income Tax Demands
Performance Bank Guarantee

31-Mar-26	31-Mar-25
86.12	86.12
85.33	85.17
171.45	171.29

The statutory dues that not have been deposited on account of Dispute, are as follows, may account outflow of resources.

Nature of statute	Amount	Period relating to	Forum where dispute is pending
Income tax demands	3.02	2021-22	Rectification u/s 154
Income tax demands	12.26	2022-23	CIT (Appeals)
Income tax demands	7.53	2022-23	CIT (Appeals)
Income tax demands	60.82	2023-24	CIT (Appeals)
Income tax demands	2.49	2024-25	CIT (Appeals)

The Company has issued a performance Bank Guarantee in favour of TDEWIDC for an amount of INR 85.7 Mn on behalf of HIPL-FPPL JV.

The Company has issued a performance Bank Guarantee in favour of "Construction of Balance Work to Girls Hostel attached to Model School Building at TSMS Aksanpally, Andhole in Sangareddy district" for an amount of INR 0.16 Mn.

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35 Leases (where the Company as lessee)

The Company has entered into multiple lease arrangements for terms a period between 5-30 years with renewal option at the discretion of lessee. Additionally, the Company has opted to apply the short-term lease exemption for certain leases with a lease term of up to 12 months:

(i) Break-up of lease liabilities is as under:

	As at			
	31-Mar-26	31-Mar-25	01-Apr-24	01-Apr-23
Current lease liabilities	10.47	7.04	1.84	-
Non-current lease liabilities	55.30	57.42	39.91	-
	65.76	64.46	41.75	-

(ii) Set out below are the carrying amounts of lease liabilities and the movements during the year:

	For the year ended			
	31-Mar-26	31-Mar-25	01-Apr-24	
Balance at the beginning of the year		64.46	41.75	-
Additions during the year		9.21	26.31	41.75
Deletions during the year		-	-	-
Finance cost accrued during the year		6.43	5.14	-
Payment of lease liabilities		(14.33)	(8.74)	-
Lease liabilities at the end of the year		65.76	64.46	41.75

35 Leases (cont'd)

(iii) The details of contractual maturities of lease liabilities on an undiscounted basis is as follows:

	As at			
	31-Mar-26	31-Mar-25	01-Apr-24	01-Apr-23
Less than one year	15.84	13.16	-	-
One to five years	43.02	52.18	28.28	27.78
More than five years	-	-	6.56	13.61
	58.86	65.34	34.83	41.39

(iv) Following amount has been recognized in statement of profit and loss:

	For the year ended			
	31-Mar-26	31-Mar-25	01-Apr-24	
Depreciation on right to use asset		7.14	7.14	-
Interest on lease liability		6.43	5.14	-
Expenses related to short term lease (included under other expenses)		2.20	0.76	3.44
Total amount recognized in the statement of profit and loss		15.77	13.04	3.44

36 Related party disclosures

(a) Names of the related parties and nature of relationship

Names of related parties	Nature of relationship
Akuri Srinivasa Reddy	Managing Director
A Sandhya (effective till 06.09.2025)	Director
Anil Kondoth (w.e.f. 03.08.2024)	Executive Director & CEO
Venkata Lakshmi Narasimha Murthy Chilla (w.e.f. 03.08.2024)	Director
Akuri Sakesh Reddy (Effective till. 06.09.2025)	Director
Akuri Deepthi (Effective till 06.09.2025)	Director
Guntaka Dhanalakshmi(w.e.f . 01.07.2025)	Independent Director
Radhakrishnan Balakrishna Menon (w.e.f . 30.09.2025)	Independent Director
Srikanth Reddy Sanikommu (w.e.f 01.07.2025)	Chief Financial Officer
Deevi Madhavi Latha (w.e.f 01.07.2025)	Company Secretary
K Sivareddy	Relatives of Key Manament Personnel
- Fenetree UPVC Private Limited	Entities owned or Significantly Influenced by the KMP or their relatives
- Materbond Construction Chemicals Private Limited	Entities owned or Significantly Influenced by the KMP or their relatives
- Richwaves Specialities Private Limited	Entities owned or Significantly Influenced by the KMP or their relatives
- Akuri Properties Private Limited	Entities owned or Significantly Influenced by the KMP or their relatives
- Calstone Minerals	Entities owned or Significantly Influenced by the KMP or their relatives
- Nano Technology Coatings Products	Entities owned or Significantly Influenced by the KMP or their relatives
- Rsix Engineers Private Limited (Formerly Techno Coats Private Limited)	Entities owned or Significantly Influenced by the KMP or their relatives
- Techno Coats	Entities owned or Significantly Influenced by the KMP or their relatives
- HIPL - FPPL JV	Joint Venture

(b) Transactions with related parties

	For the year ended	
	31-Mar-26	31-Mar-25
(i) Akuri Srinivasa Reddy		
Directors Remuneration	11.90	7.20
Unsecured Loans Taken (Receipts)	48.82	187.17
Loans Repaid	10.48	143.69
Sale of Properties	-	21.00
Sale of Investments	15.00	1.70

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(ii) A Sandhya		
Directors Remuneration	1.97	4.80
Salaries	2.34	-
(iii) Anil Kondoath		
Directors Remuneration	3.98	
Salaries	1.25	-
(iv) Venkata Lakshmi Narasimha Murthy Chilla		
Director Sitting Fees	0.10	-
(v) Guntaka Dhanalakshmi		
Director Sitting Fees	0.10	-
(vi) Radhakrishna Balakrishnan Menon		
Director Sitting Fees	0.08	-
(vii) Srikanth Reddy Sanikommu		
Salaries	3.90	-
(viii) Deevi Madhavi Latha		
Salaries	1.50	-
(ix) Fenetre UPVC Private Limited		
Loan given	-	23.10
Loans Repaid	8.98	-
Interest Income	1.86	0.54
(x) Master Bond Construction Chemicals Pvt Limited		
Purchase of Material	17.88	-
Payments against purchase	17.59	-
Sale of Material	-	0.03
Receipt against sale	-	-
Loan given	3.16	0.73
Interest Income	0.40	0.02
(xi) Richwaves Specialities Pvt Limited		
Purchase of Materials	16.87	12.10
Payments against purchase	19.11	12.65
Sale of Material	11.09	7.37
Receipt against sale	0.11	-
Loan given	47.70	9.35
Loans Repaid	39.70	-
Interest Income	1.96	0.53
(xii) Akuri Pproperties and Holdings Pvt Ltd		
Loan given	7.60	-
Interest income received	0.36	-
(xiii) Nano Technology Caotings		
Purchase of Material	-	126.41
Payments against purchase	-	23.91
(xiv) Techno Coats		
Painting Services Received	29.00	-
(xv) - Rsix Engineers Private Limited (Formerly Techno nano coatings pvt ltd)		
Painting Services Received	103.24	190.02
Payments against purchase	97.71	101.90
Sale of Material	28.99	-
Receipt against sale	22.00	-
Loan given	56.30	-
Interest income received	1.15	-
(xvi) Calstone Minerals		
Purchase of Property	-	80.00
(xvii) HIPL - FPPL JV		
Supply of Services	1,177.35	0.01
(c) Balance receivable / (payable)		
As at		
	31-Mar-26	31-Mar-25
(i) Srinivasa Reddy Akuri		
Director Remuneration Payable	0.56	0.43
Loan Payable	25.20	81.27

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(ii) Akuri Sandhya Resigned as director from 06-09-2025		
Director Remuneration Payable	0.05	0.25
(iii) Fenetre Upvc Private Limited		
Loan Receivable	16.47	23.58
(iv) Materbond Construction Chemicals Private Limited		
Loan Receivable	4.31	0.75
Trade Receivable/(Payable)	(0.28)	0.03
(v) Richwaves Specialities Private Limited		
Loan Receivable	19.757	9.81
Trade Receivable/(Payable)	21.13	7.92
(vi) HIPL - FPPL JV		
Trade Receivable/(Payable)	489.30	90.22
(vii) Akuri Pproperties and Holdings Pvt Ltd		
Loan Receivable	7.60	-
Interest receivable	0.32	-
(viii) Rsix Engineers Private Limited (Formerly Techno nano coatings pvt ltd)		
Loan Receivable	56.3	-
Interest Receivable	1.18	-
Trade Receivable/(Payable)	(0.44)	(5.08)
(ix) Techno Coats		
Trade Receivable/(Payable)	(20.75)	(7.96)
(x) Nano Technology Caotings Products		
Trade Receivable/(Payable)	(66.05)	(121.64)
(xi) Anil Kondoith		
Director Remuneration Payable	0.30	-
(xii) Srikanth Reddy S		
Salary Payable	0.37	-
(xiii) Madhavi Latha		
Salary Payable	0.15	-

Notes:

- (i) Remuneration does not include post employment benefits expenditure which are computed for the Company as a whole.
(ii) Personal guarantee and property guarantees given the directors and their relatives is disclosed in Note 15.

37 Employee benefit obligations

Defined contribution

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund which are defined contribution plans obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

Defined benefit plans

The Company has a defined benefit gratuity plan (unfunded), according to which every employee who has completed five periods or more of service gets a gratuity on departure at 15 days salary (las completed period of service (service of six months and above is rounded off as one period) after deduction of necessary taxes at the time of retirement / exit in accordance with Payment of Gratuity . tables summarize the reconciliation of opening and closing balances of the present value and defined benefit obligation:

	31-Mar-26	31-Mar-25	01-Apr-24
(i) Reconciliation of present value of defined benefit obligation			
Defined benefit obligation at the beginning of the year	5.71	3.45	-
Current service cost	1.43	1.48	0.35
Past Service Cost	-	-	3.10
Interest cost	0.40	0.25	-
Benefits paid	-	-	-
Actuarial loss/(gain) recognised during the year			
- due to demographic assumption	-	-	-
- due to change in financial assumptions	(0.63)	(3.69)	-
- due to experience	(1.06)	4.22	-
Defined benefit obligation at the end of the year	5.86	5.71	3.45
(ii) Reconciliation of fair value of plan asset			
Fair value of plan assets, beginning of the year	-	-	-
Interest on plan assets	0.07	-	-
Return on plan assets excluding interst income	-	-	-
Employer contribution	1.89	-	-
Benefits paid	-	-	-
Remeasurement due to - actual return on plan assets less interest on plan assets	(0.01)	-	-
Fair value of plan assets, at the end of the year	1.95	-	-

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(ii) Reconciliation of present value of defined benefit obligation and fair value of plan assets

Present value of defined benefit obligation
Fair value of plan assets
Liability recognised in the Balance Sheet

Non current
Current

31-Mar-26	31-Mar-25	01-Apr-24
5.86	5.71	3.45
(1.95)	-	-
3.91	5.71	3.45
5.66	5.56	3.40
0.20	0.15	0.05

(iii) Expenses recognised in the Statement of profit and loss / OCI

Recognised in statement of profit and loss
Current service cost
Interest cost
Past Service Cost

Recognised in statement of other comprehensive income
Actuarial loss/(gain)

31-Mar-26	31-Mar-25	01-Apr-24
1.43	1.48	0.35
0.40	0.25	-
-	-	3.10
1.83	1.73	3.45
(1.69)	0.52	-
(1.69)	0.52	-

(iv) Key actuarial assumptions

Discount rate
Retirement age
Salary escalation rate
Withdrawal rate
Mortality rate

31-Mar-26	31-Mar-25	01-Apr-24
7.80%	7.03%	7.22%
60 years	60 years	60 years
6.00%	6.00%	10.00%
2.00%	2.00%	2.00%

IALM (2012-14) Ult.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(v) Maturity profile of defined benefit obligation:

Within 1 year
2 to 5 years
6 to 10 years
More than 11 years

31-Mar-26	31-Mar-25	01-Apr-24
0.20	0.15	0.05
0.91	0.76	0.35
3.30	1.23	0.42
16.78	18.67	14.72

(vi) Sensitivity analysis

Salary escalation (+ 1% movement)
Salary escalation (- 1% movement)
Withdrawal Rates - (+ 1% movement)
Withdrawal Rates - (- 1% movement)
Discount rate - (+ 1% movement)
Discount rate - (- 1% movement)
Mortality Rates - (+ 10% movement)
Mortality Rates - (- 10% movement)

31-Mar-26	31-Mar-25	01-Apr-24
6.54	6.51	3.92
5.29	5.01	2.97
6.02	5.81	3.32
5.66	5.59	3.61
5.17	4.93	2.90
6.69	6.67	4.15
5.86	5.72	3.45
5.85	5.71	3.46

(b) Defined contribution plans

The Company makes contributions, determined as a specified percentage of employees salaries, in respect of qualifying employees towards provident fund, which is a defined contribution plan. The Company has no obligation other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount charged to statement of profit and loss for the year ended 31 March 2026 is 5.23 million (31 March 2025: ₹3.80 million).

Summary of material accounting policies and explanatory information

(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

38 Segment information

In accordance with Ind AS 108, Operating Segments Reporting, the Company's chief operating decision maker ("CODM") has been identified as the board of directors. The company is engaged only in the business of manufacturing, selling and distribution of paints, coatings, products related to home décor, bath fittings, kitchen, wardrobe and providing related services.

Based on the Company's business model, manufacturing, selling and distribution of paints, coatings, and providing related services have been considered as a single business segment for the purpose of making decision on allocation of resources and assessing its performance. Accordingly, there are no separate reportable segments in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the Financials Statements. Presently, the Company's operations are confined only to India. There are individual customer contributing more than 10% of Company's total revenue. All non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets of the Company are located in India.

39 Categories of Financial instruments and their fair values

The carrying amount of all financial assets and financial liabilities appearing in the financial statements are reasonable approximation of their fair values.

Categories of financial instruments

Fair value hierarchy		As at 31 March 2026		As at 31 March 2025		As at 1 April 2024	
		Total carrying value	Amortised cost	Total carrying value	Amortised cost	Total carrying value	Amortised cost
Financial assets							
Trade receivables	Level 2	2,061.04	2,061.04	1,120.70	1,120.70	548.45	548.45
Cash and bank balances including other bank balances	Level 2	893.46	893.46	168.30	168.30	35.81	35.81
Loans	Level 2	-	-	-	-	-	-
Others	Level 2	42.32	42.32	56.17	56.17	55.55	55.55
		2,996.82	2,996.82	1,345.17	1,345.17	639.81	639.81
Financial liabilities							
Borrowings	Level 2	929.02	929.02	533.91	533.91	507.00	507.00
Lease liabilities	Level 2	65.76	65.76	64.46	64.46	41.75	41.75
Trade payables	Level 2	1,327.49	1,327.49	689.97	689.97	273.81	273.81
Other financial liabilities	Level 2	64.73	64.73	54.63	54.63	45.04	45.04
		2,387.00	2,387.00	1,342.97	1,342.97	867.60	867.60

The Management assessed that fair value of cash and cash equivalents, trade receivables, other current financial assets, trade payables, borrowings and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than a forced or a liquidation sale.

Technopaints and Chemicals Limited (formerly Fortune Paints Private Limited)

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Summary of material accounting policies and explanatory information

(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

40 Financial risk management objectives and policies**Financial Risk Management Framework**

The Company is exposed to various financial risks arising from its operations and the use of financial instruments. The key financial risks include market risk, credit risk and liquidity risk. The Company's risk management policies are established to identify and analyse the risks faced by the Company and seek to, where appropriate, minimize potential impact of the risk and to control and monitor such risks. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

The following sections provide details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for management of these risks.

A. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Customer credit risk is managed by the Company's established policy, procedures and control relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken up on case to case basis. Considering the historical experience of collecting trade receivables, the Company evaluates the concentration of risk with respective trade receivables as low.

The credit risk on cash and bank balances and deposits with banks is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

None of the Company's cash equivalents, loans and other financial assets were either past due or impaired as at the respective reporting period. The Company has diversified its portfolio of investment in cash and cash equivalents and term deposits with various banks which have secure credit ratings, hence the risk is reduced. Loans given to related parties and others are tested for impairment where there is an indicator and the assessed credit risk associated with such loans is relatively low. Other financial assets represent security deposits given to lessors and other assets. Credit risk associated with such deposits and other assets is relatively low.

The Company's credit period for trade receivables from its customers generally ranges from 1 - 10 days. The ageing of trade receivables is given below:

	31-Mar-26	31-Mar-25	01-Apr-24
Neither past due nor impaired	-	-	-
<i>Past due but not impaired:</i>			
Less than 180 days	1,220.81	830.20	504.94
More than 180 days	881.08	309.42	48.85
	2,101.89	1,139.62	553.79
Less: Allowance for credit losses	(40.86)	(18.92)	(5.33)
	2,061.03	1,120.70	548.46

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each balance sheet date whether a financial asset or a group of financial assets are impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix if they past due. The provision matrix takes into account historical credit loss experience and is adjusted for forward-looking information.

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40 Financial risk management objectives and policies (cont'd)
B. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows:

As at 31 March 2026	Carrying value in books	Up to 1 year	1 - 5 years	More than 5 year	Total contractual undiscounted cash flow
Borrowings	929.02	749.14	179.88	-	929.02
Lease liabilities	65.76	15.84	43.02	-	58.86
Trade payables	1,327.49	1,231.54	95.95	-	1,327.49
Other financial liabilities	64.73	14.19	50.54	-	64.73
	2,387.00	2,010.71	369.39	-	2,380.10

As at 31 March 2025	Carrying value in books	Up to 1 year	1 - 5 years	More than 5 year	Total contractual undiscounted cash flow
Borrowings	533.91	369.16	164.75	-	533.91
Lease liabilities	64.46	13.16	52.18	-	65.34
Trade payables	689.97	689.97	-	-	689.97
Other financial liabilities	54.63	16.88	37.75	-	54.63
	1,342.97	1,089.17	254.68	-	1,343.85

As at 31 March 2024	Carrying value in books	Up to 1 year	1 - 5 years	More than 5 year	Total contractual undiscounted cash flow
Borrowings	507.00	361.51	145.49	-	507.00
Lease liabilities	41.75	-	28.28	6.56	34.83
Trade payables	273.81	273.81	-	-	273.81
Other financial liabilities	45.04	11.90	33.14	-	45.04
	867.60	647.22	206.91	6.56	860.68

C. Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, deposits, trade receivables and other financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2026, March 31, 2025 and March 31, 2024. The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations; provisions; and non-financial assets and liabilities.

i. Foreign currency risk:

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of change in foreign exchange rates is very minimum, as the Company does not have any foreign currency payable and receivables.

ii Interest rate risk

The Company is exposed to interest rate risk because Company borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

The sensitivity analysis below have been determined based on the exposure to interest rates for the non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's:

Profit for the year ended March 31, 2026 would decrease/increase by ₹ 9.06 million (for the year ended March 31, 2025: decrease/increase by ₹ 4.54 million, for the year ended March 31, 2024: decrease/increase by ₹ 4.68 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate borrowings. The exposure of the Company to variable rate borrowings at the end of the reporting period are as follows:

	31-Mar-26	31-Mar-25	01-Apr-24
Variable rate long term borrowings (including current maturities) and short term borrowings	903.80	452.64	469.21

Interest rate sensitivity

The Company noted that any reasonably possible change in interest rates on the variable rate instruments will not have any material impact on the Company's profit after tax and its equity.

Sensitivity	Impact on profit or loss				Impact on equity, net of tax	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2024	As at 31 March 2026	As at 31 March 2025	As at 31 March 2024
1% increase in interest rate	-9.04	-4.53	-4.69	-6.76	-3.39	-3.51
1% decrease in interest rate	9.04	4.53	4.69	6.76	3.39	3.51

The interest rate sensitivity is based on the closing balance of secured term loans and working capital loans from banks.

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41 Capital risk management

Capital includes equity capital and all reserves attributable to the equity holders of the Company. The primary objective of the capital management is to ensure that it maintain an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder's value. The Company manages its capital structure and make adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders return capital to shareholders or issue new shares.

The Company monitors capital using a debt to capital employed ratio which is debt divided by total capital plus debt. The Company's policy is to keep this ratio at an optimal level.

	31-Mar-26	31-Mar-25	01-Apr-24
Total borrowings	929.02	533.91	507.00
Less: Cash and cash equivalents	(893.46)	(147.78)	(35.81)
Net debt	35.56	386.13	471.19
Total equity	1,371.48	852.92	307.18
Capital and net debt	1,407.04	1,239.05	778.37
Net debt to equity ratio (%)	2.53%	31.16%	60.54%

Dividend Distribution made and proposed

As apart of Company's capital management policy, dividend distribution is also considered as key element and management ensures that dividend distribution is in accordance with defined policy. Below mentioned are details of dividend distributed and proposed during the year.

	31-Mar-26	31-Mar-25
Number of Equity Shares	1,73,97,000.00	1,57,77,769.00
Face value of Equity Share(in rupees)	10.00	10.00
Aggregate dividend (in millions)	1,73,97,000.00	1,57,77,769.00
Dividend per share (in rupees)	1	1
Rate of dividend(in %)	10%	10%

42 Ratios as per the Schedule III requirements

	Particulars	Numerator	Denominator	31-Mar-26	31-Mar-25	01-Apr-24	% Change from from Mar2024 to Mar2025	% Change from from Mar2025 to Mar2026
a	Current Ratio	Current assets	Current liabilities	1.49	1.47	1.18	24.02%	1.87%
b	Debt Equity Ratio	Total debts including lease liabilities	Shareholder's equity	0.73	0.70	1.79	-60.73%	1.87%
c	Debt Service Coverage Ratio	Earnings for debts service = Net profit after taxes + Non- operating expenses	Debt service = Interest and lease payments + Principal repayments	4.01	4.05	3.85	5.16%	-1.00%
d	Return on Equity Ratio	Net profits after taxes	Average shareholder's equity	33.44%	30.15%	65.42%	-53.91%	10.89%
e	Inventory Turnover Ratio	Cost of goods sold	Average inventory	2.13	1.32	2.10	-37.36%	61.48%
f	Trade Receivables turnover ratio	Net credit Sales = Gross credit sales - sales return	Average trade receivables	2.16	2.46	4.81	-48.91%	-12.01%
g	Trade Payables turnover ratio	Net credit Purchases = Gross credit purchases - purchase returns	Average trade payables	1.31	2.06	5.75	-64.16%	-36.27%
h	Net Capital Turnover Ratio	Net Sales = Total sales - sales return	Working capital = current assets - current liabilities	2.81	3.02	7.94	-61.95%	-7.07%
i	Net profit ratio	Net profit	Net Sales = Total sales - sales return	10.61%	8.41%	11.18%	-24.83%	26.24%
j	Return on Capital employed	Earnings before interest and taxes	Capital employed = Tangible net worth + Total debts + deferred tax liability	34.36%	27.61%	36.81%	-25.00%	24.47%

a. Current Ratio = Current assets divided by Current liabilities

Particulars	31-Mar-26	31-Mar-25	01-Apr-24
Current assets	3,777.25	2,165.80	1,087.35
Current liabilities	2,528.46	1,476.82	919.52
Ratio	1.49	1.47	1.18
% Change from previous year	1.87%	24.02%	

Reason for change more than 25% from Mar 2024 to Mar 2025 : Not applicable

Reason for change more than 25% from Mar 2025 to Mar 2026 : Not applicable

b. Debt Equity ratio = Total debt divided by Shareholder's Equity where total debt refers to sum of current & non current borrowings

Particulars	31-Mar-26	31-Mar-25	01-Apr-24
Total debt (including lease liabilities)	994.78	598.37	548.75
Shareholder's Equity	1,371.48	852.92	307.18
Ratio	0.73	0.70	1.79
% Change from previous year	3.39%	-60.73%	

Reason for change more than 25% from Mar 2024 to Mar 2025 : Due to issuance of equity shares for premium

Reason for change more than 25% from Mar 2025 to Mar 2026 : Not applicable

c. Debt Service Coverage Ratio = Earnings available for debt service divided by interest and lease payments + principal repayments

Particulars	31-Mar-26	31-Mar-25	01-Apr-24
Net Profit after tax	371.90	174.91	148.94
Add: Non cash operating expenses and finance cost			
- Depreciation and amortizations	31.70	27.80	14.74
- Finance cost	83.43	51.99	37.82
Earnings available for debt service	487.03	254.70	201.50
Interest cost on borrowings	63.90	37.60	36.29
Lease payments	14.33	8.74	-
Principal repayments for long-term borrowings	43.13	16.48	15.98
Total Interest and principal repayments	121.35	62.83	52.27
Ratio	4.01	4.05	3.85
% Change from previous year	-1.00%	5.16%	

d. Return on Equity Ratio / Return on Investment Ratio = Net profit after taxes divided by average shareholder's equity

Particulars	31-Mar-26	31-Mar-25	01-Apr-24
Net profit after taxes	371.90	174.91	148.94
Less: Preference dividend	-	-	-
Earning available to equity shareholders	371.90	174.91	148.94
Average Shareholder's Equity	1,112.20	580.05	227.66
Ratio	33.44%	30.15%	65.42%
% Change from previous year	10.89%	-53.91%	

Reason for change more than 25% from Mar 2024 to Mar 2025 : The decrease in ratio is mainly attributable to decrease in profits and increase in shareholder's equity on account of issue of new equity shares issued during the current year for acquisition of a subsidiary.

Reason for change more than 25% from Mar 2025 to Mar 2026 : The decrease in ratio is mainly attributable to decrease in profits.

e. Inventory Turnover Ratio = Cost of goods sold divided by average inventory

Particulars	31-Mar-26	31-Mar-25	01-Apr-24
Cost of Inventory Consumed	1,232.16	706.99	468.49
Average Inventory	579.34	536.77	222.82
Inventory Turnover Ratio	2.13	1.32	2.10
% Change from previous year	61.48%	-37.36%	

Reason for change more than 25% from Mar 2024 to Mar 2025: The decrease in ratio is attributable to decrease in cost of inventory consumed and average inventory compared to

Reason for change more than 25% from Mar 2025 to Mar 2026 : The increase in ratio is attributable to increase in cost of inventory consumed and average inventory compared to previous

f. Trade Receivables turnover ratio = Revenue from operations divided by Average Trade Receivables

Particulars	31-Mar-26	31-Mar-25	01-Apr-24
Net credit sales	3,505.04	2,080.95	1,332.05
Average Trade Receivables	1,620.75	846.70	276.89
Ratio	2.16	2.46	4.81
% Change from previous year	-12.01%	-48.91%	

Reason for change more than 25% from Mar 2024 to Mar 2025: The decrease in ratio is attributable to increase in average trade receivables compared to previous year.
Reason for change more than 25% from Mar 2025 to Mar 2026: The decrease in ratio is attributable to increase in average trade receivables compared to previous year.

g. Trade Payables turnover ratio = Purchases of stock-in-trade and other expenses divided by average Trade Payables

Particulars	31-Mar-26	31-Mar-25	01-Apr-24
Purchase of stock-in-trade	1,075.78	797.49	601.76
Other expenses (excluding other adjustments like allowance for trade receivables etc)	249.95	196.27	186.02
Total	1,325.73	993.76	787.78
Average Trade payables	1,008.73	481.89	136.90
Ratio	1.31	2.06	5.75
% Change from previous year	-36.27%	-64.16%	

Reason for change more than 25% from Mar 2024 to Mar 2025: The decrease in ratio is attributable to increase in average trade payables compared to previous year.
Reason for change more than 25% from Mar 2025 to Mar 2026: The decrease in ratio is attributable to increase in average trade payables compared to previous year.

h. Net Capital Turnover Ratio = Sales divided by Working Capital where Working Capital = Current Assets - Current Liabilities

Particulars	31-Mar-26	31-Mar-25	01-Apr-24
Revenue from operations	3,505.04	2,080.95	1,332.05
Working capital	1,248.79	688.98	167.83
Ratio	2.81	3.02	7.94
% Change from previous year	-7.07%	-61.95%	

Reason for change more than 25% Mar 2024 to Mar 2025: The decrease in ratio is mainly attributable to increase in working capital during the current year.
Reason for change more than 25% Mar 2025 to Mar 2026: The decrease in ratio is mainly attributable to increase in working capital during the current year.

i. Net profit ratio = Net profit after taxes divided by Net Sales

Particulars	31-Mar-26	31-Mar-25	01-Apr-24
Net profit after taxes	371.90	174.91	148.94
Net Sales	3,505.04	2,080.95	1,332.05
Ratio	10.61%	8.41%	11.18%
% Change from previous year	26.24%	-24.83%	

Reason for change more than 25% Mar 2024 to Mar 2025: The decrease in ratio is mainly attributable to increase net sales during the current year.
Reason for change more than 25% Mar 2025 to Mar 2026: The decrease in ratio is mainly attributable to increase net sales during the current year.

j. Return on Capital employed =Earnings Before Interest and Taxes (EBIT) divided by Capital Employed

Particulars	31-Mar-26	31-Mar-25	01-Apr-24
Profit before tax (A)	506.56	287.13	177.39
Finance costs (B)	83.43	51.99	37.82
Other income (C)	19.23	25.19	21.61
EBIT (D) = (A)+(B)-(C)	570.76	313.93	193.60
Capital Employed (J)= (E)-(F)	1,660.91	1,137.09	525.93
Total Assets (E)	4,189.37	2,613.91	1,445.45
Current liabilities (F)	2,528.46	1,476.82	919.52
Ratio (D)/(J)	34.36%	27.61%	36.81%
% Change from previous year	24.47%	-25.00%	

Reason for change more than 25% Mar 2024 to Mar 2025: Decrease in ratio is mainly attributable to increase in capital employed
Reason for change more than 25% Mar 2025 to Mar 2026: The increase in ratio is mainly attributable to increase in profit reported during the current period compared to previous period

- 43 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

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(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

44 Additional disclosures

- (i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (iii) No transactions are carried out with companies struck off under Section 248 of the Act or Section 560 of Companies Act, 1956.
- (iv) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (v) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (vi) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of
- (vii) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (viii) 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.
- (ix) 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 on behalf of the Ultimate Beneficiaries.
- (x) The company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks and financial institutions are in agreement with the books of accounts.
- (xi) There are no charges or satisfaction which are yet to be registered with the registrar of companies beyond the statutory period.
- (xii) Income tax surrendered: The Company does not have any transaction which is not recorded in the books of accounts that have 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 provision of the Income Tax Act, 1961).
- (xiii) The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company did not have any long-term contracts (including derivative contracts) for which there were any material foreseeable losses.
- (xiv) The Company has used three accounting software's for maintaining its books of account which has a feature of recording audit trail (edit log) facility and
 - (1) for the first accounting software the same has operated throughout the year for all relevant transactions recorded in the software and audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention.
 - (2) for second accounting software audit trail feature was not enabled at database level to log any direct data changes. Further, at application level the same has been enabled and been operated for all relevant transactions recorded in the accounting software's and the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in previous year.
 - (3) for third accounting software audit trail (edit log) facility was not been enabled in the accounting software throughout the year.
- (xv) The Company has been sanctioned a working capital limit in excess of ₹50 million, by a bank on the basis of security of current assets. Pursuant to the terms of the sanction letter and its subsequent revisions, the Company was required to furnish a statement effective from quarter ended 31 March 2023 till quarter ended 31 March 2026. The statements filed are in agreement with the books of account of the Company.

	Quarter ended ended 31 December 2025			Quarter ended ended 31 March 2026		
	Amount as per Books	Amount as reported to the lender	Variance	Amount as per Books	Amount as reported to the lender	Variance
Trade receivables	2,450.34	2,450.34	-	2,101.89	1,863.18	238.71
Inventories	569.65	569.65	-	530.77	530.77	0.00
Trade payables	178.75	178.75	-	1,327.49	195.45	1,132.04

	Quarter ended ended 30 June 2025			Quarter ended ended 30 September 2025		
	Amount as per Books	Amount as reported to the lender	Variance	Amount as per Books	Amount as reported to the lender	Variance
Trade receivables	9,507.08	9,507.08	-	1,654.26	1,654.26	-
Inventories	577.96	577.96	-	558.05	558.05	-
Trade payables	174.83	174.83	-	183.25	183.25	-

	Quarter ended ended 31 December 2024			Quarter ended ended 31 March 2025		
	Amount as per Books	Amount as reported to the lender	Variance	Amount as per Books	Amount as reported to the lender	Variance
Trade receivables	405.80	405.80	-	1,139.61	591.42	548.19
Inventories	544.46	544.46	-	445.64	288.33	157.31
Trade payables	134.88	134.88	-	689.97	158.54	531.43

	Quarter ended ended 30 June 2024			Quarter ended ended 30 September 2024		
	Amount as	Amount as	Variance	Amount as	Amount as reported	Variance
Trade receivables	788.91	788.91	-	729.42	729.42	-
Inventories	174.21	174.21	-	227.13	227.13	-
Trade payables	104.85	104.85	-	134.16	134.16	-

45 Agreement with HES Infra Private Limited

On 23 May 2022, the Company entered into a Bidding Agreement with M/s HES Infra Private Limited (HIPL) for the purpose of jointly bidding for and executing the painting of identified Government / Local Body Schools. Under this arrangement, the Company and HIPL have constituted a joint entity — HIPL-FPPL (JV) — which acts as the main contractor for the project.

The Company has evaluated this arrangement under Ind AS 111 — Joint Arrangements.

As the parties to the arrangement are jointly and severally responsible for the execution of all activities under the project and for any liabilities arising therefrom, the arrangement has been classified and accounted for as a Joint Operation under Ind AS 111. Accordingly, following the guidance available under paragraphs 20 to 22 of Ind AS 111, the Company has recognised in its books of account its proportionate share (20%) of the assets, liabilities, revenues and expenses of the joint operation on a line-by-line basis across the respective heads of account in the financial statements. The following table sets out the Company's share of assets, liabilities, revenues and expenses of the joint operation included in these financial statements:

Particulars	As at / Year ended 31 March 2025	As at / Year ended 31 March 2026
Total share of assets	81.45	928.83
Total share of liabilities	81.45	928.83
Revenue	-	1,177.35
Expenses	0.00	0.01

There are no contingent liabilities or capital commitments in respect of this joint operation as at the respective reporting dates.

46 Events after the reporting period

Subsequent to the reporting date, and prior to the approval of these financial statements by the Board of Directors, the following events have occurred:

Increase in Authorised Share Capital

Pursuant to the resolution passed by the members of the Company held on August 13, 2026, the Authorised Equity Share Capital of the Company has been increased from Rs. 250 millions (25 Million

Proposed Bonus Issue

Pursuant to the resolution passed by the members of the Company held on August 13, 2026, the Company has approved the issuance of 2 bonus shares of face value of Rs. 10 each for every 5 existing

Subdivision (Split) of Equity Shares

Pursuant to the resolution passed by the shareholders / members of the Company held on August 13, 2026, the current capital of the Company has been sub-divided from 1 share of 10 each to 2 shares

Appointment of Independent Directors

Pursuant to the resolution passed by the members of the Company held on August 13, 2026, the Company has appointed following Independent Director(s):

Since the above events have occurred after the reporting date, no adjustments have been made to the amounts recognised in these financial statements, except under Ind AS 33, as mentioned above.

For VASG & Associates

Chartered Accountants

Firm's Registration No. 006070S

For and on behalf of the Board of Directors of

Technopaints and Chemicals Limited (formerly Fortune Paints Private Limited)

CIN: U24220TG2008PLC058787

G S Sridhar

Partner

Membership No. 026878

Srinivasa Reddy Akuri

Managing Director

DIN: 01746968

Anil Kondoth

Director & CEO

DIN: 09398109

Place: Hyderabad

Date:

S Srikanth Reddy

Chief Financial Officer

D Madhavi Latha

Company Secretary (F7394)

Place: Hyderabad

Date:

1. NOTES TO THESE FINANCIAL STATEMENTS**Summary of material accounting policies and other explanatory information****1.1 General Information**

TECHNOPAINTS AND CHEMICALS LIMITED (hereinafter referred to as “TechnoPaints” or “the Company”) is a Company incorporated under Indian Companies Act, 1956 on 23rd April 2008 (the erstwhile Act governing the companies) having its registered office at is Plot No. 1A & 1B, Techno Houz, Hitex Road, Shilpa Hills, Izzat Nagar, Kothaguda, K.V. Rangareddy, Serilingampally, Telangana, India, 500084.

The Company is engaged in the manufacturing, processing, trading, import and export of paints, coatings, brushes, sandpapers, chemicals, and other allied products and raw materials. It also undertakes painting, coating, waterproofing, surface preparation, maintenance, repair, and restoration services for various projects. The Company provides related consultancy, project management, training, quality assurance, and technical services. It may enter into government and private contracts, franchises, licensing arrangements, joint ventures, and other business collaborations in India and abroad.

1.2 Basis of preparation of These Financial statements**a) Statement of compliance**

These financial statements of the Company have been prepared and presented in accordance with and in compliance in all material aspects, with the Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (the “Act”) read along with the Companies (Indian Accounting Standards) Rules 2015, and presentation requirements of Division II of Schedule III to the Companies Act, 2013, and as amended from time to time together with the comparative period data as at and for the year ended 31 March 2026.

For all periods up to and including the year ended 31 March 2025 and 31 March 2024, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2014. These financial statements for the year ended 31 March 2026 are the first the Company has prepared in accordance with Indian Accounting Standards (Ind AS).

These financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective at the Company’s annual reporting date, 31 March 2026. These financial statements for the year ended 31 March 2026 were approved by the Company’s Board of Directors on August 08, 2026.

Refer note number 31 for information on how the Company adopted Ind AS.

b) Basis of Measurement

These Financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- a) Certain financial assets are measured either at fair value or at amortized cost depending on the classification;
- b) Long-term borrowings are measured at amortized cost using the effective interest rate method;
- c) Employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation; and
- d) right-of-use the assets are recognised at the present value of lease payments that are not

Technopaints and Chemicals Limited

Notes to the Financial statements for the year ended 31 March 2026

(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

paid at that date. This amount is adjusted for any lease payments made at or before the commencement date, lease incentives received and initial direct costs, incurred, if any;

c) Functional and presentation currency

These Financial statements are presented in Indian rupees, which is also the functional currency of the Company. All the financial information presented in Indian rupees has been rounded to the nearest Lakhs.

d) Current and noncurrent classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, presentation of These Financial statements.

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

- a) It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is expected to be realized within twelve months after the reporting date; or
- d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

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

- a) It is expected to be settled in the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is due to be settled within twelve months after the reporting date; or
- d) The Company does not have an unconditional right to defer settlement of the liability for at least twelve 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

The Company classifies all other liabilities as noncurrent.

Current assets/ liabilities include the current portion of noncurrent assets/ liabilities respectively. Deferred tax assets and liabilities are always disclosed as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

e) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of

an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Ind AS These Financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for sale in discontinued operations.

External valuers are involved, wherever considered necessary. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

f) Significant accounting judgements, estimates, and assumption

The preparation of the These Financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgment are:

Property, plant and equipment

The depreciation of property, plant and equipment is derived on determining of an asset's expected useful life and the expected residual value at the end of its life. The residual values of Company's assets are determined by management at the time of acquisition of asset and is reviewed periodically, including at each financial year end.

Impairment of financial and non-financial assets

Significant management judgement is required to determine the amounts of impairment loss on the financial and nonfinancial assets. The calculations of impairment loss are sensitive to underlying assumptions.

Tax provisions and contingencies

Significant management judgement is required to determine the amounts of tax provisions and contingencies. Deferred tax assets are recognised for unused tax losses and MAT credit entitlements to the extent it is probable that taxable profit will be available against which these losses and credit entitlements can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using internal valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2. Summary of material accounting policies

On 31 March 2023, the Ministry of Corporate Affairs notified Companies (Indian Accounting Standards) Amendment Rules, 2023 amending the Companies (Indian Accounting Standards) Rules, 2015. The amendments come into force with effect from 1 April 2023, i.e., Financial Year 2023-24. One of the major changes is in Ind AS 1 'Preparation of These Financial statements, which requires companies to disclose in their These Financial statements 'material accounting policies' as against the erstwhile requirement to disclose 'significant accounting policies'. The word 'significant' is substituted by 'material'.

Accounting policy information is expected to be material if users of an entity's These Financial statements would need it to understand other material information in the These Financial statements.

The Company applied the guidance available under paragraph 117B of Ind AS 1, Presentation of These Financial statements in evaluating the material nature of the accounting policies.

The following are the material accounting policies for the Company:

2.1 Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses average rate if the average approximates the actual rate at the date of the transaction.

In preparing the These Financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are restated at the rates prevailing at that date.

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognized as income or expense in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

2.2 Property Plant & Equipment

On transition to Ind AS i.e. on 1 April 2023, the Company has elected to continue with the carrying value of all of its property, plant and equipment (PPE) recognised as at 1 April 2024 measured as per the Indian GAAP and use that carrying value as the deemed cost of the PPE.

Recognition and Measurement

The cost of an item of property, plant and equipment are recognised as an asset 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.

Freehold land is carried at historical cost less any accumulated impairment losses.

Items of property, plant and equipment (including capital-work-in progress) are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any.

Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part will be derecognized. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of stores and spares that meet the definition of Property, plant and equipment are capitalized at cost, otherwise, such items are classified as inventories.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

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Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

Depreciation

Depreciation is recognized in the statement of profit and loss under Straight Line method based on the Companies Act, 2013 ("Schedule II"). For assets acquired or disposed of during the year, depreciation is provided on pro rata basis. Land is not depreciated.

The estimated useful lives are as follows:

Type of Asset*	Useful life in years
Land	Not depreciable
Buildings	30 years
Plant and machinery	15 years
Office equipment	5 years
Electrical equipments	10 years
Furniture and Fixtures	10 years
Computers	3 years
Vehicles	10 years
Lab Equipment	10 years

Freehold land is carried at cost and not depreciated.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

Any gain or loss arising on 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 derecognised.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress.

Assets not ready for use are not depreciated.

2.3 Capital work in progress

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date are recognized as capital advance and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress. Commencement of Depreciation related to property, plant and equipment classified as Capital work in progress (CWIP) involves determining when the assets are available for their intended use.

The criteria the Company uses to determine whether CWIP are available for their intended use involves subjective judgments and assumptions about the conditions necessary for the assets to be capable of operating in the intended manner."

2.4 Goodwill and other Intangible assets

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2024 measured as per the previous GAAP and use that carrying value as the deemed cost.

Goodwill acquired in a business combination is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, in accordance with Ind AS 103.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the statement of profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets are amortized over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognized in the statement of profit and loss, unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Following initial recognition, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use.

Amortization of Intangible assets

The Intangible assets are amortized on straight line basis over a period of three years.

2.5 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.

a. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized 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 are classified in four categories:

- Debt instruments at amortised cost;
- Debt instruments at fair value through other comprehensive income (FVTOCI);

- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL);
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost, if both of the following conditions are met: (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and (ii) 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 finance 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.

Debt instrument at FVTOCI

A 'debt instrument' is classified as FVTOCI, if both of the following criteria are met: (i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and (ii) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI and there is no subsequent reclassification of these fair value gains and losses to the statement of profit and loss. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a

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(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of Financial Assets

The company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired.

In accordance with Ind AS 109, the company uses "Expected Credit Loss" (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date);
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

The company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value i.e., loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to the statement of profit and loss.

However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair

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Notes to the Financial statements for the year ended 31 March 2026

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value of such liability are recognised in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a re-classification is made only if there is a change in the business model for managing those assets. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the re-classification prospectively from the re-classification date, which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.11 Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, and other short-term deposits. For this purpose, "short-term" means investments having maturity of three months or less from the date of investment, and which are subject to an insignificant risk of change in value. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Further fixed deposits with original maturity of more than three months but less than 12 months are also required to be shown under "Other Bank Balances".

Deposits with banks having original maturity of more than 12 months are required to be shown under "Other non-current financial assets".

2.12 Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost of inventory comprises purchase price and all incidental expenses incurred in bringing the inventory to its present location and condition. The Company follows the first in first out (FIFO) method for determining the cost of such inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary

to make the sale

2.13 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.

If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (as defined below) is the 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 or the cash-generating unit.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflow of other assets or groups of assets (the "cash-generating unit").

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

Reversal of Impairment of Assets

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. 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.

2.14 Joint arrangements

Under Ind AS 111, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Company has only joint operations.

Joint Operations

Company has joint and several responsibility for all obligations and liabilities relating to the projects undertaken by HIPL-FPPL JV, and both parties to the arrangement have unanimous control. Company recognizes its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings. Details of the joint

operation are set out in note 45.

2.15 Employee Benefits

Short term employee benefits

Short-term employee benefits 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 this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

The Company's contributions to defined contribution plans are charged to the statement of profit and loss as and when the services are received from the employees.

Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market interest rates on government bonds are used. The current service cost of the defined benefit plan, recognised in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised immediately in the statement of profit and loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions for defined benefit obligation and plan assets are recognized in OCI in the period in which they arise. When the benefits under 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 recognised immediately in the statement of profit and loss. The Company recognises gains or losses on the settlement of a defined benefit plan obligation when the settlement occurs.

Termination benefits

Termination benefits are recognised as an expense in the statement of profit and loss when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense in the statement of profit and loss if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Other long-term employee benefits

The Company's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognised in the statement of profit and loss in the period in which they arise.

2.16 Provisions, contingent liabilities and contingent assets

Provisions

A provision is recognized in the statement of profit and loss if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow

Technopaints and Chemicals Limited

Notes to the Financial statements for the year ended 31 March 2026

(All amounts are in ₹ millions, except share and per share data and where otherwise stated)

of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities and contingent assets

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognized in these 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 recognized in the period in which the change occurs.

Onerous contracts

A provision for onerous contracts is recognised in the statement of profit and loss when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations 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 the assets associated with that contract.

Reimbursement rights

Expected reimbursements for expenditures required to settle a provision are recognised in the statement of profit and loss only when receipt of such reimbursements is virtually certain. Such reimbursements are recognised as a separate asset in the balance sheet, with a corresponding credit to the specific expense for which the provision has been made.

2.17 Revenue Recognition

Revenue from contracts with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. It is measured at transaction price (net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract) allocated to that performance obligation. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of products

Revenue from sale of products is recognised when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Rendering of services

Revenue from services is recognised when the performance obligation relating a specific milestone is completed and the associated services are rendered.

Advance from customers is recognised under other liabilities and released to revenue on satisfaction of performance obligation.

Allowance for sales returns

The Company recognises revenue from the sale of products in accordance with Ind AS 115 — Revenue from Contracts with Customers. In the ordinary course of business, certain products sold are returned by customers on account of quality, specification non-conformance, or other commercial reasons. Such returns give rise to a right of return held by the customer, which the Company is obligated to honour.

In accordance with paragraphs 55 and 56 of Ind AS 115, the Company recognises the following at each reporting date in respect of expected sales returns:

- (a) A refund liability, representing the amount of consideration received or receivable to which the Company does not expect to be entitled upon return of the goods. This is measured at the amount of revenue that is expected to be reversed — being the estimated selling price of goods expected to be returned.
- (b) A recovery asset, representing the Company's right to recover the goods from the customer upon settling the refund liability. This is measured at the estimated cost of the goods expected to be returned, adjusted for any expected reduction in the value of those goods.

The refund liability is presented within current liabilities and the recovery asset is presented within current assets on the face of the balance sheet. Both items are presented on a gross basis and are not offset against each other.

The estimate of expected sales returns is determined by reference to historical return rates, expressed as a percentage of net revenue from product sales, over a sufficiently representative period. This estimate is reassessed at each reporting date and adjusted to reflect updated historical experience, changes in product mix, customer behaviour, and any other relevant information available at that date.

Where actual returns in a period differ from the estimated refund liability recognised at the beginning of that period, the difference is recognised as an adjustment to revenue in the period in which it arises.

2.18 Tax Expenses

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction). 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

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities and assets are recognized for all taxable temporary differences and deductible temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and

unused tax losses can be utilized.

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

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Goods and Service Tax (GST) paid on acquisition of assets or on incurring expenses

When the tax incurred on purchase of assets or services is not recoverable from the taxation authority, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. Otherwise, expenses and assets are recognized net of the amount of taxes paid. 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.

2.19 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

2.20 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs

incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section of Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, 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 (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in Borrowings.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.21 Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share

Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of

equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.

2.22 Events after the reporting period

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

2.23 Segment reporting

In accordance with Ind AS 108, Operating Segments Reporting, the Company's chief operating decision maker ("CODM") has been identified as the board of directors. The company is engaged only in the business of manufacturing, selling and distribution of paints, coatings, products related to home décor, bath fittings, kitchen, wardrobe and providing related services and therefore the Company's CODM (Chief Operating Decision Maker; which is the Board of Directors of the company) decided to have only one reportable segment from previous year, in accordance with IND AS 108 "Operating Segments".

2.24 Changes in Material Accounting policies

The Company has adopted Classification of Liabilities as Current or Non-current (Amendments to Ind AS 1) and non-current Liabilities with Covenants (Amendments to Ind AS 1) from 1 April 2025. These amendments apply retrospectively and clarify the criteria for determining whether a liability should be classified as current or non-current. They also introduce new disclosure requirements for non-current loan liabilities that are subject to covenants within 12 months after the reporting period.

2.25 New 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. for the year ended 31 March 2026, The Company applied following amendments for the first-time during the current year which are effective from 1 April 2024:

a. Ind AS 1 - Presentation of These Financial statements

For accounting periods beginning on or after 1 April 2026, when an entity breaches any covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the approval of the These Financial statements for issue, not to demand payment as a consequence of the breach. An entity classifies the liability as current because, at the end of the reporting period, it does not have the right to defer its settlement for at least 12 months after that date.

However, an entity classifies the liability as non-current if the lender agreed by the end of the reporting period to provide a period of grace ending at least 12 months after the reporting period, within which the entity can rectify the breach and during which the lender cannot demand immediate repayment.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, Accounting Estimates and Errors.

ATTENDANCE SLIP		
TECHNOPAINTS AND CHEMICALS LIMITED		
CIN: U24220TG2008PLC058787		
Registered Office: Plot No. 1A & 1B, Techno Houz, Hitex Road, Shilpa Hills, Izzat Nagar, Kothaguda (K.V. Rangareddy), K.V. Rangareddy, Serilingampally, Telangana, India, 500084		
Name of the member / proxy	Folio No	
Address:	DP Id:	
	Client Id:	
I certify that I am a Member/ Proxy/ Authorized Representative for the Member of the Company. I/ We hereby record my/ our presence at the Annual General Meeting of the Company to be held on Thursday, the 17th day of September, 2026 at 11.30 A.M. at the registered office of the Company at Plot No. 1A & 1B, Techno Houz, Hitex Road, Shilpa Hills, Izzat Nagar, Kothaguda (K.V. Rangareddy), K.V. Rangareddy, Serilingampally, Telangana, India, 500084 on shorter notice. _____ Member's/ Proxy's Signature _____ No. of shares held		

**FORM NO. MGT-11
PROXY FORM**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the
Companies (Management and Administration) Rules, 2014]*

CIN: U24220TG2008PLC058787

Name of the Company: TECHNOPAINTS AND CHEMICALS LIMITED

Registered Office: Plot No. 1A & 1B, Techno Houz, Hitex Road,
Shilpa Hills, Izzat Nagar, Kothaguda (K.V. Rangareddy),
K.V. Rangareddy, Serilingampally, Telangana, India, 500084

Name of the Member(s):

Registered Address:

E-Mail ID:

Folio No/ Client ID:

DP ID:

I/We, being the member(s) of _____ shares of the above-named Company, hereby appoint

1. Name: _____

Address: _____

E-mail Id: _____

Signature: _____, or failing him

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the **Annual General Meeting of Technopaints and Chemicals Limited** (the Company) to be held on Thursday, the **17th day of September, 2026 at 11.30 A.M.** at the registered office of the Company at Plot No. 1A & 1B, Techno Houz, Hitex Road, Shilpa Hills, Izzat Nagar, Kothaguda (K.V. Rangareddy), K.V. Rangareddy, Serilingampally, Telangana, India, 500084 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial statements of the Company prepared as per Ind AS for the Financial Year ended March 31, 2026, along with the notes to accounts and the reports of the Auditors and Board of Directors thereon.
2. To declare a final dividend at ₹ 0.35 per equity share of Rs. 5/- each on equity shares for the financial year ended 31st March 2026.

3. To appoint a director in the place of Mr. Venkata Lakshmi Narasimha Murthy Chilla (DIN: 01978748), who retires by rotation and being eligible offers himself for re-appointment.

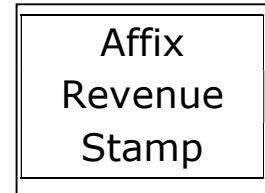
Special Business:

4. To approve Initial Public offer of equity shares of the company:

Signed this

Signature of shareholder

Signature of Proxy holder(s)



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not later than 48 hours before the commencement of the Meeting.