HARYANA
LEATHER CHEMICALS LTD.

41st Annual Report
2025-26

Sustainable by choice

Innovative by nature

Trusted by partners

an Italian joint venture with

icapsira chemicals and polymers Spa

www.leatherchem.com

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Pankaj Jain
Managing Director

Mrs. Sippy Jain
Executive Director

Mr. Vijay Kumar Garg
Non-Executive Director

Mr. Chinar Goel
Independent Director

Mr. Kanishk Gupta
Independent Director

Mr. Pradeep Kumar Verma
Independent Director

Ms. Ritu Atri
Independent Director

VICE PRESIDENT & DIVISION HEAD- PVC ADDITIVES

Ms. Ratnam Jain

CHIEF FINANCIAL OFFICER & CHIEF OPERATING OFFICER

Mr. Sukanto Choudhury

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Yugank

STATUTORY AUDITORS

SC Deewan & Company
Chartered Accountants

SECRETARIAL AUDITORS

Neeraj Gupta
Company Secretaries

AUDIT COMMITTEE

Mr. Chinar Goel, Chairman
Mr. Kanishk Gupta, Member
Mr. Pradeep Kumar Verma, Member
Ms. Ritu Atri, Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Chinar Goel, Chairman
Mr. Kanishk Gupta, Member
Mr. Pradeep Kumar Verma, Member
Ms. Ritu Atri, Member

STAKEHOLDERS' RELATIONSHIP & INVESTORS GRIEVANCE COMMITTEE

Mr. Chinar Goel, Chairman
Mr. Kanishk Gupta, Member
Mr. Pradeep Kumar Verma, Member
Ms. Ritu Atri, Member

REGISTRAR AND SHARE TRANSFER AGENT

RCMC Share Registry Pvt Ltd.
B-25/1, First Floor,
Okhla Industrial Area, Phase
2 New Delhi – 110 020

BANKERS

State Bank of India
ICICI Bank

INTERNAL AUDITORS

M/s. Prince Kumar & Associates
Chartered Accountants

CORPORATE IDENTITY NUMBER

L74999HR1985PLC019905

CORPORATE & REGISTERED OFFICE

1405 B, Signature Towers, South City I,
Gurgaon – 122001, Haryana, India
Tel: (+91)124 – 2739000
E-mail: info@leatherchem.com
Website:www.leatherchem.com

PLANT

72 – 77, HSIIDC Industrial Estate
Hansi Road, Jind – 126102, Haryana, India

ISIN

Equity Shares (Fully Paid -up)
INE681F01018

To view this report online, please scan the below QR code:

INDEX

S. No	Contents	Page. No
1.	About this Report	1
2.	Global Presence	2
3.	Our Growth Journey	3
4.	Message from the Managing Director	4
5.	From the Vice President Desk	5
6.	Notice of 41st Annual General Meeting	6-17
7.	Board Report	18-27
8.	Secretarial Audit Report	28-31
9.	Conservation Of Energy	32-34
10.	Report On Corporate Governance	41-66
11.	Management Analysis and Discussion Report	67-78
12.	Independent Auditor Report	79-87
13.	Standalone Balance Sheet	88-89
14.	Standalone Statement of Profit and Loss	90
15.	Standalone Cash Flow Statement	91
16.	Notes to Financial Statement	92-111

About this Report

Engaging with our Stakeholders through the Annual Report for FY 2025-26

Welcome to the 41st Annual Report of Haryana Leather Chemicals Limited (HLCL).

This Report reflects our commitment to transparent, meaningful and integrated communication with all stakeholders. It presents a comprehensive account of our financial performance, operational achievements, strategic priorities and governance practices during FY 2025-26.

Beyond regulatory compliance, this Report seeks to provide a holistic understanding of how HLCL creates sustainable value. It connects our financial outcomes with the strategic decisions, business initiatives and operational capabilities that drive long-term growth and resilience. Through clear and balanced disclosures, we aim to strengthen stakeholder confidence and foster informed engagement with our Company.

As we continue to evolve in a dynamic business environment, we remain committed to maintaining high standards of accountability, transparency and responsible corporate conduct.

Our Reporting Guidelines

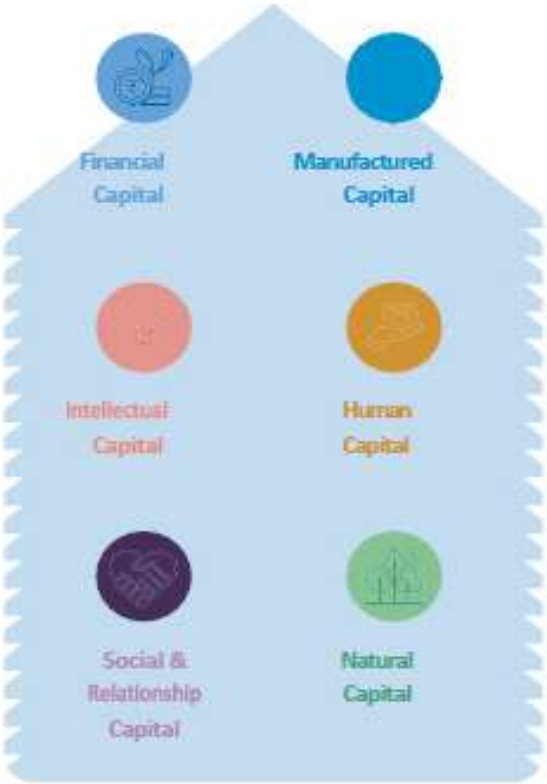
The financial and statutory information contained in this Annual Report has been prepared in accordance with the requirements of the Companies Act, 2013, the Indian Accounting Standards (Ind AS), applicable Secretarial Standards, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with other applicable laws and regulatory requirements.

In addition, we continuously seek to align our disclosures with emerging reporting practices and stakeholder expectations to enhance the quality, relevance and usefulness of the information presented.

Our Core Elements to Enhance Value Creatio

At the heart of this Report lies a simple question: How does HLCL create and sustain value for its stakeholders?

To answer this, we present our business model, strategic priorities, governance architecture and material risks alongside performance across the six capitals of the Framework:



Your Feedback Matters

We believe that meaningful stakeholder dialogue is essential to continuous improvement. Your feedback helps us enhance the quality of our disclosures and better address the information needs of our stakeholders.

We welcome your comments, suggestions and observations regarding this Report and the Company's performance.

Name: Yugank

Designation: Company Secretary & Compliance Officer
Email: yugank@leatherchem.

Global Presence

With a growing international footprint, the Company has established its presence across key global markets spanning Asia, Europe, Africa, and North America. Our products are trusted by customers in diverse geographies, reflecting our commitment to quality, innovation, and customer satisfaction. Through a robust distribution network and strong business relationships, the Company continues to expand its reach while catering to the evolving needs of the global leather and allied industries. Our widespread presence not only enhances market access but also enables us to leverage emerging opportunities, strengthen customer engagement, and reinforce our position as a reliable global partner.

Our Growth Journey

The Company continues its journey of sustainable growth and value creation through a strategic focus on innovation, operational excellence, and customer-centric solutions. During FY 2023-24, the Company strengthened its foundation by enhancing internal capabilities, governance practices, and market presence. Building on this momentum, FY 2024-25 marked a phase of expansion, with a focus on broadening business opportunities, strengthening technical expertise, and deepening customer engagement across domestic and international markets. Looking ahead to FY 2025-26, the Company aims to accelerate growth through innovation, sustainability initiatives, and enhanced global outreach, while continuing to deliver high-quality leather chemicals and solutions. Guided by its core values of trust, quality, and responsible business practices, Haryana Leather Chemicals Limited remains committed to creating long-term value for all stakeholders.

Message from the Managing Director

Pankaj Jain
(Managing Director)

Dear Valued Stakeholders,

The financial year **2025–26** was marked by a dynamic global business environment characterized by geopolitical uncertainties, fluctuating raw material prices, and evolving trade dynamics. Despite these challenges, Haryana Leather Chemicals Limited remained resilient, delivering consistent operational performance while strengthening its market position through innovation, quality, and customer-centric solutions.

During the year, we enhanced our product portfolio, improved manufacturing efficiencies, and expanded our presence across domestic and international markets. Our continued focus on operational excellence, sustainability, and technical expertise has enabled us to create long-term value while meeting the evolving requirements of our customers.

A key highlight of the year was the continued progress of our **PVC Additives Division**. Under the leadership of **Ms. Ratnam Jain, Vice President & Division Head – PVC Additives**, the Division strengthened its product portfolio, expanded customer engagement, and enhanced the market presence of the **AKRELON** brand. Our successful participation at **Plast India 2026** further reinforced our growth strategy and opened new opportunities for future business.

As we look ahead, we remain committed to innovation, responsible manufacturing, and sustainable growth. Supported by our dedicated employees, valued customers, business partners, and shareholders, we are confident in our ability to strengthen our leadership position and create enduring value for all stakeholders.

Thank you for your continued trust and support.

Warm Regards,

From the Vice President's Desk

Ratnam Jain
(Vice President & Division Head – PVC Additives)

Dear Stakeholders,

The financial year **2025–26** was a year of resilience, innovation, and steady progress for the PVC Additives Division. Despite a challenging global business environment marked by geopolitical uncertainties and fluctuating raw material prices, the Division remained focused on delivering consistent quality, strengthening customer relationships, and enhancing operational excellence.

During the year, we further strengthened our product portfolio through continuous innovation and process improvements, enabling us to deliver high-performance PVC additive solutions that have been well accepted by customers. Our products continue to compete successfully with leading international brands, reflecting our commitment to quality, technical excellence, and indigenous innovation.

A key milestone during the year was our successful participation at **Plast India 2026**, where we showcased our advanced PVC additive solutions to a global audience. The overwhelming response from customers and industry participants reinforced the growing recognition of the **AKRELON** brand and created new opportunities for business expansion.

Looking ahead, we remain confident about the growth potential of the PVC industry, supported by increasing demand from infrastructure, construction, electrical, and packaging sectors. With continued focus on innovation, sustainability, customer partnerships, and market expansion, the PVC Additives Division is well positioned to contribute significantly to the Company's long-term growth and value creation.

Warm Regards,

Haryana Leather Chemicals Limited

Registered Office: **72-77, HSIDC Industrial Estate Hansi Road Jind, Haryana, Haryana, India, 126102**
Phone: **01244103531**
Email: yugank@leatherchem.com ,
Website : www.leatherchem.com
Corporate Office: **1405 B, Signature Towers, South City I, Gurgaon – 122001, Haryana, India**
CIN: **L74999HR1985PLC019905**

Notice of 41st Annual General Meeting

Notice is hereby given that **41st Annual General Meeting (AGM)** of the members of Haryana Leather Chemicals Limited ('the Company') will be held on, **Saturday 26th September,2026 at 1.00 P.M** IST through video conferencing (VC) and/or other audio-visual means (OAVM), to transact the following business:

Ordinary Business(es):

To consider and if thought fit, to pass the following resolutions as ordinary resolution

1. **To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended 31st March, 2026 and the reports of the Board of Directors and Statutory Auditor thereon**

   "RESOLVED THAT the audited standalone financial statements of the Company for the financial year ended 31st March, 2026 and the reports of the Board of Directors and Statutory Auditor thereon as circulated to the members with the notice of the Annual General Meeting, be and are hereby received, considered and adopted."

2. **To declare dividend on equity shares for the financial year ended 31st March, 2026.**

   "RESOLVED THAT dividend at the rate of Re. 1/- (Rupees one only) per equity share of Rs. 10/- each (on fully paid-up equity shares and partly paid-up equity shares in proportion to their share in the paid-up equity share capital), as recommended by the Board of Directors, be and is hereby declared for the financial year ended 31st March 2026."

3. **To re-appoint Mr. Vijay Kumar Garg as a director liable to retire by rotation**

   "RESOLVED THAT pursuant to the applicable provision(s) of the applicable law(s) (including any amendments thereto or re-enactment thereof for the time being in force), in accordance with the Articles of Association of the Company and upon recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Vijay Kumar Garg (DIN: 00236460), Non-Executive Director, who retires by rotation and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

4. **Continuation Of Mr. Pankaj Jain (00206564) as Chairman & Managing Director of the company on attaining age of seventy years.**

   To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to Section 196,196(3) 197, 198 and 203 and other applicable provisions read with Schedule V of Companies Act 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force including SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and as approved by the Board of Directors of the Company at its meeting held on August 10th , 2026, the approval of members of the Company be and is hereby accorded, for the continuation of tenure of Mr. Pankaj Jain (DIN: 00206564) as Chairman & Managing Director of the Company, who has attained the age of 70 years.

RESOLVED FURTHER THAT that the Board of Directors (hereinafter referred to as the "Board" which expression shall also include any Committee duly constituted by the Board) of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary for the purpose of giving effect to the aforesaid resolution."

5. Approval for Investment in excess of limits stated in section 186 of the Companies Act, 2013.

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time (including any amendment thereto or re-enactment thereof for the time being in force), if any, the Memorandum of Association, Articles of Association, relevant provisions of such other Act as may be applicable, read with rules and regulations (to the extent applicable) the consent of the members of the Company be and is hereby accorded, to the Board of Directors of the Company (hereinafter referred to as the "Board"), to invest surplus funds of the Company in the securities of the Body corporate in excess of 60% of aggregate paid up capital and free reserves or 100% of free reserves, whichever is higher or such other limits as may be prescribed under Section 186 of Companies Act, 2013 read with relevant rules from time to time subject to maximum investments in securities at any point of time not exceeding Rs100 crores.

RESOLVED FURTHER THAT any Director of the Company or any person authorized by the Board or any Committee formed by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution including filing of certified true copy of this resolution with the concerned Regulators and Authorities."

For and on behalf of the Board
For Haryana Leather Chemicals Limited

Yugank
Company Secretary & Compliance Officer
Membership No: ACS 70463

Date: 10th August, 2026
Place: Gurugram

NOTES

For joining the AGM through VC/OAVM:

1. Ministry of Corporate Affairs ("MCA") vide General Circular No. 03/2025 dated 22nd September, 2025 ("MCA Circular") has permitted to conduct Annual General Meeting ("AGM") through Video Conferencing ("VC") or other Audio- Visual Means ("OAVM"), till further orders other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold EGM/ AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, AGM shall be conducted through VC / OAVM.

   Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at https://www.leathercchem.com/. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

6. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time .

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on at Wednesday , 23rd September, 2026 at 10.00 AM and ends on Friday, 25th September, 2026 at 5.00 PM. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Saturday, 19th September, 2026 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Saturday, 19th September, 2026.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:
   Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical

   Your User ID is:

   a) For Members who hold shares in demat account with NSDL.

      8 Character DP ID followed by 8 Digit Client ID

      For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.

   b) For Members who hold shares in demat account with CDSL.

      16 Digit Beneficiary ID

      For example, if your Beneficiary ID is 12********** then your user ID is 12**********

   c) For Members holding shares in Physical Form.

      EVEN Number followed by Folio Number registered with the company

      For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **amadelhioffice@gmail.com** with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@rungtairrigation.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name,

client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@rungtairrigation.in If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A**) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@rungtairrigation.in The same will be replied by the company suitably.

6. Registration of Speaker related point needs to be added by company.

   Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id i.e. yugank@leatherchem.com. The company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

Company	:	Haryana Leather Chemicals Limited Regd. Office: "72 – 77, HSIIDC Industrial Estate, Hansi Road, Jind – 126102, Haryana, India CIN: L74999HR1985PLC019905 E-mail IDs: yugank@leatherchem.com
Registrar and Transfer Agent	:	RCMC Share Registry Pvt. Ltd. B-25/1, First Floor, Okhla Industrial Area, Phase – 2 Ph: 011-35020465,35020466
e-Voting Agency	:	National Securities Depository Limited E-mail ID: evoting@nsdl.co.in Phone: 1800-222-990
Scrutinizer	:	CS Manoj Gupta Practicing Company Secretary E-mail ID: mguptacs@gmail.com

Instructions related to the payment of final dividend for the year ending March 31, 2026

1 The register of members and share transfer books of the company will remain closed from Sunday, 20th September, 2026 to Saturday, 26th September, 2026 (both days inclusive), for determining the names of members eligible for dividend on equity shares, if declared at the AGM.

2. Dividend as recommended by the Board of Directors, if declared at the AGM, shall be paid within 30 days from the date of AGM :

   (i) to those members whose names appear on the Register of Members of the company after giving effect to all valid transfers in physical form lodged with the company and its Registrar and Transfer Agents before 14th September, 2026; and,

   (ii) in respect of shares held in electronic form, on the basis of beneficial ownership as per the details furnished by the NSDL and CDSL at the close of business hours on 14th September, 2026

   Efforts are underway to update PAN and bank account details of shareholder(s) as required by SEBI. The regulator, vide circular dated November 3, 2021, and December 15, 2021, has mandated holders of physical securities to furnish PAN, KYC and nomination details. Members are requested to submit their PAN, KYC and nomination details to the Company's registrars through the forms available at https://www.leatherchem.com/pdf/Important-Announcement-to-Physical-Shareholders-.pdf. Haryana Leather Chemicals Limited has sent communications in this regard to eligible shareholders

   Members are requested to note that the company's shares are under compulsory electronic trading for all investors. Members are, therefore, requested to dematerialize their shareholding to avoid inconvenience. Members whose shares are in electronic mode are requested to inform about the change of address and updates of bank account(s) to their respective Depository Participants. Members holding shares in the physical form are requested to advise such changes to the company's Registrar and Transfer Agent, M/s. RCMC Share Registry Pvt. Ltd. Members are encouraged to use the Electronic Clearing Services (ECS) for receiving dividends.

   The company has transferred the unclaimed or un-encashed dividends for financial years up to 2018 to the Investor Education and Protection Fund (IEPF) established by the central government. The company transfers the unclaimed or un-encased dividend to IEPF after the expiry of seven years from the date of transfer to unpaid dividend account.

3. Pursuant to provisions of the Income Tax Act 2025, dividend income is taxable in the hands of Shareholders and the Company is required to deduct tax at source from dividend paid to Shareholders at the prescribed rates. For the prescribed rates for various categories, the Shareholders are requested to refer to the Income Tax Act, 2025 and amendments thereof.

   A Resident individual Shareholder with PAN and who is not liable to pay income tax can submit declaration in Form 121 (erstwhile Form 15G or Form 15H), to avail the benefit of non-deduction of tax at source by uploading the same to https://www.leatherchem.com/tds-on-Dividend by 11:59 p.m. IST on or before Monday, 14th September, 2026. Shareholders are requested to note that in case their PAN is not registered or invalid PAN, the tax will be deducted at a higher rate of 20% and credit of TDS may not be available. Non-resident Shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Copy of electronically filed Form 41

(erstwhile Form 10F), any other document which may be required to avail the tax treaty benefits by sending the same to B-25/1, Okhla Industrial Area Phase-2, Near Aro Express Vehicles, New Delhi — 110020, The aforesaid declarations and documents need to be submitted by the Shareholders by 11:59 p.m. IST on or before Monday, 14th September, 2026 .

4. Mandatory updation of PAN, KYC, bank details, specimen signature and nomination details prior to processing the payment of dividend: Pursuant to SEBI Master Circular dated May 7, 2024 issued to the Registrar and Transfer Agents and SEBI Circular dated November 17, 2023, as amended, SEBI has mandated that, with effect from April 1, 2024, dividend to the security holders holding shares in physical mode shall be paid in electronic mode only and if the folio is KYC Compliant. A folio will be considered as KYC compliant on registration of all details viz. full address with pin code, mobile no., email address, bank details, valid PAN linked to Aadhaar of all holders in the folio, specimen signature, nomination, etc. Relevant FAQs have been published by SEBI in this regard which can viewed at www.sebi.gov.in/sebi_data/faqfiles/sep2024/1727418250017.pdf.

5. Updation of mandate for receiving dividend directly in bank account through Electronic Mode or any other means in a timely manner: Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, mandates, nomination, power of attorney, bank details, bank account number, MICR code, IFSC, etc. as under:

   Shares held in physical form: Members holding shares in physical form are requested to send the following details/ documents to the Company's RTA, at RCMC Share Registry Pvt. Ltd. B-25/1, First Floor, Okhla Industrial Area, Phase – 2 New Delhi – 110 020 latest by **Friday, September 14 , 2026 .**

a. Form ISR-1 along with supporting documents. The said form is available on the website of the Company at https://www.leatherchem.com/investors and on the website of the RTA at https://www.rcmcdelhi.com/ downloads.html.

b. Cancelled cheque in original, bearing the name of the Member or first holder, in case shares are held jointly. In case name of the holder is not available on the cheque, kindly submit the Cancelled cheque in original along with Bank attested legible copy of the first page of the Bank Passbook/Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and full address of the bank branch.

c) Self-attested copy of the PAN Card of all the holders; and

d) Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company.

   Shares held in electronic form: Members holding shares in electronic form may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not be able to accede to any direct request from such Members for change/ addition/deletion in such bank details. Accordingly, Members holding shares in electronic form are requested to ensure that their Electronic Bank Mandate is updated with their respective DPs latest by **Friday, September 14 , 2026 .**

6. Members are requested to note that dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). Further, the shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company within the stipulated timeline. The Members whose unclaimed dividends/shares have been transferred to IEPF may claim the same by approaching the Company or RTA for issuance of Entitlement Letter on submission of required documents. The Members may then make an application to the IEPF Authority, in web Form IEPF-5 (available on www.iepf.gov.in) by attaching the Entitlement Letter and other documents. The details of unclaimed dividend transferred to IEPF have been provided in the Report on Corporate Governance forming part of the Annual Report FY26.

7. Members who would like to express their views/ ask questions as a Speaker at the AGM may pre-register themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number to yugank@leatherchem.com between Thursday, September 17th, 2026 (9:00 a.m. IST) and Sunday, September 20th, 2026 (5:00 p.m. IST). Only those Members who have pre-registered themselves as Speakers will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Further, the sequence in which the Members will be called upon to speak will be solely determined by the Company.

For and on behalf of the Board
For Haryana Leather Chemicals Limited

Yugank
Company Secretary & Compliance Officer
Membership No: ACS 70463

Date: 10th August, 2026
Place: Gurugram

STATEMENT SETTING OUT ALL MATERIAL FACTS CONCERNING EACH OF THE BUSINESS(ES) TO BE TRANSACTED AT THE 41st ANNUAL GENERAL MEETING AS STATED IN THE NOTICE DATED 10th August, 2026: [Pursuant to Section 102 of the Companies Act, 2013]

Item number 4

Continuation of Mr. Pankaj Jain (00206564) As Chairman and Managing Director of the company on attaining age of seventy years.

Mr. Pankaj Jain was appointed as the Managing Director of the Company for a term of five years with effect from April 02, 2025 whose office was not liable to retire by rotation pursuant to board resolution dated April 02, 2025 and Postal Ballot shareholder's resolution dated May18, 2025. During the continuation of his tenure of appointment as a Managing Director, he will be attaining the age of 70 years.

In order to be compliant with the provisions of the SEBI (Listing and Obligation Regulations and the Companies Act, 2013 including amendments, if any, the Company hereby proposes to retain him as Managing Director of the Company on attaining age of 70 years in light of his vast immense knowledge and enrich technical experience which he has been contributing immensely in the growth of the Company since its incorporation and as approved by Board of Directors of the Company at its meeting held on August, 10th, 2026.

Hence, approval of the members is sought for the continuation of Mr. Pankaj Jain as Chairman and Managing Director of the Company on attaining the age of 70 years. All other terms and conditions of his appointment Including perquisites and benefits etc. shall remain same to the extent approved by the members of the Company.

The additional information required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable Secretarial Standards is annexed as Annexure-I.

The Board recommends the passing of the Resolution at Item No. 4 as a Special Resolution. Except Mr. Pankaj Jain and Ms. Sippy Jain none of the Directors or Key Managerial Personnels or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Item number 5

Approval for Investment in excess of limits stated in section 186 of the Companies Act, 2013.

The Company, with the approval of the Board, invests, in the ordinary course of business, surplus funds of the Company in securities such as units of mutual funds, bonds, Government securities and bank fixed deposits etc. within the framework of investment policy approved by the Board and reviewed by Finance and Investment Committee. Whilst investment in units of mutual funds managed by Trusts are exempted from the provisions of section 186 of the Companies Act, 2013, certain investments in units of mutual funds managed by body corporates fall within the purview of section 186 of the Companies Act, 2013. The powers of the Board to invest in securities is restricted upto 60% of aggregate paid up capital and free reserves or 100% of free reserves, whichever is higher. Any investment beyond the aforesaid limit would need prior approval of the shareholders of the Company by way of Special Resolution.

The value of investments in securities which the Company invests exceed the aforesaid limits prescribed under the Act/Rules and accordingly approval of the Members is being sought by way of Special Resolution subject to maximum investments in securities at any point of time of not exceeding Rs.100 crores.

The Board recommends passing of the proposed resolution at the item no-5 as Special Resolution. None of the Directors of the Company is deemed to be concerned or interested in the above resolution

For and on behalf of the Board

For Haryana Leather Chemicals Limited

Yugank

Company Secretary & Compliance Officer

Membership No: ACS 70463

Date: 10th August, 2026

Place: Gurugram

ANNEXURE I TO THE NOTICE

Additional information of the director Seeking appointment / reappointment as required under Regulation 36(3) of the SEBI Listing Regulations, 2015, and Secretarial Standards on General Meetings

Particulars	Mr. Vijay Kumar Garg (Retiring by rotation)	Mr. Pankaj Jain
Age	74	69
Qualifications	Graduate	B.tech from Punjab University
Experience (including expertise in specific functional area) / Brief Resume	Mr. Vijay Kumar Garg was associated with the company 22nd July 2003. Since his association he provides valuable outputs to the company and bring lots of valuable inputs on the Board of the company. He has a vast experience in chemicals and business expansion.	He is so passionate for the Chemicals. He took charge as Managing Director of the Company on 04th February 2013. He conceptualized the idea of setting up Haryana Leather Chemicals Limited Under his leadership the Company is well established and earned name and fame. He is devoting his full time in growth and diversification of the Company. He designed the Organization structure, work allocation and overall control system of the Company. He is instrumental in the growth and diversification of the Company. Mr. Pankaj Jain hard work leads company on the global level and now has its presence worldwide.
Terms and Conditions of Appointment/ Re-Appointment	Proposed to be appointed as a Non-Executive Director, liable to retire by rotation	Retiring by rotation and eligible for Re-appointment
Date of first Appointment on the Board	22nd July.2003	04th Februay,2013
Shareholding as on 31st March 2026	NA	15.32 (75,1,780 equity shares)
Relationship with other Directors/ Key Managerial Personnel	NA	Husband of Mrs. Sippy Jain
Number of meetings of the Board attended during the year 2025-26	1	5
Directorships in other Listed / Public Companies	NIL	NIL
Membership/Chairmanship of Committees in other Listed Companies.	NIL	NIL

Note: Pursuant to Regulation 26 of the SEBI Listing Regulations only two committees, viz. Audit Committee and Stakeholders Relationship Committee have been considered.

For and on behalf of the Board
For Haryana Leather Chemicals Limited

Yugank
Company Secretary & Compliance Officer
Membership No: ACS 70463

Date: 10th August, 2026
Place: Gurugram

BOARD'S REPORT

Dear Members,

The Board is pleased to present its report on comprehensive review of performance of the Company along with the audited standalone financial statements for the financial year ended 31st March, 2026.

Financial Summary and State of Affairs

The Audited Financial Statements of your Company as on March 31, 2026, are prepared in accordance with the relevant applicable Indian Accounting Standards ("Ind AS") and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

The summarized financial highlight is depicted below:

(Rs. In Lakhs)

Particulars	Current Year ended 31.03.2026	Previous Year ended 31.03.2025
Net Revenue	**5136.51**	**4902.95**
Add: Other operating income	167.96	169.52
Total Income	**5307.09**	**5072.47**
Profit before Interest, Depreciation, Exceptional items & Taxation	450.57	424.04
Less: Depreciation	93.57	90.03
Add: Exceptional items (Net)		-
Profit /(Loss) before Tax	**357.36**	**334.01**
Add: Tax expenses (Net)	115.55	104
Profit after Tax/(Loss)	237.70	230.01
(Less)/Add: Other Comprehensive Income	0	0
Total Comprehensive Income	**237.70**	**230.01**

1. There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year and the date of this report.
2. Previous year figures have been regrouped/re-arranged wherever necessary.
3. There has been no change in nature of business of your Company.

Operational Highlights

The total income from operations for the year ended 31st March, 2026 aggregated to Rs**. 5307.09 Lakhs** as compared to **Rs. 5072.47 Lakhs** in the previous year. The company was able to earn a profit after tax of **Rs. 237.70 Lakhs**.

The operation resulted in profit before exceptional items, tax and regulatory deferral account balances for the year under review of **Rs 450.57 Lakhs** as compared to profit of Rs**. 424.04 Lakhs** in the previous year. Exceptional items for the year under review was nil.

No material changes and commitments which affect the financial position of the Company have occurred after the close of the year under review till the date of this Report

Dividend

Based on the Company's performance, the Board recommended a dividend of Re.1 per equity share of Rs. 10 each, subject to the approval of the Members. The divided as recommend by the Board is in line with the Dividend Distribution Policy of the Company as applicable. The payment of dividend is subject to the Final approval of members at the ensuing Annual General Meeting ("AGM") and deduction of income tax at source. Upon approval at the AGM. The final dividend on equity shares, if approved by the Members, would involve a cash outflow of Rs 49.08 Lacs.

The Dividend Distribution Policy of the Company is available on the website of the Company in the investor section and can be accessed at https://www.leatherchem.com/pdf/Dividend-Distribution-Policy.pdf .

Unclaimed Dividend

Details of outstanding and unclaimed Dividends, previously declared and paid by your Company, are given on the website of the company.

Investor Education Protection Fund

During the financial year 2025-26, your Company has transferred unclaimed and un-paid dividends pertaining to year 2017-18 to IEPF. Further, corresponding shares, on which dividends have remained unclaimed and unpaid for seven consecutive years, were transferred to IEPF as per the requirements of the IEPF Rules. The details of the resultant benefits arising out of shares already transferred to the IEPF, year wise amounts of unclaimed un-paid dividends lying in the unpaid dividend account up to the year, and the corresponding shares, which are liable to be transferred, are provided in the shareholder information section of the Corporate Governance Report forming part of this Annual Report and are also available on your Company's website at www.leatherchem.com .

Share Capital

During the year under review, there was no change in the authorized and paid-up share capital of the Company. The paid-up Equity Share Capital of the Company as on 31st March, 2026, was Rs. 49,08,47,00 divided into 49,08,470 Equity Shares of Rs.10/- each.

Also, Your Company has not issued any:

1. Shares with differential
2. Sweat equity shares
3. Equity shares under Employees Stock Option Scheme

Material Subsidiaries

As on March 31, 2026 the Company had no material subsidiaries. Your Company has formulated a policy for determining Material Subsidiaries. The policy is available on your Company's website and link for the same is given in Corporate Governance Report.

SPECIALITY PRODUCTS

The Company has sustained its growth trajectory and strengthened its market position through its focus on specialty products across both the Leather Chemicals and PVC Additives divisions.

Leather Chemicals Division:

The Company continues to maintain its market leadership in fat liquor products for gloving and upholstery applications. Our flagship product, **NOUVOL SR** and its variants, continue to enjoy strong acceptance in the market. Further, the **NANOLUX** pigment series, launched last year, has been successfully accepted for high-end specialty applications. Products such as **NANOLUX Deep Black** and **NANOLUX Ultra-White** have demonstrated performance comparable to globally recognized brands such as STAHL and SOMMER. The Company aims to establish NANOLUX as a premium specialty brand, thereby further enhancing the Company's image and market positioning.

PVC Additives Division:

Since the launch of the PVC Additives division in 2024, particularly Acrylic Impact Modifier (AIM) and Acrylic Processing Aid (PA), the Company's R&D and marketing teams have worked in close coordination to benchmark product performance against the best available in the industry. The Company has received highly encouraging market response for its AIM products, with **AKRELON 405** emerging as a specialty product in the segment. The Company is expected to command a leading position among indigenous manufacturers, as AKRELON 405 has gained widespread acceptance among India's leading PVC processors. Further, the trademark **AKRELON** has been duly registered under Registration No. 6400777 dated 23rd April, 2024.

Directorate and Key Managerial Personnels

As of March 31, 2026, your Company's Board had Eight (7) members comprising of two (2) Executive Directors, one (1) non-executive and four (4) Independent Directors, including one Woman Director. The details of Board and Committee composition, tenure of directors, and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

In terms of the requirement of the Listing Regulations, the Board has identified core skills, expertise, and competencies of the Directors in the context of the Company's business for effective functioning. The key skills, expertise and core competencies of the Board of Directors are detailed in the Corporate Governance Report, which forms part of this Integrated Annual Report.

Appointment/Re-appointment/Cessation/Change in Designation of Directors and Key Managerial Personnel

During the year under review, following changes took place in the Directorships and Key Managerial Personnel

a) Re-appointment of Mr. Pankaj Jain, (DIN: 00206564) as Managing Director of the Company for a further period of five years from 2nd April, 2025 to 1st April 2030 whose office shall liable to retire by rotation and same was approved by the Shareholders through postal ballot.

b) Re- appointment of Ms. Sippy Jain (DIN: 03189151) as a Whole- time Director for another period of 5 years i.e. 30th July, 2025 to 29th July 2030 whose office shall liable to retire by rotation

c) Continuation of Mr. Vijay Kumar Garg (DIN: 00236460) Non- Executive Director of the company and same was also approved by the shareholders in the last AGM.

d) Demise of Mr. N.K Jain (DIN: 00486730) Non-Executive – Non- Independent Director of the Company on Thursday, March19, 2026.

The Board placed on record its sincere appreciation to Mr. N.K Jain for their guidance and invaluable contributions made over the years.

Re- Appointment of retiring Directors

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of your Company, Mr. Vijay Kumar Garg (DIN: 00236460) is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for re- appointment. On the recommendation of the Nomination and Remuneration Committee and based on the performance evaluation, the Board of Directors recommends his reappointment as a director, liable to retire by rotation. The detailed proposal for re-appointment forms part of Notice of 41st AGM.

Brief details as required under Secretarial Standard-2 and Regulation 36 of SEBI Listing Regulations, are provided in the Notice of AGM.

In the opinion of the Board, all directors including the directors appointed / re-appointed during the year possess requisite qualifications, experience and expertise and hold high standards of integrity. The list of key skills, expertise and core competencies of the Board has been provided in the Corporate Governance Report.

As on the date of this report, the Company has the following Key Managerial Persons as per Section 2(51) and Section 203 of the Act:

S.no	Name of the Key Managerial Personnel	Designation
1	Mr. Pankaj Jain	Managing Director
2	Ms. Sippy Jain	Whole-time Director
3	Mr. Sukanto Choudhury	Chief Financial Officer
4	Mr. Yugank	Company Secretary and Compliance Officer

Declaration by Independent Directors

In terms of Section 149 of the Act, Mr. Chinar Goel, Ms. Ritu Atri, Mr. Kanishk Gupta & Mr. Pradeep Kumar Verma are the Independent Directors of the Company. 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 Act and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the Management. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any

external influence. The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same.

The Board has taken on record the declarations and confirmations submitted by the Independent Directors after undertaking due assessment of the veracity of the same. The Independent Directors of the Company have registered themselves with the data bank maintained by Indian Institute of Corporate Affairs.

The details including the meetings of the independent directors, familiarization programme etc. have been provided in the Corporate Governance Report.

Further, in the opinion of the Board, the Independent Directors fulfill the conditions prescribed under the Listing Regulations 2015 and are independent of the management of the Company.

Board Committee & Number of meetings of the Board of Directors

As on the date of this report, the Board has the following committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Committee Of Directors

All the recommendations made by the Board Committees, including the Audit Committee, were accepted by the Board.

The Board met 5 (Five) times during the year under review. The intervening gap between the meetings did not exceed 120 days, as prescribed under the Act and SEBI Listing Regulations.

Committee composition and meetings of the Board & the Board Committees have been provided in the Corporate Governance report.

Nomination & Remuneration and Board Diversity Policy

The Company has in place a Nomination and Remuneration and Board Diversity ("NRC Policy") which provides the process for selection, appointment and remuneration of directors, key managerial personnel and senior management employees including other matters as provided under Section 178(3) of the Act.

The salient features of the NRC Policy are as follows:

1. Criteria and terms & conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-executive including Independent Directors), Key Managerial Personnel and persons who may be appointed in senior management positions.
2. Framework for remuneration of the Directors, Key Managerial Personnel & Senior Management Personnel and align with the Company's business strategies, values, key priorities and goals.
3. Rewards linked directly to the effort, performance, dedication and achievement of Company's targets by the employees.
4. Approach for board diversity.

During the year, the Policy of the Company was amended to update the age criteria for the appointment of Independent Director. The Policy is available on the Company's website at https://www.leatherchem.com/pdf/Nomination-and-Remuneration-Policy.pdf .

Annual evaluation by the Board of its own performance, performance of its Committees and Individual Directors

The Company has revised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which includes criteria for performance evaluation of Non-executive Directors and Executive Directors. The evaluation process inter alia considers the attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter-se board members, effective participation, domain knowledge, compliance with code of conduct, vision, and strategy.

The Board carried out an annual performance evaluation of the Board, Committees, Individual Directors and the Chairperson. The Chairman of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on the report on evaluation received from respective Committees. The report on performance evaluation of the Individual Directors was reviewed by the Chairman of the Board and feedback was given to Directors.

Corporate Governance Philosophy

Haryana Leather Chemicals Limited (HLCL) is committed to the highest standards of governance to enhance long-term shareholder value and safeguard minority rights. We view the transparent, timely, and accurate disclosure of our operations,financial performance, and leadership structures as a fundamental responsibility to our stakeholders.

Ethical Framework & Human Rights

Our governance systems, processes, and corporate frameworks are deeply rooted our core Mission, Vision, and Values.

1. **The HLCL Code of Conduct:** Establishes the core values and ideals that guide the organization and its employees in all business operations.
2. **Human Rights Commitment:** We view human rights as an integral aspect of doing business. The specialized *Haryana Leather Chemicals Limited Code of Conduct* ensures we actively respect and protect human rights while swiftly remediating any adverse impacts stemming from our business activities.

Board Oversight & Structure

Our governance guidelines establish clear accountability and oversight, specifically covering:

1. Composition, roles, and responsibilities of the Board, Chairman, and Directors.
2. Board diversity and mandatory retirement age policies.
3. Constitution and mandates of various Board Committees.

Compliance Management

HLCL operates a robust compliance management system to monitor all legal and regulatory obligations across our plants and offices.

1. A comprehensive **Compliance Certificate** is reviewed by the Board of Directors every quarter.
2. In strict compliance with SEBI Listing Regulations, the **Corporate Governance Report** and the **Secretarial Auditor's Certificate** are fully integrated into this Annual Report.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors to the best of their knowledge and ability, confirm in respect of the Audited Annual Accounts for the year ended 31st March, 2026 that:

1. in the preparation of the annual accounts, the applicable accounting standards had been followed and that there were no material departures;
2. the Directors had, in consultation with the Statutory Auditors, selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year ended 31st March, 2026 and profit of the Company for that period;
3. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the Directors had prepared the annual accounts on a going concern basis;
5. the Directors had laid down proper internal financial controls to be followed and that such internal financial controls were adequate and were operating effectively; and

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

Management Discussion and Analysis

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Management Discussion and Analysis Section has been presented in a separate section.

Corporate Governance Report

In compliance with Regulation 34 read with Schedule V of the SEBI Listing Regulations, the Corporate Governance Report for FY 2025-26, has been presented in a separate section forming the part of Annual Report

A certificate from M/s Manoj Gupta & Associates, Company Secretaries, confirming compliance with corporate governance requirements under the SEBI Listing Regulations, is annexed as Annexure to this report.

In compliance with corporate governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of your Company ("Code of Conduct"), who have affirmed the compliance thereto. The Code of Conduct is available on the website of your Company at https://www.leatherchem.com/pdf/Code-of-conduct-of-Board-of-Directors-and-Senior-Management-Personnel.pdf .

Annual Return

In compliance with the provisions of Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company i.e. Form MGT-7 for FY 2025-26 has been uploaded on the website of the Company at https://www.leatherchem.com/annual-return

Related party Transaction

All contracts, arrangements and transactions entered by the Company with related parties during FY 2025-26 were in the ordinary course of business and on an arm's length basis. The Company did not enter any transaction, contract or arrangement with related parties, that could be considered material in accordance with the Act, the SEBI Listing Regulations and the Company's Policy on Related Party Transactions ("RPT Policy"). Accordingly, the details of Related Party Transactions, as required under Indian Accounting Standard-24 (Ind AS-24), are provided in the accompanying Financial Statements forming part of this Annual Report. Form AOC-2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as "**Annexure-A**" to this Report. The details of the related party transactions as per IND AS 24 have been provided in notes of the standalone financial statements.

All transactions with related parties are placed before the Audit Committee for its prior approval. Further, only those members of the Committee, who are Independent Directors, approve the related party transactions. An omnibus approval from Audit Committee is obtained for the related party transactions which are repetitive in nature.

The Audit Committee comprise solely of the Independent Directors. The members of the Audit Committee abstained from discussing and voting in the transaction(s) in which they were interested.

Your Company did not enter into any related party transactions during the year under review, which could be prejudicial to the interest of minority shareholders.

The Policy on Related Party Transactions is available on your Company's website and can be accessed using the link: https://www.leatherchem.com/pdf/HLCL-RPT-Policy.pdf .

Pursuant to the provisions of Regulation 23 of the SEBI Listing Regulations, your Company has filed half yearly reports to the stock exchanges, for the related party transactions

Internal Financial Control System and their adequacy

The Company has established an adequate and effective system of Internal Financial Controls ("IFC") to ensure orderly and efficient conduct of business operations. These controls ensure adequacy with reference to the Financial Statements, compliance with policies, safeguarding of assets, prevention and detection of frauds & errors and maintenance of accurate accounting records. The IFC framework is aligned with applicable statutory requirements and based on a globally recognized risk-based framework

Statutory Auditor and their Reports

Pursuant to the provisions of Section 139 of the Act read with rules made thereunder, as amended from time-to-time M/s. S.C Deewan & Co. Chartered Accountants, were appointed as Statutory Auditors of the Company, for a period of five consecutive years at the Annual General Meeting held on September 24, 2022, to hold his office till the conclusion of 42nd Annual General Meeting of the Company to be held in 2027.

The Statutory Auditor has confirmed their eligibility and submitted the certificate in writing that they are not disqualified to hold the office of the statutory auditor.

Further, in terms of the SEBI Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI.

Statutory Auditors have expressed their unmodified opinion on the Standalone and Consolidated Financial Statements and their reports do not contain any qualifications, reservations, adverse remarks, or disclaimers. The Notes to the financial statements referred in the Auditors' Report are self-explanatory.

The Notes to the financial statements referred in the Auditors' Report are self-explanatory.

The Statutory Auditors' Report for the standalone and consolidated financial statements does not contain any qualification, reservation, adverse remarks or observation. During the year 2025-26, the Auditors had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3) (ca) of the Act.

Secretarial Auditor and their Reports

M/s Neeraj Gupta & Associates., Practicing Company Secretaries (CP No. 4006 & Membership No- F-5720), were appointed as the Secretarial Auditor of the Company for a period of 5 consecutive years, commencing from FY 2025-26 to FY 2029-30, at the Board meeting held on May 15, 2025, based on the recommendation of the Audit Committee of Directors, same was approved by the members in the last 40th AGM of the Company. They will undertake secretarial audit as required and issue the necessary secretarial audit report for the aforesaid period in accordance with the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amended Regulation 24A of the Listing Regulations. They have confirmed that their appointment complies with the eligibility criteria in terms of Listing Regulations.

The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances.

In pursuance of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board, on the recommendations of the Audit Committee, had appointed Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Neeraj Gupta & Associates, Practicing Company Secretary was appointed to undertake the Secretarial Audit of the Company for the Financial Year ended 31st March, 2026.

Secretarial Audit Report for the Financial Year ended on 31st March, 2026, issued by M/s. Neeraj Gupta & Associates, Practicing Company Secretary, in Form MR-3 forms part of this report and marked as **"Annexure-B".**

The said report contains no qualification/observation requiring explanation or comments from Board under section 134(3)(f) (ii) of the Companies Act, 2013.

Reporting Frauds by Auditors

During the year under review, the Statutory Auditors and Secretarial Auditor of your Company have not reported any instances of fraud committed in your Company by Company's officers or employees, to the Audit Committee, as required under Section 143(12) of the Act.

Particulars Of Loans, Investments, Guarantees and Security

The provisions of Section 186 of the Companies Act, 2013 relating to loans, guarantees, securities, and investments are applicable to the Company.. However, the particulars of loans given, guarantees provided, securities extended, and investments made by the Company are disclosed in the Notes forming part of the Financial Statements.

Risk Management

India (SEBI) vide notification dated May 5, 2021, the provisions relating to the constitution of a Risk Management Committee are applicable to the top 1,000 listed entities determined on the basis of market capitalization as at the close of the immediately preceding financial year.

As the Company does not fall within the aforesaid criteria, the provisions relating to the constitution of a Risk Management Committee is presently not applicable to the Company. Further, the Company has adequate internal control systems and risk assessment mechanisms in place to identify and mitigate potential business risks, and no risk has been identified which may threaten the existence of the Company as a going concern.

Particulars Of Energy Conservation, Technology Absorption and 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) Second Amendment Rules, 2015 (As per notification dated 4th September, 2015), is annexed to this Report as **"Annexure-C".**

Whistle Blower Policy and Vigil Mechanism

Pursuant to the provisions of **Section 177(9) and 177(10) of the Companies Act, 2013**, read with **Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014** and **Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, the Company has established a **Whistle Blower Policy and Vigil Mechanism** for Directors, employees, and other stakeholders to report genuine concerns, unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct.

The mechanism provides for adequate safeguards against victimization of whistle blowers and ensures direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Company is committed to conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, integrity, and ethical behavior, thereby fostering a culture of accountability and good corporate governance.

The Vigil Mechanism – cum – Whistle Blower Policy may be accessed on the Company's website at the link: https://www.leatherchem.com/pdf/Vigil-Mechanism-Whistle-Blower-Policy.pdf.

Prevention Of Sexual Harassment

Pursuant to the provisions of the **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013** ("POSH Act") and the Rules framed thereunder, the Company has constituted an **Internal Committee (IC)** to address complaints relating to sexual harassment at the workplace and to ensure compliance with the provisions of the POSH Act.

The Company has in place a comprehensive **Policy on Prevention of Sexual Harassment at Workplace**, aimed at promoting a safe, secure, and respectful work environment. The policy provides for a fair and transparent grievance redressal mechanism, ensuring prompt inquiry and resolution of complaints within prescribed timelines.

The Policy is uploaded on the website of the Company at https://www.leatherchem.com/pdf/HLCL-POSH-Policy.pdf.

No complaints were pending at the beginning of the financial year. During the year under review, no concern was reported. No complaint was pending as at the end of the financial year.

To build awareness in this area, the Company has been conducting awareness sessions during induction of new employees and also periodically for permanent employees, third-party employees and contract workmen through online modules and webinars.

Human Resources

a) Statement showing details of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been provided in **Annexure–D (I)** which forms part of this Report.

b) Information pertaining to remuneration to be disclosed by listed companies in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been provided in **Annexure–D(II)** which forms part of this Report.

Other Disclosures

During the year:

1. No amount was proposed to be transferred to the Reserves;
2. There was no change in the nature of business of the Company;
3. The Company has complied with the applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively;
4. There was no instance wherein the Company failed to implement any corporate action within the statutory time limit;
5. The Company did not accept any deposit within the meaning of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 and accordingly no amount on account of principal or interest on public deposits was outstanding as on 31st March, 2026.
6. No significant or material orders were passed by the regulators or courts or tribunals which could impact the going concern status of the Company and its future operations;
7. The Company has complied with the provisions of the Maternity Benefits Act, 1961;
8. There were no material changes and commitments which occurred after the close of the year till the date of this report, which may affect the financial position of the Company;
9. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as on 31st March, 2026; and

ACKNOWLEDGEMENTS

We hereby express our profound gratitude to the governments of all the countries in which the Company operates. We also wish to place on record our sincere appreciation to the Ministry of Chemicals and Fertilisers, Government of India, as well as to the Central and State Governments, National Pharmaceutical Pricing Authority, regulatory bodies / authorities, financial institutions, business partners, shareholders, healthcare professionals and all other stakeholders for the assistance, cooperation and encouragement extended to the Company. We also wish to acknowledge our appreciation for the dedication and relentless efforts of our employees.

For and on behalf of the Board of Directors

For Haryana Leather Chemicals Limited

Date: 10th August, 2026

Place: Gurugram

Pankaj Jain
DIN: 00206564
Mangaing Director

Annexure "A"

Form No. AOC-2

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

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

1. Details of Contracts or Arrangements or Transactions not at Arm's Length basis

There were no contracts or arrangements or transactions entered into by the Company during the Financial Year 2025-26 which were not at Arm's length basis

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

S. no	Particulars	Details
a.	Name(s) of the related party and nature of relationship	**NA**
b.	Nature of contracts/arrangements/transactions	**NA**
c.	Duration of the contracts / arrangements/transactions	**NA**
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	**NA**
e.	Date(s) of approval by the Board, if any	**NA**
f.	Amount paid as advances, if any	**NA**

For and on behalf of the Board of Directors

Date: 28th May, 2026

For Haryana Leather Chemicals Limited

Place: Gurugram

Pankaj Jain
DIN: 00206564
Managing Director

Annexure - B

FORM MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended]

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2026

To

The Members of the Company

M/s Haryana Leather Chemicals Limited

CIN: L74999HR1985PLC019905

Regd. Office: 72-77, HSIIDC Industrial Estate, Hansi Road,

Jind-126102 (Hr.)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company **M/s HARYANA LEATHER CHEMICALS LIMITED** herein after called "the Company". Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliance and expressing my opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year commencing from 1st April, 2025 and ended on 31st March, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s HARYANA LEATHER 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 thereunder

   ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;

   iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

   iv. Foreign Exchange Management Act, 1999 (FEMA) and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment (ODI) and External Commercial Borrowings (ECBs).-Not applicable.

   v. The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 (SEBI Act):

      a. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

      b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;- Not Applicable

      c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

      d. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;- Not Applicable

2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company during the financial year under report:

i. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Security) Regulations, 2021

ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations,2021;

iii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

iv. The Securities and Exchange Board of India (Share based Employee benefits & Sweat Equity) Regulations,2021;

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI (LODR), 2015).

ii. Employee State Insurance Act 1948 and Employee Provident Funds and Miscellaneous Provision Act 1952.

4. During the financial year under report, the Company has complied with the provisions of the Companies Act, 2013 and the Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following:

a) Maintenance of various statutory registers and documents and making necessary entries therein;

b) Closure of the Register of Members/Debenture holders;

c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;

d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;

e) Notice of Board meetings and Committee meetings of Directors;

f) The meetings of Directors and Committees of Directors including passing of resolutions by circulation, if any;

g) The 40th Annual General Meeting was held on 13th September, 2025;

h) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;

i) Approvals of the Members, the Board of Directors, the Committees of Directors and the Government authorities, wherever required;

j) Constitution of the Board of Directors/Committee(s) of Directors, appointment, retirement and re-appointment of Directors including the Managing Director and Whole-time Directors: There was change in the Independent Directors and the constitution of the Committees of the Company.

k) Payment of remuneration to Directors including the Managing Director and Whole-Time Directors;

l) Appointment and remuneration of Statutory Auditors and appointment of Cost Auditors was not required during the financial year under review;

m) Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;

n) Payment of interest on debentures and redemption of debentures - Not Applicable.

o) Dividend was declared and paid during the Year.

p) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;

q) Borrowings and registration, modification and satisfaction of charges wherever applicable;

r) Investment of the Company's funds including inter-corporate loans and investments and loans to others; NA

s) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;

t) No allotment of equity shares of the Company during the year under audit.

u) Director's report for the FY 2025-26 was duly prepared.

v) Contracts, common seal, registered office and publication of name of the Company;

OBSERVATIONS:

(a) As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we report that the Company has made all the compliance.

(b) As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we report that the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder is not applicable to the Company.

(c) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ ADRs or any Commercial Instrument under the financial year underreport.

5. We have relied on the information and representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, and Regulations to the Company.

6. We further report that:

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Changes in the composition of the Board of Directors and Committees thereof was taken place during the year under review.

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

c) Majority decision is carried through while the dissenting members views, if any, are captured and recorded as part of the minutes.

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

For Neeraj Gupta & Associates
Company Secretaries

NEERAJ GUPTA
Proprietor
FCS No. 5720
CP. No.4006
Place: New Delhi
Date: 25th July, 2026
UDIN: F005720H000939246

Annexure-A to Secretarial Audit Report

To
The Members of
M/s. Haryana Leather Chemicals Limited
CIN: L74999HR1985PLC019905
72-77, HSIIDC Industrial Estate, Hansi Road,
Jind-126102 (Hr.)

Our Secretarial Audit Report dated July 25, 2026 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to make a report based on these secretarial records produced for our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our report.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit.

4. We have obtained the Management s representation about the compliance of laws, rules and regulations and happening of events, wherever required.

5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

6. This Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

.

For Neeraj Gupta & Associates
Company Secretaries

NEERAJ GUPTA
Proprietor
FCS No. 5720
CP.No.4006
Place: New Delhi
Date: 25th July, 2026
UDIN: F005720H000939246

INFORMATION AS PER SECTION 134(3) OF THE COMPANIES ACT 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31st MARCH, 2026

A) CONSERVATION OF ENERGY:

Total energy consumption and energy consumption per unit of production as per Form A of the Annexure to this rule is as under:

Form – A

			Current Year 2025-26	Current Year 2024-25
1	a)	**Power and Fuel Consumption**		
		Electricity Purchased (KWH)	464985.5	451492.5
		Total Amount (Rs.)	4598368	4124811
		Rate / Unit (Rs.)	9.89	9.14
	b)	Own Generation		
		Through Diesel Generator		
		Unit (KWH)	9644.9	2259
		Units / Ltr. of HSD	3.36	1.59
		Cost / Unit (Rs.)		
		Coal		
		Quantity		
		Total Cost		
		Average Cost		
		Furnace Oil / HSD Oil Quantity (K. Ltrs.)	11.00	10.40
		Oil Quantity (K. Ltrs.)		
		Total Cost (Rs.)	966680	917280
		Average Rate (Rs. / K. Ltr.)	87.88	88.20
		LPG		
		Quantity (KG)	146700	109800
		Total Cost	11736000	8344800
		Rate Unit	80	76
2		**Consumption per Unit of Production**		
		Production (MT)	4759.36	5320
		Electricity (KWH / MT)	99.73	85.29
		Furnace / HSD Oil (Ltr. / MT)	2.19	1.95
		Coal		
		LPG (KG/MT)	30.82	20.64

B) TECHNOLOGY ABSORPTION:

a) Research & Development (R & D)

1. Specific area in which R & D was carried out:

For the year 2025 -26, as per the plan the company's R & D department was tasked to undertake research in the following two areas:

- Improvement in wastewater treatment process
- Accelerated Weather testing of PVC additives

The details of the activity carried out and benefits derived are presented below:

Waste Water Treatment -Biological Process:

Company had been using a Physio -Chem and Fenton reaction cycle to treat its wastewater. The treated wastewater is reused after passing through extensive treatment stages. However, this treatment cycle is long. The current plan had to be reinforced with new technology. The R and D team evaluated biological processes Aerobic and Anerobic cycles to breakdowns of organic matter. The company developed a pilot plant for 200

Liters to test Anaerobic and aerobic wastewater treatment to the existing treatment cycle. It was found that this biological process may not be so appropriate considering low volume of wastewater (only 2500 liter/ day). For such low volumes and need to keep the treatment alive on 24-hour shift bases was not found viable. Accordingly, a modified Physio -Chemical process was developed and tested reversing the alkali and acid dosing for flocculation of suspended matter. The lowering of alkali and acid also benefited in lowering TDS. The process was successful and has been implemented efficiently.

Accelerated weather testing:

The company's application lab team evaluated its key products for damage due to sunlight, rain, and dew. Since UV light is responsible for almost all photodegradation, therefore this research was necessary to evaluate product weakness and ageing effect. The study focused on its PVC additives, especially Impact Modifier for window profiles and leather coating for white leather. ACRYLON IM 405 was tested by incorporating in a window profile formulation by exposing samples to alternate cycles of Ultraviolet rays (UV 313 nm and 340 nm), moisture at elevated temperatures and condensation as per ASTM G 154. Since the company did not have its in-house set up, an outside lab was used. The team tested 12 substrates using their QUV Q Lab machine for 1000 hours. The results obtained were satisfactory and enabled the company to benchmark its product against foreign competitors.

2. Benefits derived as a result of above R&D:

The R and D project described above benefited in following ways:

In the first project, the treated wastewater after incorporating the new treatment cycle showed better properties. The water was odor-free, colorless and lower in TDS. The use of Acid and Alkali was reduced by slightly lowering the treatment cost. The treated water complied with the COD and BOD standards and parameters for use in landscape irrigation.

The benefits of second project –accelerated ageing evaluation – were very significant. The company's Akrelon Impact Modifier range is an import substitute, competing against big multinational companies. Using the results of the ageing evaluation, the marketing team was able to convince the customers about quality of company s Impact Modifier range. The benchmarking results were shared with important clients and their trust in product was reinforced. This will help in long term to win more customers in window profile segment.

3. Future Plan of Action:

For the year 26-27, the company plans to direct research and development efforts in the following areas. These projects have been conceptualized keeping sustainability goals and emerging trends on products.

Organic Matting Agents:

Matting agents play a great role in some key leather finishing segments such as topcoats -especially Nitrocellulose Lacquers and Polyurethane Topcoats. The worldwide trend so far has been to use inorganic matting agents like Fumed Silica. These agents address the fashion need of low gloss leathers and also improve haptics. However, the use of Fumed Silica has certain limitations – it causes greying when leather is stretched and also it hinders long term storage stability. The company plans to explore possibilities of using new generation of organic agents that are designed to overcome the problems outlined above. The organic matting agents can be wax based on Polymethyl Urea resin. These additives are available from some leading European companies. Their data sheets have been evaluated, samples procured and leather application team will be taking required steps to partially or fully replace conventional matting agents in our topcoat leather finishing applications.

InLine Solid -Liquid Powder Induction:

The company produces many products that require solid -liquid mixing. Most powders come in small bags making pneumatic powder conveying very difficult. The conventional system requires powder feeding to be manual under the mixers. This process can cause very small quantity of powder dust to escape in air. Most of these powders do not pose any health or environmental risk but causes housekeeping problems. The company has conceptualized powder induction system using a high shear rotor stator mixer. Due to slight vacuum generated in the shear chamber, the powder can be sucked using a wand in the powder bag. This process will serve dual purpose: (1) Safe Powder Induction and (2) and high shear dispersion of solid and liquid. This process will be clean , energy efficient and align well with company s sustainability goals.

R& D Expenditure

Capital	0
Recurring	82.26 lacs
Total	82.26
Total R & D Expenditure	1.60 %

TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

1. All previously imported technologies have been fully absorbed and commercialized.
2. The indigenously developed technologies of previous years have been absorbed and commercialized.

FOREIGN EXCHANGE EARNINGS & OUTGO

1. The Company's foreign exchange earnings from exports (including foreign exchange fluctuations) amounted to Rs. 694.52 lacs.
2. Foreign exchange expenditure for the financial year is Rs.84.26 Lacs. This is related to payment towards raw materials, import of capital goods, payment of overseas travel of Directors & Employees.

Annexure–D (I)

Information as required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014:

(I) % Increase in the Median Remuneration of the Employees **Rs. In Lakhs)**

Median Remuneration of all the Employees of the Company for the Financial Year 2025-26	2025-2026	30,986
Median Remuneration of all the Employees of the Company for the Financial Year 2024-25	2024-25	29,486
% Increase in median remuneration		5%
The number of permanent employees on the rolls of company as on March 31, 2026	82	

(II) Ratio of the Remuneration of each Director to the Median Remuneration of the Employees

Name of Directors	Current Year 2025-26	Previous year 2024-25	% increase in Rem. In 25-26 from 24-25	Ratio of remuneration to median remuneration of all employees
Executive Directors/ KMP				
Mr. Pankaj Jain , Managing Director	46,20,000	46,20,000	NIL	149.10
Mrs. Sippy Jain – Whole Time Director	NIL	NIL	NA	NA
Mr. Sukanto Choudhury – CFO	14,04,144	11,95,950	17.4	6.71
Mr. Yugank, Company Secretary	9,09,600	3,64,800	NA	17.58
Total (a)	**69,33,744**	**62,70,750**	**10**	**21.13**
Non-Executive Directors (Sitting fee without GST)				
Mr. N. K Jain	NIL	NIL	NA	NA
Mr. Vijay Kumar Garg	NIL	NIL	NA	NA
Mr. Chinar Goel	40000	32000	25	0.258
Mr. Pradeep Kumar Verma	40000	32000	25	0.258
Ms. Ritu Atri	40000	32000	25	0.258
Mr. Kanishk Gupta	40000	48000	25	0.258
Total (b)	**1,60,000**	**1,36,000**	**17.6**	**77.45**
Total (a+b)				

Notes:

Non-Executive Directors are not being paid any remuneration except sitting fee
During the year, the average percentage increase in salary of the Company's employees excluding Key Managerial Personnel (KMP) was 10%.

Disclosures pursuant to provision of Section 197 (12) of the Companies Act, 2013

A. NAMES OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE FINANCIAL YEAR 2025-26

S No	Name	Designation	Remuneration (Rupees)	Experience as on 31.03.2026	Date of commencement of employment	Age (Years) as on 31.03.2026	No of Equity Shares held in the Company
1.	Mr. Gauri Shankar Chaudhary	MANAGER (LAB)	21,12,000	15 Years	Oct. 2023	38	0
2.	Mr. Sukanto Chaudhary	CFO	14,04,144	35 Years	Dec. 1991	57	10
2.	Mr. M P Singh	GM (Production)	12,60,000	33 Years	05 July 1993	63	0
4	Mr. Deepak Raj	GM (Production)	11,93,604	27 Years	01 Apr. 1999	50	0
5	Mr. Y P Gaba	GM (F&A)	11,11,824	38 Years	Oct. 1989	57	1123
6	Mr. K P Singh	GM (MIS)	11,02,116	29 Years	18 June 1997	52	0
7.	Mr. Prem Singh	AGM (MTC.)	10,17,000	10 Years	15 Sep. 2016	57	0
8.	Mr. Vipin Sharma	Gm Export	10,02,000	38 Years	Oct. 1989	58	0
9.	Mr. Anil Kumar Saini	Manager	9,24,000	15 Years	Feb. 2010	47	0
10.	Mr. Yugank	Company Secretary	9,09,600	3 Years	Nov 2024	32	1

Notes: Gross remuneration includes Salary, House Rent Allowance and other perks like Medical Reimbursement, Leave Travel Assistance, Company's contribution towards Provident Fund etc. but excludes Gratuity and Leave Encashment.

B NAMES OF EMPLOYEES WHO ARE IN RECEIPT OF AGGREGATE REMUNERATION OF NOT LESS THAN RUPEES ONE CORE AND TWO LAKH IF EMOPLOYED THROUGHOUT THE FINANCIAL YEAR 2025-26- NIL

C. NAMES OF EMPLOYEES WHOSE REMUNERATION IN AGGREGATE WAS NOT LESS THAN RUPEES EIGHT LAKH AND FIFTY THOUSAND IF EMOPLOYED FOR PART OF THE FINANCIAL YEAR 2025-26- NIL

DECLARATION BY THE MANAGING DIRECTOR & CEO AS PER REGULATION 34 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I hereby confirm that the Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management, as approved by the Board, for the year ended 31st March, 2026.

For and on behalf of the Board of Directors

For Haryana Leather Chemicals Limited

Place: Gurugram
Date: 28th May,2026

Pankaj Jain
DIN: 00206564
Managing Director

To the Board of Directors
Haryana Leather Chemicals Limited
Gurugram

Compliance Certificate

[In terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

In terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that:

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2026 and that to the best of our knowledge and belief**:**

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year 2025-26 which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:

   1. significant changes in internal control over financial reporting during the year;

   2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Gurugram	**Sukanto Choudhury**	**Pankaj Jain**
Date : 28th May,2026	**CFO**	**Managing Director**

Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members
Haryana Leather Chemicals Limited

1. We have examined the compliance of the conditions of Corporate Governance by Haryana Leather Chemicals Limited ("the Company") for the year ended on 31st March, 2026, as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') as amended.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors is also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditors' judgment, including the assessment of the risks associated with compliance with the Corporate Governance Report with the applicable criteria. The procedure includes, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors.
8. The procedures also include examining the evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations are given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2026.

For Manoj Gupta
Company Secretaries
Membership No- F6102
UDIN: F006192H001073896

Date: 11th August, 2026
Place: New Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members
Haryana Leather Chemicals Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Haryana Leather Chemicals Limited, having CIN L74999HR1985PLC019905 and having registered office at 72-77, HSIDC Industrial Estate Hansi Road Jind, Haryana -126102, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

S.No	Name of Director	DIN	Date of Appointment in the Company
1.	Pankaj Jain	00206564	04/02/2013
2.	Sippy Jain	03189151	10/082010
3.	Vijay Kumar Garg	00236460	22/07/2003
4.	Chinar Goel	07610985	09/08/2024
5.	Kanishk Gupta	02243899	18/05/2019
6.	Pradeep Kumar Verma	10749814	28/08/2024
7.	Ritu Atri	09596000	28/08/2024

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

For Neeraj Gupta & Associates
(Company Secretary)

CS Neeraj Gupta
CP No: 4006
Men No; F5720
UDIN :F005720H000939224

Date: 25th July, 2026
Place : New Delhi

Corporate Governance Report

HLCL Philosophy on Corporate Governance

Corporate Governance is about meeting strategic goals responsibly and transparently, while being accountable to stakeholders. We are equipped with a robust framework of corporate governance that considers the long-term interest of every stakeholder as we operate with a commitment to integrity, fairness, equity, transparency, accountability and commitment to values. Our robust corporate governance structure is based on well-structured policies and procedures that are the backbone of our governance philosophy. Our policies are formulated to ensure business continuity and to maintain a high quality throughout our operations.

Our ethical framework is focused on creating long-term shareholder value through responsible and transparent decision-making. HLCL corporate governance framework is built on the following key pillars:

Transparency

For us, transparency is key to healthy, self-sustaining growth and promotes self-enforcing checks and balances. It also fosters deep and long-standing trust among our stakeholders. We strive to demonstrate the highest levels of transparency, over and above statutory requirements, through accurate and prompt disclosures.

Fairness

We practice fair play and integrity in our transactions with all our stakeholders, both within and outside the organisation. We conduct ourselves in the most equitable manner.

Accountability

For us, accountability is about holding ourselves firmly responsible for what we believe in and for delivering what we have promised. We ensure this by promoting a mind-set of end-to-end ownership throughout the organization. By means of openness and transparency, we consider ourselves accountable to the entire universe of stakeholders including our patients, employees, shareholders, vendors, government agencies, society, medical community, customers and business partners and supply chain participants.

Competent Leadership and Management

We believe that a dynamic, diverse and experienced board with focus on excellence plays a pivotal role in HLCL corporate governance aspirations. In view of this, we endeavour to maintain a board composition that brings healthy balance of skills, experience, independence, assurance, growth mind-set, and deep knowledge of the sector.

Empowerment

The empowerment of leaders and employees is an important step in enabling high performance and developing leadership capabilities within the Company. Our leadership essentials, which focus on people, performance and health, are strongly embedded in our First Principles. They establish a shared understanding and a consistent approach for building leadership within the Company

Sustainability

At HLCL, sustainability is about effectively managing the triple bottom line i.e. the financial, social and environmental aspects, whilst focusing on business continuity. We are committed to pursuing our economic growth while concurrently watching our ecological footprint and increasing our positive social impact.

Compliance and Risk Management

Full adherence to all regulatory and statutory requirements in letter and spirit is a key guiding principle at HLCL. Our global footprint and the associated operating environment is characterised by several risks, which can potentially impact our current and future earnings. The risk management function targets to maintain a live register of important risks along with implementing a plan to monitor and mitigate them. We believe that effective compliance and risk management activities will drive the sustainability of corporate performance.

Governance Structure

At the heart of the Company, governance commitment is a one tier Board system with Board of Directors possessing a disciplined orientation and distinctive priorities.

The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable.

BOARD OF DIRECTORS

The Board of Directors ("Board") serves as the apex governing body of the Company and acts as the custodian of its long-term vision, values, and sustainable growth. The Board provides strategic direction and oversight to ensure that the Company operates in a responsible, ethical, transparent, and accountable manner while creating lasting value for all stakeholders. It guides the management in achieving business objectives aligned with corporate governance principles and societal expectations.

The Board comprises experienced, knowledgeable, and committed professionals from diverse fields including Finance, Law, Commerce, Banking, Insurance, Regulatory Affairs, Administration, Management, Technical Operations, and Project Execution. Their collective expertise, integrity, leadership capability, and sound decision-making skills strengthen the governance framework of the Company and contribute to balanced and informed business decisions.

The Directors bring diversity in qualifications, professional expertise, regional exposure, industry knowledge, and leadership experience. The Board functions as a strategic think tank of the Company by providing independent judgement, constructive guidance, and effective supervision to the senior management. It encourages innovation, teamwork, accountability, and performance-driven execution while continuously reviewing the Company's strategic priorities and governance standards.

The Board periodically evaluates its composition, structure, and effectiveness to ensure that it remains aligned with the evolving needs of the business and regulatory environment. Through its active engagement and fiduciary oversight, the Board remains committed to strengthening stakeholder confidence, promoting sustainable business practices, managing risks responsibly, and driving long-term value creation for the Company.

Size and Composition

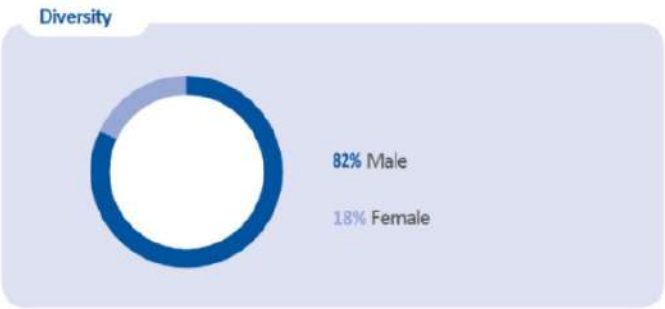
The Board of your Company, chaired by a Executive Promoter Director, comprises highly experienced persons of repute, eminence and has a good and diverse mix of Executive and Non-Executive Directors with 50% of the Board members comprising Independent Directors including an Independent Woman Director. The Board composition is in conformity with the applicable provisions of Companies Act, 2013 ("Act"), SEBI Listing Regulations, as amended from time to time and terms of shareholders' agreement and other applicable statutory provisions.

The composition of the Board is in compliance with the requirements of Section 149 and 152 of the Companies Act, 2013 (Act) and Regulation 17 of the SEBI (LODR) Regulations, 2015 as out of total Eight Directors as on 31st March, 2026, there are four Independent Directors.

As on March 31st, 2026, the Board consist of Seven (7) Directors as follows:

S. No.	Category	Name of Director	% of Total Board size
1	Executive Promoter Directors	i. Mr. Pankaj Jain, MD ii. Mrs. Sippy Jain, ED	28%
2	Non-Executive Director	i. Mr. Vijay Kumar Garg	14%
3	Non-Executive Independent Directors	i. Me. Chinar Goel ii. Mr. Kanishk Gupta iii. Mr. Pardeep Kumar Verma iv. Ms. Ritu Atri	58%

Board Composition



The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

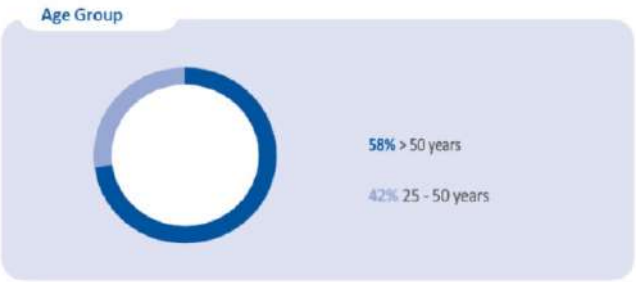
No Director is related to each other except Mr. Pankaj Jain and Mrs. Sippy Jain, who are related to each other as husband wife.

None of the directors on the board is a member of more than 10 committees or chairman/chairperson of more than 5 committees as specified in Regulation 26 of SEBI Listing Regulations, across all the listed companies in which he/she is a director. The directors have made necessary disclosures regarding committee's positions held in other public limited companies.

Necessary information where applicable as mentioned in Part A of Schedule II of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 has been placed before the board for its consideration

Board Age and Profile are as under:

Board Age Profile:



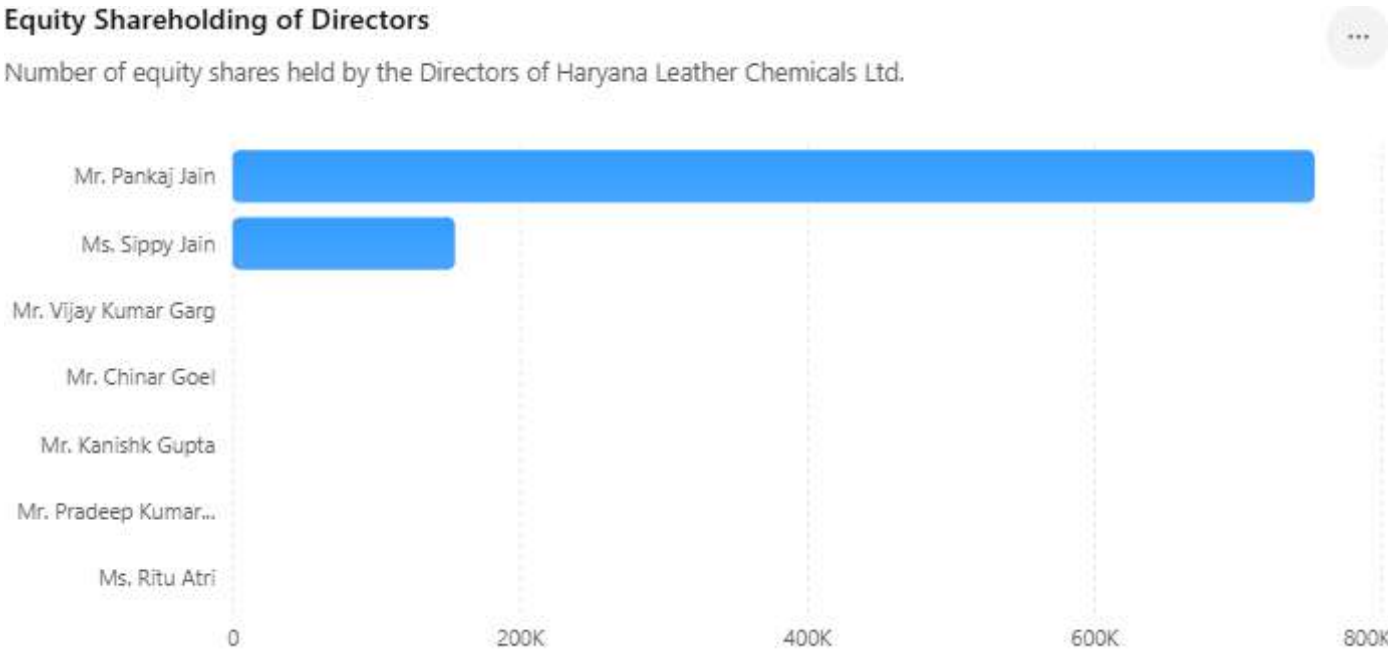
Pursuant of Sub-clause C, Clause 2, Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2018, the names of the Listed Entities where the Directors of the Company are Directors of other Company and the category of directorship as on 31st March, 2026 is given below: -

S. No.	Name of Director	Name of Listed Entity	Category of Directorship
1	**Mr. Pankaj Jain**	NIL	NIL
2	**Ms. Sippy Jain**	NIL	NIL
3	**Mr. Vijay Kumar Garg**	NIL	NIL
4	**Mr. Chinar Goel**	NIL	NIL
5	**Mr. Kanishk Gupta**	NIL	NIL
6	**Mr. Pradeep Kumar Verma**	NIL	NIL
7	**Ms. Ritu Atri**	NIL	NIL

In compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of equity shares held by the Directors of the Company as on March 31, 2026, are provided below. The shareholding of Directors reflects their interest in the Company and includes equity shares held either individually or jointly, as disclosed to the Company in accordance with the applicable regulatory requirements.

Details of equity shares of the Company held by the Directors as on 31st March, 2026 are given below: -

S. No.	Name of Director	Name of Listed Entity	Number of Equity Shares held
1	**Mr. Pankaj Jain**	NIL	7,52,530
2	**Ms. Sippy Jain**	NIL	1,53,636
3	**Mr. Vijay Kumar Garg**	NIL	NIL
4	**Mr. Chinar Goel**	NIL	NIL
5	**Mr. Kanishk Gupta**	NIL	NIL
6	**Mr. Pradeep Kumar Verma**	NIL	NIL
7	**Ms. Ritu Atri**	NIL	NIL



A certificate from M/s Manoj Gupta & Associates, Practicing Company Secretary, certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is attached with this report.

Board Membership Criteria and Selection Process

The Directors of the Company are appointed or re-appointed by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Shareholders at the General Meetings or through Postal Ballot, wherever applicable.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, all Directors,

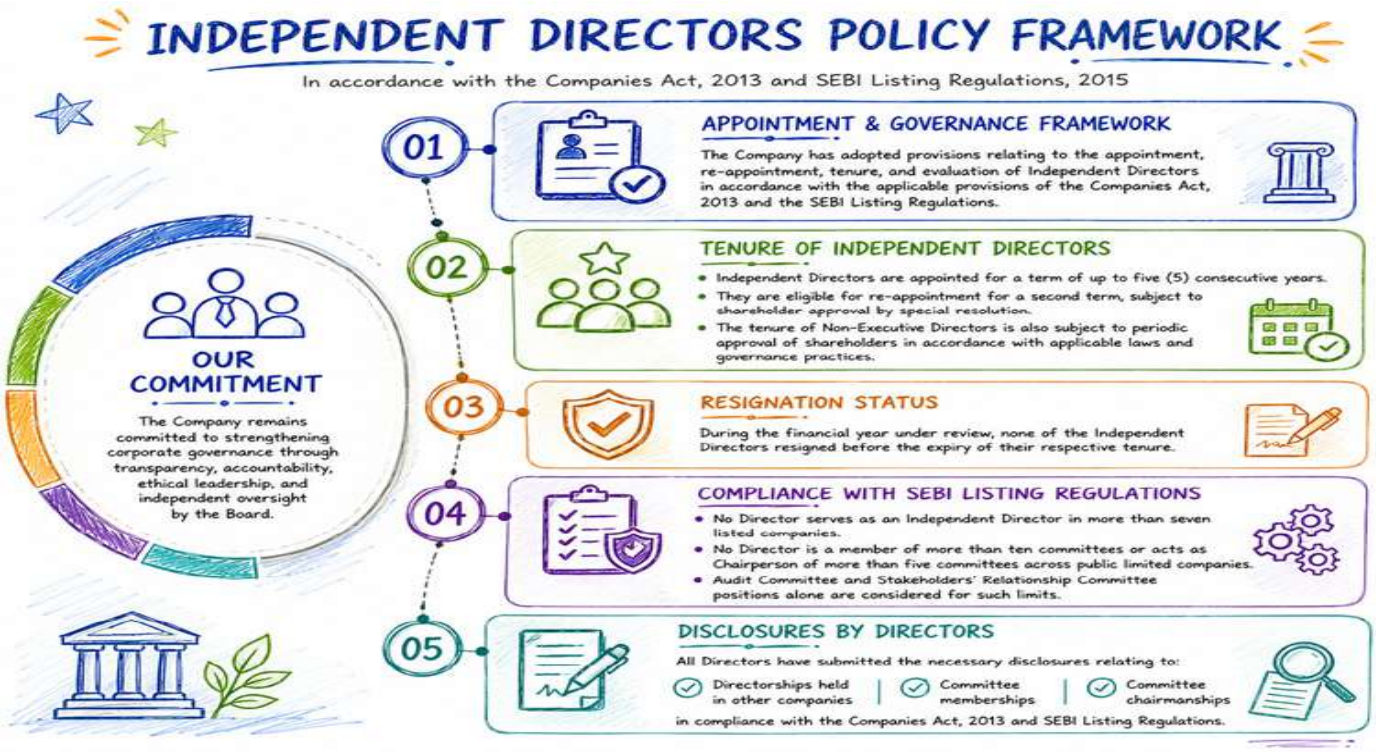
except the Managing Director and Independent Directors, are liable to retire by rotation at every Annual General Meeting ("AGM"). Such Directors, being eligible, may offer themselves for re-appointment in accordance with the applicable statutory provisions.

The Executive Directors on the Board are appointed in compliance with the provisions of the Companies Act, 2013 and serve the Company in accordance with the terms and conditions of their appointment and employment. The appointment and tenure of Independent Directors are governed by the applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company follows a transparent and structured process for the appointment and succession planning of Directors, ensuring an optimum combination of experience, expertise, integrity, leadership capability, and diversity on the Board.

As regards the appointment and tenure of Independent Directors, the Board has adopted the following policy framework in line with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

1. The Company has adopted provisions relating to the appointment, re-appointment, tenure, and evaluation of Independent Directors in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations.
2. In line with progressive corporate governance practices, the Company appoints Independent Directors for a term of up to five (5) consecutive years and they are eligible for re-appointment for a second term, subject to the approval of shareholders by way of a special resolution and disclosure in the Board's Report. The tenure of other Non-Executive Directors is also subject to periodic approval of the shareholders at intervals prescribed under the applicable laws and governance practices.
3. During the financial year under review, none of the Independent Directors of the Company resigned before the expiry of their respective tenure.
4. In compliance with Regulations 17A and 26 of the SEBI Listing Regulations, none of the Directors serves as an Independent Director in more than seven listed companies. Further, none of the Directors on the Board is a member of more than ten committees or acts as Chairperson of more than five committees across all public limited companies in which he/she is a director. For the purpose of computation, only Audit Committee and Stakeholders' Relationship Committee positions have been considered.
5. All Directors have made the necessary disclosures regarding their directorships, committee memberships, and committee chairmanships held in other companies, in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations.



Independent Directors

The Independent Directors are the Board members who are required to meet baseline definition and criteria on 'independence' as set out in Regulation 16 of SEBI Listing Regulations, Section 149(6) of the Companies Act, 2013 read with rules and Schedule IV thereto and other applicable regulations. In terms of Regulation 25(8) of Listing Regulations, Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

Accordingly, based on the declarations received from all Independent Directors, the Board has confirmed that Independent Directors of the Company fulfill the conditions specified in the Companies Act, 2013 and Listing Regulations and are independent of the management. Further, the Independent Directors confirmed that they have enrolled themselves in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs. As mentioned earlier in this report, the Board includes 4 (four) Independent Directors as on March 31, 2026.

Pursuant to Schedule IV of the Companies Act, 2013, the Rules made there under, the Secretarial Standards and the SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 11th February, 2026. All the four Independent Directors were present at this meeting and participated in the discussions. In the said meeting, the Independent Directors reviewed the performance of Non-Independent Directors, the Board as a whole, all the committees of the Board, except Nomination & Remuneration Committee and the Chairman. They also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board.

Role of the Board

The Board is the apex body. It is responsible for strategic supervision and overseeing the management performance and governance of the Company. In order to take an informed decision, the Board has access to all relevant information as well as to the employees of the Company. Driven by its Governance Philosophy, the Board strives to work in the best interests of the Company and its stakeholders. While discharging its roles and responsibilities, the Board, inter-alia, considers the following matters.

Board Meeting & Procedure

Meeting Schedule & Agenda

The schedule of the Board Meetings and Board Committee Meetings is finalized in consultation with the Directors and communicated to them well in advance to facilitate effective participation and informed decision-making. The Board Calendar for the Financial Year 2025-26 has been disclosed later in this Report and is also available on the Company's website. Additional meetings are convened, whenever required, to deliberate upon urgent and significant business matters.

The meetings of the Audit Committee for reviewing the financial performance and financial statements of the Company are generally held on the same day as the Board Meetings to ensure timely consideration of financial matters. The Chairperson of the respective Committees apprises the Board in detail regarding the deliberations, observations, and recommendations of the Committees. During the year under review, all recommendations made by the Committees were unanimously accepted by the Board.

The Board devotes considerable time towards reviewing strategic business initiatives, evaluating current and emerging opportunities and challenges, assessing risks, and monitoring the overall business environment in which the Company operates. The Board periodically reviews the Company's business plans, corporate strategy, operational performance, and risk management framework in light of market dynamics and industry developments to support sustainable long-term growth.

The Chief Financial Officer and members of the Senior Management Team are invited to attend Board and Committee Meetings to provide operational and financial updates, present key business developments, and assist the Board in informed decision-making. Functional Heads of various business divisions and departments are also invited, from time to time, to present updates on their respective areas of operations and strategic initiatives.

Availability of information to the Board

The Board of Directors has completed and unrestricted access to all relevant information within the Company, including access to the Senior Management, Statutory Auditors, Internal Auditors, Secretarial Auditors, and other advisors, whenever required. The Board Meetings are conducted through a structured agenda framework to facilitate informed discussions and effective decision-making. The agenda for each meeting is prepared by the Company Secretary in consultation with the Senior Management and is supported by detailed explanatory notes and relevant background materials.

Agenda papers along with notes on agenda items are circulated to the Directors well in advance in a standardized format to enable meaningful deliberations during the meetings. All significant information relevant to the matters being discussed is provided to the Directors to facilitate comprehensive evaluation and focused discussions. In cases where it is not practicable to circulate certain documents in advance, the same are tabled at the meeting with specific reference in the agenda. In exceptional circumstances, supplementary agenda items are also taken up with the permission of the Chairperson. Urgent business matters arising after circulation of the agenda are placed before the Board through Table Agenda or Chairman's Agenda for consideration.

The Board engages in extensive deliberations on strategic, operational, financial, governance, and risk-related matters, thereby providing a clear strategic roadmap for the sustainable growth and long-term success of the Company.

A minimum of four (4) Board Meetings is scheduled and held every financial year in compliance with the applicable statutory requirements. In addition to the scheduled meetings, further meetings are convened, whenever necessary, to address specific business requirements or urgent matters. In cases of business exigencies, resolutions are also passed by circulation in accordance with the provisions of the Companies Act, 2013 and Secretarial Standards.

Detailed presentations are made before the Board and its Committees covering the financial performance, operational developments, business environment, strategic initiatives, business opportunities, risk management framework, and matters relating to the terms of reference of various Committees. Such presentations assist the Directors in effectively reviewing and approving the quarterly, half-yearly, and annual financial results of the Company.

The information required to be placed before the Board pursuant to Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is regularly placed before the Board for consideration and review. Further, the Board periodically reviews compliance reports pertaining to all applicable laws and regulations in accordance with Regulation 17(3) of the SEBI Listing Regulations.

The key decisions and directions arising from the Board and Committee Meetings are promptly communicated to the concerned departments for implementation. The status of actions taken on the decisions of previous meetings is reviewed and placed before the subsequent Board or Committee Meetings for noting and further guidance, wherever necessary.

During the year under review, Board met Five (5) times on. i.e. 2nd April 2025, 15th May 2025, 30th July2025, 11th November 2025, and 11th February,2026.

The Board meets at least once in every quarter to review the Company's operations and financial performance. The maximum gap between two meetings is not more than 120 days. The necessary quorum was present in all the meeting.

01 April 2, 2025

02 May 15, 2025

03 July 30, 2025

04 November 13, 2025

05 February 11, 2026

Name of Director	AGM held on September 13th 2025	Total Board meetings held during tenure					Meeting Attended during the year		Attendance %
		1	2	3	4	5			
Mr. Pankaj Jain		Yes	Yes	Yes	Yes	Yes	5	5	100.00%
Ms. Sippy Jain		Yes	Yes	Yes	Yes	Yes	5	5	100.00%
Mr. N. K Jain		No	No	No	Yes	No	5	1	20.00%
Mr. Vijay Kumar Garg		No	No	No	Yes	No	5	1	20.00%
Mr. Chinar Goel		Yes	Yes	Yes	Yes	Yes	5	5	100.00%
Mr. Kanishk Gupta		Yes	Yes	Yes	Yes	Yes	5	5	100.00%
Mr. Pradeep Kumar Verma		Yes.	Yes	N.A.	Yes	Yes	5	5	100.00%
Ms. Ritu Atri		N.A.	N.A.	N.A.	Yes	Yes	5	5	100.00%

The attendance of the Board members at the Board meetings of the Company held during FY 2025-26, is as follows:

Video Conferencing Attended in Person

Information placed before Board

Information placed before the Board of Directors broadly covered the items specified in "Regulation 17(7)" along with "Part A" of "Schedule II" of "SEBI (LODR) Regulations, 2015" and such other items which are necessary to facilitate meaningful and focused deliberations on issues concerning the Company and taking decisions in an informed and efficient manner. The Directors on the Board have complete access to all the information of the Company, as and when becomes necessary.

As per the requirements of Regulation 17(7) of SEBI (LODR) Regulations, 2015, following minimum information, to the extent applicable and relevant/material, is placed before Board of Directors by the Company:

1. Annual operating plans and budgets and any updates.
2. Capital budgets and any updates.
3. Quarterly results for the listed entity and its operating divisions or business segments.
4. Minutes of meetings of audit committee and other committees of the board of directors.
5. The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
6. Show cause, demand, prosecution notices and penalty notices, which are materially important.
7. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
8. Any material default in financial obligations to and by the listed entity, or substantial non-payment for goods sold by the listed entity.
9. Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the listed entity.
10. Details of any joint venture or collaboration agreement.

11. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
12. Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
13. Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
14. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
15. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc., if any.

Chart Or Matrix Setting Out the Skills/ Expertise/Competence of the Board

As per Schedule-V of SEBI (LODR) Amendment Regulations, 2018 as notified on 9th May, 2018 w.e.f. 1st April, 2019, the Board has identified following chart or matrix setting out the skills/expertise/competence of the board of directors specifying the list of core skills/expertise/competencies as required in the context of company's business(es) and sector(s) and so as to evaluate those actually available with the Board;

1. **Strategy and Planning:** Appreciation of long-term trends, merger and amalgamation, strategic planning and experience in guiding and leading management teams to make decisions in uncertain environments and administration & management.
2. **Finance, Banking and Insurance:** Experience in area of finance including raising of funds from various resources, accounting, banking, economics, insurance, information technology, legal & statutory compliance and regulatory matters.
3. **Corporate Governance:** Corporate Governance compliance as per SEBI Regulations and other best corporate practices.
4. **Risk Management:** Ability to appreciate key risks impacting the company's business and contribute towards development of systems and control for risk mitigation.
5. **Knowledge in Power Sector:** Experience in core area of business viz. construction and operation of thermal and hydro-power projects, regulatory matters, the environment and green technologies, experience in the area of coal mining and utilization of ash and other allied areas.

As per review done by the Board the above skills/expertise were actually available with the Board.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted:

Director	Strategy	Finance	Governance	Risk	Chemical Industry
Pankaj Jain	✓	✓	✓	✓	✓
Sippy Jain	✓	✓	✓	✓	✓
N. K. Jain	✓	✓	✓	✓	✓
Vijay K. Garg	✓	✓	✓	✓	✓
Chinar Goel	✓	✓	✓	✓	✓
Kanishk Gupta	✓	✓	✓	✓	✓
Pradeep.K. Verma	✓	✓	✓	✓	✓
Ritu Atri	✓	✓	✓	✓	✓

Remuneration Policy

The Remuneration Policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavors to attract, retain, develop and motivate the high-caliber executives and to incentivize them to develop and implement the Group's Strategy, thereby enhancing the business value and maintain a high-performance workforce. The Policy ensures that the level and composition of remuneration of the Directors is optimum.

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgement

Familiarization programme For Independent Directors

The Independent Directors are on the Board of the Company for quite some time and are well versed with their role, rights and responsibilities in the Company, the nature of industry in which the Company operates, business model of the Company and systems in place. All the Board members have complete access to the necessary documents, Annual Reports and internal policies which are available at our website www.leathechem.com . Apart from this, senior management, Internal and Statutory Auditors keep making presentations at the Board/Committee meetings. Independent Directors are free to make individual queries throughout the period which are promptly and suitably replied with.

The Independent Directors are familiarized from time to time with various facts of the Company's business through presentations and inter-actions with various senior executives of the Company. They are also familiarized with their role, rights and responsibilities in the Company through their appointment letter and in the Board Meetings from time to time.

Note: Each Director may possess varied combinations of skills/expertise within the described set of parameters and it is not necessary that all Directors possess all skills/expertise listed therein.

Details of Remuneration Paid to Directors

The details of all elements of remuneration packages such as salary, benefit, bonuses etc., of all the Directors are given below:

1. Executive Directors (Managing & Whole-time Directors)

The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee to the Board based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organizations. The pay structure of Executive Directors has appropriate success and sustainability metrices built in. On the recommendation of the Nomination and Remuneration Committee, the remuneration paid/payable by way of salary perquisites and allowances (fixed component), incentive and, to its Executive Directors within the limits prescribed under the Act is approved by the Board of Directors and by the Members in the General Meeting.

The Executive Directors are not being paid sitting fees for attending meetings of the Board of Directors and its Committee.

The details of aggregate value of salary and perquisites paid to the Executive Directors for the year ended 31st March, 2026 are as under:

Name	Position	Salary	Perquisites	Total
Mr. Pankaj Jain	Managing Director	₹2.50 Lakh	₹1.00 Lakh	**₹3.50 Lakh**
Mrs. Sippy Jain	Whole-time Director	Nil	Nil	**Nil**

2. Non-Executive Directors

The Company has not paid any remuneration to Non-Executive Directors except the sitting fee for Board meetings @ Rs. 8,000 /- per meeting.

The details of the sitting fee paid to the Non-Executive Directors of the Company during the Financial Year 2025-26 are as under: -

Director	Category	Sitting Fees
Mr. Kanishk Gupta	Independent Director	₹40,000
Mr. Chinar Goel	Independent Director	₹40,000
Mr. Pradeep Kumar Verma	Independent Director	₹40,000
Mrs. Ritu Atri	Independent Director	₹40,000

There were no other pecuniary relationship or transactions with the Directors vis-à-vis the Company during the year. The Company has not granted stock options to Non-Executive Directors.

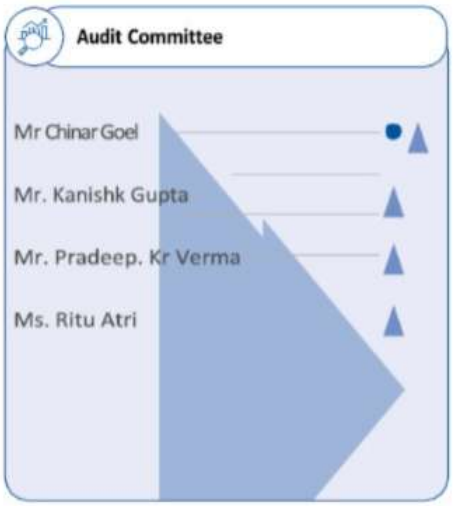
Notes:

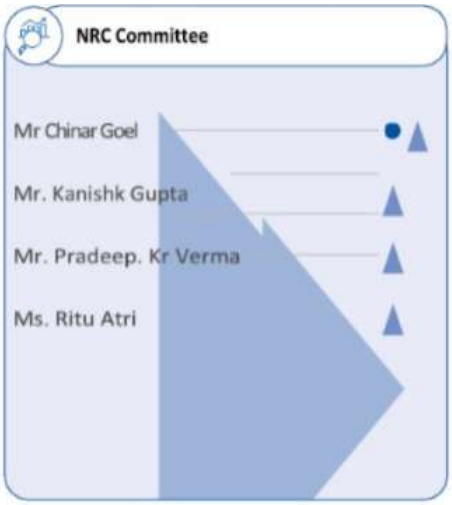
- Sitting Fee represents payment to the Directors for attending meetings of the Board and Committees thereof.
- As per the provision of the Income Tax Act, 1961, Income Tax at source was deducted.
- As per the provision of Central Goods and Services Tax Act, 2017, GST on sitting fee was paid by the Company on "Reverse Charge" basis.

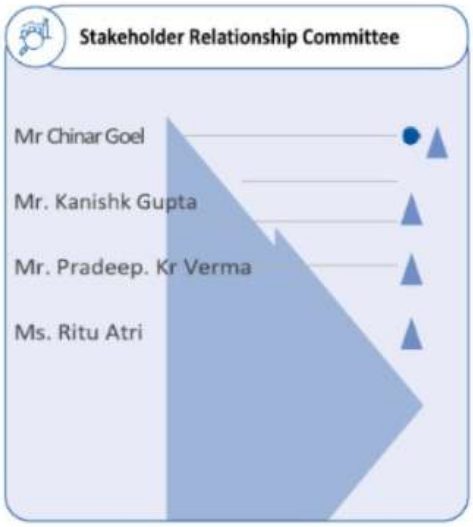
Board Committees

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

As on 31st March, 2026, the Board has constituted the following committees / Sub-committees:







The composition of the board committees meets the requirements of the Act and the SEBI Listing Regulation.

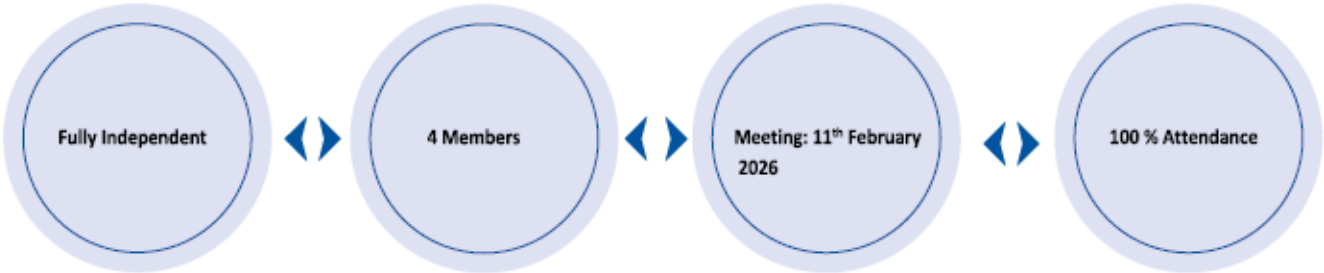
● Chairperson ▲ Independent Director

These Committees deal with specific areas/activities as mandated by the statutory requirements or as delegated by the Board. The terms of reference of the Committee define its composition, meeting and quorum, role and responsibility and power. As per the terms of reference, the respective committees reviewed the compliance status of their charters (i.e., roles and responsibilities) and noted that all responsibilities assigned thereto had been duly complied with.

All the committees are authorised to obtain professional advice from external sources and have full access to Company records.

Generally, the committee meetings are held prior to the Board meeting and the Chairperson of the respective Committee brief the Board about the deliberations and decisions taken by the Committees. The recommendations of the Committees are also submitted to the Board for its consideration. During the year, all recommendations of the Committees were accepted by the Board.

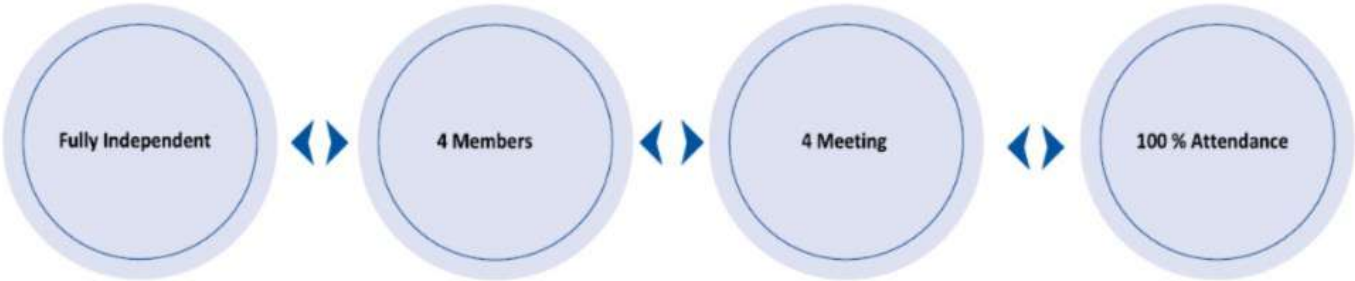
Meeting of Independent Director



Pursuant to Schedule IV of the Companies Act, 2013, the Rules made there under, the Secretarial Standards and the SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 11th February, 2026 without the presence of the Non-Independent Director and Management.

All the 4 (four) Independent Directors were present at this meeting and participated in the discussions. In the said meeting, the Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors and the Board as a whole, Chairman of the Company, taking into account views of the Executive Directors and Non-Executive Directors. They also assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board. The Management, as always, accepted & implemented further suggestions given by the Independent Director.

AUDIT COMMITTEE



Brief description of the terms of reference:

1. Review the accuracy, integrity and comprehensiveness of the Company's financial statements and ensure adequate and timely disclosure;
2. Recommend the terms of appointment and remuneration of auditors and review their performance;
3. Oversee the monitoring and reporting of security trading and handling of Unpublished Price Sensitive Information related to the Company or its securities, in accordance with applicable statutes;
4. Approve the internal audit plans and review internal audit reports;
5. Review statutory audit reports, limited review reports, and other reports in accordance with applicable statutes;
6. Recommend the appointment of Chief Financial Officer;
7. Recommend quarterly/annual financial results and financial statements and related matters;
8. Approval and review of Related Party Transactions; and
9. Review the utilisation of funds raised through various capital issues, including deviations from stated purposes and examine monitoring agency reports to recommend appropriate actions to the Board.

Meetings, Attendance & Composition of the Audit Committee

The Audit Committee met (four) times during the Financial Year 2025-26. The intervening gap between two meetings did not exceed 120 days.

As a practice before the regular quarterly meetings for approval of the results, pre-audit committee meetings are held to discuss the key accounting matters, internal audit reports, update on internal financial controls, material legal matters, report

on vigil mechanism, POSH, etc. These pre-audit meetings help the Committee to optimise it's time to discuss and review the statutory auditor's presentation and the financial results in the main meeting.

The composition of Audit Committee and details of attendance of the members during FY 2025-26 are given below:

01 May 15, 2025

02 July 30, 2025

03 November 13, 2025

04 February 11, 2026

Name of the Director	No. of meeting						
	1	2	3	4	Total No. of Meeting	No. of Meeting attended	Attendance
Mr. Chinar Goel, Chairman					4	4	100
Mr. Kanishk Gupta					4	4	100
Mr. Pradeep Kumar Verma					4	4	100
Mrs. Ritu Atri					4	4	100

- Attended in Person

All members of the Audit Committee have accounting and financial management knowledge and expertise / exposure. The meetings of Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors, Finance Controller and Internal Auditor as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed in the next meeting of the Board. The Audit Committee also meets the Internal and Statutory Auditors separately, without the presence of Management representatives.

The Chairman of the Audit Committee attended the last AGM held on September 13, 2025 to answer the shareholders' queries.

Governing Law

The constitution of the Audit Committee and its terms of reference are as per the requirements under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. The Audit Committee, apart from such matter, as may be referred by Board, is responsible for the following:

With reference to the financial statements

1. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
2. Examination of the financial statements and the auditors' report thereon;
3. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
4. Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference.
5. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013; •changes, if any, in accounting policies and practices and reasons for the same;
6. major accounting entries involving estimates based on the exercise of judgment by management;
7. significant adjustments made in the financial statements arising out of audit findings;
8. compliance with listing and other legal requirements relating to financial statements;
9. disclosure of any related party transactions; and

10. modified opinion(s) in the draft audit report;

With reference to Auditors

1. The recommendation for appointment, remuneration and terms of appointment of all Auditors of the Company including filling of casual vacancy;
2. Reviewing and monitoring the Auditor's independence and performance and effectiveness of the audit process;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
5. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
6. Discussion with internal auditors of any significant findings and follow up there on;
7. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board; and
8. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern

With reference to related party transactions

1. Approval or any subsequent modification of transactions of the Company with related parties.
2. According Omnibus approval relating to Related Party Transactions. The term "Related Party Transactions" shall have the same meaning as provided in Regulation 2(zc) of the SEBI (LODR) Regulations, 2015 and also the provisions of Companies Act, 2013 read with relevant Rules thereto.

Other Matters

1. Scrutiny of inter-corporate loans and investments;
2. Valuation of undertakings or assets of the company, wherever it is necessary;
3. Evaluation of internal financial controls and risk management systems;
4. Monitoring the end use of funds raised through public offers and related matters;
5. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
6. To look into the reasons for substantial defaults in the payment to the Banks and Financial Institutions, Debenture Holders and Creditors;
7. To review the functioning of the Whistle Blower Mechanism;
8. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate; and
9. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
10. Reviewing the utilization of loans and/ or advances from/ investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/ investments, if any.

Following information is required to be mandatorily reviewed by the Audit Committee

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses issued by the Statutory Auditors;

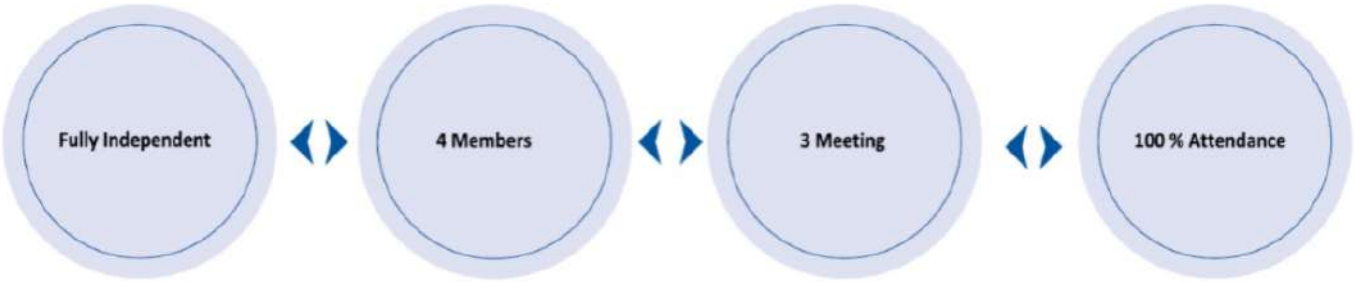
The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and

Statement of deviations

1. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (LODR) Regulations, 2015.
2. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI (LODR) Regulations, 2015.

The CFO regularly attends the committee meetings & the C.S act as the secretary of the committee. All the quarterly committee meetings were attended by the representative of Statutory Auditors. The Internal Auditor also attends the meetings as when it is required**.**

Nomination And Remuneration Committee



All the members of the Nomination and Remuneration Committee ("NRC") are Independent and Nominee Director. A detailed charter of the NRC is available on the website of the Company at: https://www.leatherchem.com/pdf/Nomination-and-Remuneration-Policy.pdf

Brief description of the terms of reference:

1. The brief terms of reference of the NRC Committee are as follows:
2. Review and recommend the policy and matters related to the remuneration of directors, Key Managerial Personnels ("KMPs"), Senior Management Personnels ("SMPs") and other employees;
3. Formulate criteria for determining qualifications, positive attributes and independence of Directors as well as for the performance evaluation of Directors, Board and Board Committees;
4. Recommend the appointment, continuation and removal of directors, KMPs, SMPs based on the identified criteria;
5. Oversee implementation, administration and supervision of shares-based incentive schemes;
6. Review key human resource related matters;
7. Oversee leadership development and succession planning;
8. Review and recommend the governance practices and Company's Corporate Governance report to the Board; and
9. Discharge functions as may be required under applicable statutes and perform such duties as may be delegated by the Board from time to time.

Meeting, Attendance & Composition of NRC

NRC met 3 (Three) time during the Financial Year 2025-26 on:

The composition of NRC and details of attendance of the members during FY 2025-26 are given below:

Name of the Director	NRC Meeting			Held during the tenure	Total Attended	% of attendance
	1	2	3			
Mr. Chinar Goel, Chairman				3	3	100
Mr. Kanishk Gupta				3	3	100
Mr. Pradeep Kr. Verma				3	3	100
Ms. Ritu Atri				3	3	100

- Attended in Person

The Company Secretary acts as the Secretary to the NRC. The minutes of each NRC meeting are placed in the next meeting of the Board

This Committee is responsible for:

1. Recommending desirable changes in the Board composition, size and diversity and other aspects of the Board's functioning;
2. Formulating criteria for determining qualifications, positive attributes and independence of a director;
3. At the time of appointment of Independent Director, to examine whether he fulfils conditions laid down under SEBI (LODR) Regulations 2015 and is independent of management;
4. Conducting search and recommending new Board members in light of resignation of some
5. current member/s or in case of a planned expansion of the Board;
6. Identifying persons who are qualified to become Directors and who may be appointed as senior management in accordance with the criteria laid down, and recommend to the Board for their appointment;
7. Recommending to the Board a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other senior employees, and while formulating such policy, to ensure that:
    1. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the desired persons;
    2. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    3. remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
    4. Recommend to the Board, all remuneration, in whatever form, payable to senior management;
    5. Formulating criteria for evaluation of performance of Board, its Committee, Independent Directors and of all other non-independent Directors;
    6. Ensuring that there is an appropriate induction programme for new Directors and members of senior management and reviewing its effectiveness;
    7. Developing a succession plan for the Board and regularly reviewing the plan;
    8. Reviewing succession plans for the senior management;
    9. Taking decision regarding extension or continuation of the term of appointment of the Independent Director on the basis of their performance evaluation; and
    10. Carrying out any other function as is mandated by the Board from time to time and/or is enforced by any statutory notification, amendment or modification, as may be applicable.

Manner for evaluation of Board's performance:

NRC would consider various aspects including, amongst others, assessing the quality, quantity and timeliness of flow of information between the company management and the Board that would be necessary for the Board to effectively and reasonably perform its duties.

NRC would also assess the promptness of making decisions by the Board as well as the interaction amongst the members of the Board.

Manner for evaluation of Committees' performance:

NRC would consider various aspects including, amongst others, assessing the quality, quantity and timeliness of flow of information between the company management and the Committees of the Board that would be necessary for the Committees to effectively and reasonably perform their duties.

NRC would also assess the promptness of making decisions by the Committees as well as the interaction amongst the members of the Committees.

Manner for evaluation of each Director's performance:

Pursuant to the provisions of the Companies Act, 2013 along with the provisions of the LODR, Nomination and Remuneration Committee considers various aspects including, amongst others, engagement, strategic planning, consensus building and understanding of national/ international events while evaluating the performance of the Independent Directors and so far as evaluation of the performance of Non-Independent and Non-Executive Directors are concerned, engagement, strategic planning, team spirit and consensus building, effective leadership, domain knowledge and understanding of national/ international events were considered as parameters of performance.

NRC would consider management qualities, teamwork abilities, results/ achievement, domain knowledge, understanding and awareness, leadership qualities, motivation/ commitment/ diligence, integrity/ ethic/ values as also receptivity as performance indicators for Executive Directors.

NRC would also consider a variety of personal attributes, including experience, intellect, foresight, judgment and transparency. NRC would also consider these while evaluating the potential candidates.

Selection and Appointment of Independent Directors:

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as an Independent Director on the Board.

The Committee, inter-alia, considers qualification, positive attributes, areas of expertise and number of Directorship(s) and Membership(s) held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence and recommend to the Board their appointment.

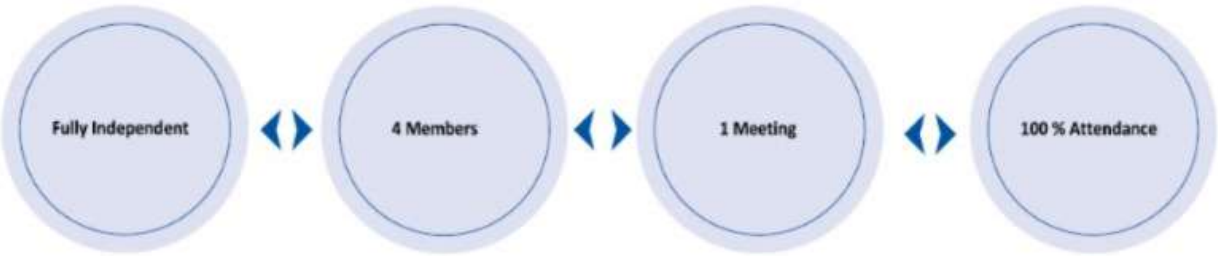
Every Independent Director, at the first meeting of the Board in which he / she participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, gives a declaration that he / she meets the criteria of independence as provided under law and that he / she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his / her ability to discharge his / her duties with an objective independent judgement and without any external influence.

The Company has received declarations from all the Independent Directors that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligation &Disclosure Requirement) 2015. Based on the disclosure received from the Independent Directors and also in the opinion of the Board, all the Independent Directors of the Company fulfill the conditions specified in the Companies Act, 2013 as well as the LODR.

Performance Evaluation Criteria for Independent Directors:

The policy framework for nomination, election and performance review of Independent Directors is duly approved by the Board of Directors upon the recommendation of the NRC. The performance of the Independent Directors is being evaluated by the entire Board, except for the director being evaluated. A brief description of the performance mechanism of the same is mentioned in the Directors' Report.

Stakeholders' Relationship Committee



The Stakeholders' Relationship Committee has been constituted to assist the Board in safeguarding the interests of and redressing the grievances of the security holders of the Company.

The Committee, inter-alia, considers transfer and transmission of shares, re-materialization of shares, transposition of names, consolidation of shares, issue of duplicate share certificates etc. and to look into the redressal of shareholders' complaints.

This Committee is responsible for:

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

The Committee's terms of reference are in accordance with the provisions of Section 178 of the Companies Act, 2013, Rules made there under and Regulation 20 of the SEBI (LODR) Regulations, 2015. Accordingly, the committee performs the roles assigned to it.

Meeting, Attendance & Composition of the SRC:

SRC met 1 (one) times during the Financial Year 2025-26 on:

01	February 11, 2026

The composition of SRC and details of attendance of the members during FY 2023-24 are given below:

Name of the Director	SRC Meetings 1	Held during the tenure	Total Attended	% of attendance
Mr. Chinar Goel, Chairman		1	1	100
Mr. Kanishk Gupta		1	1	100
Mr. Pardeep Kr. Verma		1	1	100
Ms. Ritu Atri		1	1	100

Attended in Person

The Company Secretary acts as the Secretary to the Committee. The minutes of each SRC meeting are placed in the next meeting of the Board.

The Chairman of the SRC attended the last AGM held on 13th September, 2025 to answer the shareholders' queries.

Compliance Officer

In terms of the requirement of Listing Regulations, Mr. Yugank, Company Secretary is the Compliance Officer of the Company.

Terms of Reference

In compliance with requirement of Regulation 34(3) SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has constituted an "Investors Grievance Committee" to look into Redressal of shareholders/investors grievances relating to non-receipt of notices, share certificates, annual report, dividends, transfer of shares and dematerialization of shares. Oversee and review all matters connected with the transfer of the Company's securities. Approve issue of duplicate shares/ debentures certificates.

Details of Investor Complaints

The Company and its Registrar and Share Transfer Agent address all complaints, suggestions and grievances expeditiously and replies are sent usually within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavours to implement suggestions as and when received from the investors.

During the Financial Year 2025-26, one (1) investor complaint was received and one (1) was resolved.

Disclosures Under the Sexual Harassment of Women at The Workplace (Prevention, Prohibition and Redressal) Act, 2013

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has laid down a Prevention of Sexual Harassment (POSH) Policy and has constituted Internal Complaints Committees (ICs), at all relevant locations across India to consider and resolve the complaints related to sexual harassment. The ICs includes external members with relevant experience. The ICs, presided by senior women, conduct the investigations and make decisions at the respective locations. The Company has zero tolerance on sexual harassment at the workplace. The ICs also work extensively on creating awareness on relevance of sexual harassment issues, including while working remotely. The employees are required to undergo a mandatory training/ certification on POSH to sensitize themselves and strengthen their awareness.

During the year under review, your Company has not received any complaint pertaining to sexual harassment.

All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by your Company.

Particulars	Number
Number of complaints filed during the financial year 2025-26	0
Number of complaints disposed of during the financial year 2025-26	0
Number of complaints pending as on end of the financial year 2025-26	0

Fees Paid to Statutory Auditor

Details of fees paid/payable to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part, by the Company is given below and there are no other entities in the group to which the Statutory Auditor is a part.

Particulars		Financial Year 2025-26
1	For Tax Audit	2,75,000
2	For Other Services (certification)	-
3	For Reimbursement of Expenses	50,000
	Total	**3,25,000**

General Body Meetings

Annual General Meetings

The details of last three Annual General Meetings ("AGMs") are as follows:

Financial Year	Location / Mode	Day, date and time (IST)	Special resolution passed
2025-26		Saturday, Sept. 13, 2025 At 1.00 PM	Continuation of Mr. Vijay Kumar Garg (DIN: 00236460) as a Non- Executive Director of the Company
2024-25		Wednesday, Sept. 28, 2024 At 12:30 PM	To appoint Mr. Chinar Goel (DIN: 07610985), as an Independent Director of the Company To appoint Mr. Kanishk Gupta (DIN: 02243899) as an Independent Director of the Company To appoint Mr. Pradeep Kumar Verma (DIN: 09596000) as an Independent Director of the company. To appoint Ms. Ritu Atri (DIN: 09596000) as an Independent Director of the company.

2023-24		Wednesday Sept. 16, 2023 at 12:30 PM	NA.

- In Person

  All the resolutions proposed by the Directors to shareholders in last three years are approved by shareholders with requisite majority.

Postal Ballot

Date of Postal Ballot Notice	Special Resolution Passed	Date of Approval	No. of votes Polled	Votes in Favour		Votes cast against	
				No. of votes	%	No. of votes	%
April 2nd, 2025	Re-Appointment Of Mr. Pankaj Jain (Din: 00206564) As Managing Director	May, 19th, 2025	1111654	1091720	98.21	19934	1.79
	Remuneration Of Mr. Pankaj Jain (Din: 00206564) As Managing Director		1111654	1091720	98.21	19934	1.79

The above Postal Ballot was conducted as per the provisions of the Act, read with the Rules framed thereunder, the SEBI Listing Regulation and applicable circulars issued by the Ministry of Corporate Affairs from time to time.

The above Postal Ballot was conducted by Mr. Manoj Gupta of M/s Manoj Gupta & Associates, Practicing Company Secretary (Membership No. FCS 6192 and Certificate of Practice No. 3692) as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.

KEY CODES, POLICIES AND FRAMEWORKS

Code of Conduct

The Board has laid down a Code of Business Conduct and Ethics (the "Code") for all the Board Members and Senior Management of the Company. The Code is available on the website of the Company https://www.leatherchem.com/pdf/Code-of-conduct-of-Board-of-Directors-and-Senior-Management-Personnel.pdf. All Board Members and Senior Management Personnel have affirmed compliance of the Code. A declaration signed by Managing Director to this effect is attached to this report.

The Board has also adopted separate code of conduct with respect to duties of Independent Directors as per the provisions of the Act.

Whistle Blower Policy

The Company has adopted a Whistle Blower Policy and conducts periodical training and awareness drives for the employees and Directors to report concerns about unethical or improper activities, malpractices and financial irregularities.

The Company periodically circulates the informatory e-mails along with the FAQs on whistle blower policy, Do's and Don'ts etc. to the employees (including new employees) to familiarize them with the policy. The Company also conducts frequent workshops/ training sessions to educate and sensitize the employees. The whistle blower policy also ensures the protection of the employee who is acting as whistleblower.

No person has been denied access to the chairman of the Audit Committee. The Audit Committee monitors and reviews the investigations of the whistle blower complaints. The said policy is uploaded on the website of the Company at: https://www.leatherchem.com/pdf/Whistle-Blower-Policy.pdf .

Code on prohibition of Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 **("PIT Regulations"),** the Company has formulated the Code of Conduct for Prevention of Insider Trading **("Code")** to regulate and monitor trading by Designated Persons **("DPs")** and their immediate relatives.

The Code, inter alia, lays down the procedures to be followed by DPs while trading/ dealing in Company shares/ derivatives and while sharing Unpublished Price Sensitive Information (UPSI). The Code includes the obligations and responsibilities of DPs, obligation to maintain the structured digital database, mechanism for prevention of insider trading and handling of UPSI, process to familiarize with the sensitivity of UPSI, transactions which are prohibited and manner in which permitted transactions in the securities of the Company shall be carried out etc.

A report on insider trading, covering trading by DPs and various initiatives/ actions taken by the Company under the PIT Regulations is also placed before the Audit Committee on quarterly.

The Company periodically circulates the informatory e-mails along with the FAQs on Insider Trading Code, Do's and Don'ts etc. to the employees (including new employees) to familiarize them with the provisions of the Code. The Company also conducts frequent workshops/ training sessions to educate and sensitize the employees/ designated persons.

Reconciliation Of Share Capital Audit

A qualified Practicing Company Secretary carried out quarterly Audit for reconciliation of Share Capital to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and physical shares with the total issued and listed capital. The Auditor confirmed that the total issued/paid-up capital is in agreement with the total number of shares in dematerialized shares held with NSDL and CDSL as well as those held in physical form.

Means Of Communication

1. Quarterly Financial Results

The Company's quarterly/half-yearly/ annual financial results are sent to the Stock Exchange and published in Financial Express (English Daily) and Jansatta (Hindi Daily) in the form prescribed by Regulation 47(1) (b) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015. Simultaneously, they are also put on the Company's website and can be accessed at https://www.leatherchem.com/investors.

2. Website

The Company has dedicated "Investors" section on its website viz. https://www.leatherchem.com/investors, wherein any person can access the corporate policies, Board committee charters, Annual Reports, financial results, investor documents and shareholding details etc.

3. BSE Corporate Compliance & Listing Centre (the 'Listing Centre')

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like financial results, shareholding pattern, corporate governance report, media releases, and corporate announcements among others are also filed electronically by the Company on the Listing Centre.

4. Sebi Complaints Redress System (Scores)

SEBI has designed a centralized web-based system, www.scores.gov.in wherein the Investors can lodge their complaints and can view the status of their complaints being replied to by the respective Company. In compliance thereof, the Company itself as well as Company's Registrar and Transfer Agents is regularly uploading the 'Action taken Report' on the said website in respect of the Investors' references received, if any.

Disclosures

Related Party Transactions:

There are no materially significant related party transactions with its Promoters, the Directors or the Management, their Subsidiaries or Relatives, etc., which may have potential conflict with the interest of the company at large. The details of transactions with related parties are disclosed in the annual accounts for the Financial Year 2025-2026.

Disclosure on Materially Significant Related Party Transactions

During the year, the Company had not entered into any contract/arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. There were no materially significant related party transactions during the financial year 2025-2026, that may have potential conflict with the interest at large. The details of the related party transaction as per the Accounting Standard-24 forms part of notes to the account. All the contracts'/arrangements/ transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis. None of the transactions with any of the related parties were in conflict with the Company's interest. The Company's Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is put up on the Company's website and can be accessed at www.leatherchem.com .

Disclosure of Accounting Treatment

The company earlier followed accounting standards issued by the Institute of Chartered Accountants of India and in the preparation of the financial statement. The Company has adopted the IND AS w.e.f April 1, 2017. In pursuance of the notification issued by the Ministry of Corporate Affairs ("MCA"), notifying the Companies (Indian Accounting Standards (IND AS) Rules 2015, which stipulates the adoption and applicability of IND AS.

Management Discussion and Analysis Report

The management discussion and analysis report have been provided as the part of the Directors Report.

Certification from Chief Managing Director and Chief Financial Officer of the Company

CMD/CFO CERTIFICATION

In terms of the requirements of Regulation 17(8) of the SEBI (LODR) Regulations, 2015, the Managing Director and the CFO have submitted necessary Certificate to the Board of Directors stating the particulars specified under the said Regulation.

The requisite certification from Mr. Pankaj Jain, Managing Director and Mr. Sukanto Choudhury, Chief Financial Officer of the company for the Financial Year 2025-2026 required to be given under Regulation 17(8) was placed before the Board of Directors of the company and Board Meeting held on 28th May, 2026. A copy thereof is reproduced in this report.

Details of Non-Compliance with Regard to Capital Market

With regard to the matter related to the capital market, the company has complied with all requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as well as the SEBI Regulations and Guidelines. In this regard, no penalties were imposed or structures passed against the company by the Stock Exchanges, SEBI or any other authorities during the last three years.

The company has paid listing fees to the Bombay Stock Exchanges and Annual Custodial Fees to the depositories for the financial year 2025-2026 in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. There were no penalties imposed nor structures passed on the company whether Stock Exchange, SEBI or any other statutory authorities on any matter related to the capital market, during the last three years.

Details of Compliance with Mandatory Requirement and Adoption of Non-Mandatory Requirements as Per Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015

The company has complied with all the mandatory requirements as mandated under Regulation 34(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

A certificate from the statutory auditors of the company to this effect has been included in this report.

Besides the mandatory requirement, the company has constituted a Nomination and Remuneration Committee to consider and recommend the remuneration of the executive directors and administration. No person has been denied access to the Audit Committee.

Non-Compliances and Penalties etc.

No penalties, strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

General Shareholders Information (AGM)

41th Annual General Meeting

Date & Time

Saturday, September 26, 2026 at 1.00 PM (IST)

Mode
Video Conferencing/Other Audio Visual Means

Instructions for attending AGM/Remote e-voting:
Refer Notice AGM

E-voting details
Starts: Wednesday, September 23, 2026 from 10.00 AM (IST)
Ends: Friday, September 26, 2026 at 5.00 PM (IST)

E-voting at AGM
E-voting facility shall also remain open during the AGM and 15 minutes after AGM

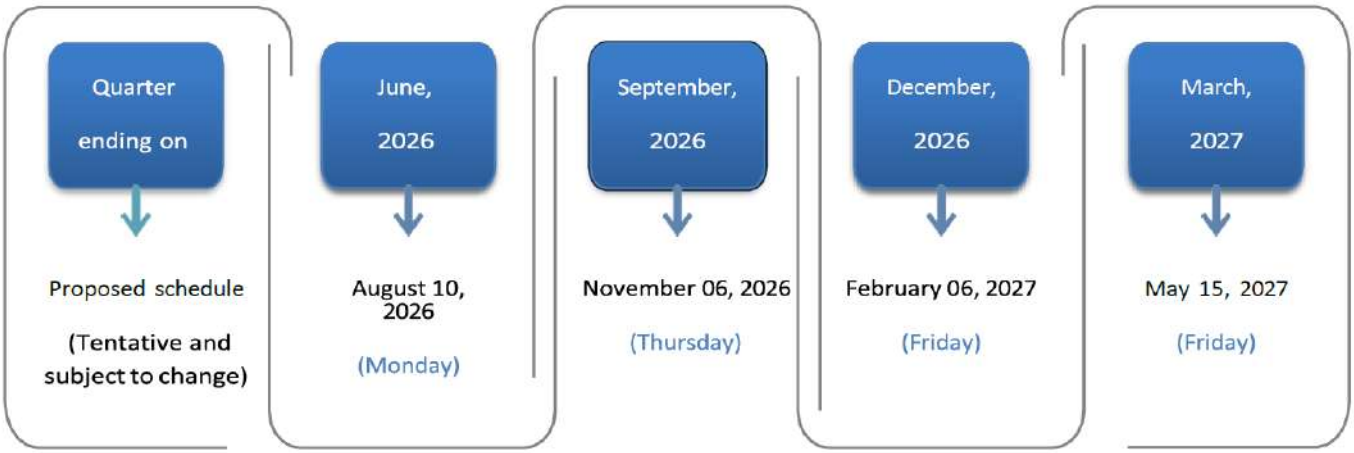
Book Closure for 41st AGM (inclusive of both days)
From: Sunday, September 20, 2026
To: Sunday, September 26, 2026

Record Date
Saturday, 19th September, 2026

Financial Calendar for the FY 2026-2027

Financial Results are normally published in Financial Express (English) and Jansatta (Hindi).

Details of announcement of Financial Results for different periods during the financial year 2026-27 are as under:



The Financial Results are also uploaded on the Company's website at **https://www.leatherchem.com/quarterly-results/.**

The financial results were reviewed by the Audit Committee and thereafter approved by the Board. Annual Audited Financial Results for the Financial Year ended 31st March, 2026 were announced on 28th May, 2026.

Dividend Distribution Policy

The Dividend Distribution Policy of the Company is available on the website of the Company at: https://www.leatherchem.com/pdf/DIVIDEND-DISTRIBUTION-POLICY.pdf .

LISTING ON STOCK EXCHANGES

Equity Shares

The Equity shares of the Company are listed on the following Exchange: -

Name and Address of Stock Exchange	ISIN	Code
BSE Limited (BSE) Floor 25, P. J Towers, Dalal Street, Mumbai – 400 001	INE68101018	524080
		HARLETH

The Company has paid Annual Listing Fees for the Financial Year 2026-27 to the Bombay Stock Exchanges

Depositories

Name of Depositories	Address of Depositories
National Securities Depository Limited (NSDL)	Trade World, 4th Floor, Kamala Mils Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400013.
Central Depository Services (India) Limited (CDSL)	25th Floor, A Wing, Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel (E), Mumbai- 4000013

The annual custody / issuer fees for the Financial Year 2026-27 have been paid to both, NSDL and CDSL.

Distribution of Shareholding as on 31st March 2026

The distribution of shareholding according to the number of shares as on 31st March, 2026, was as follows:

Shareholding of value of Rs.	Shareholders		Share holdings		
	Number	% to total	Shares	Amount	% to total
UPTO TO 5000	3267	86.98	390907	3909070.00	7.96
5001 TO 10000	229	6.10	185123	1851230.00	3.77
10001 TO 20000	103	2.74	162179	1518990.00	3.09

20001 TO 30000	46	1.22	115260	1152600.00	2.35
30001 TO 40000	28	0.75	98262	982620.00	2.00
40001 TO50000	15	0.40	68867	688670.00	1.40
50001 TO 100000	29	0.77	201798	2017980.00	4.11
100001 and above	39	1.04	3696354	36963540.00	75.31
G Total	**3756**	**100.00**	**4908470**	**49084700.00**	**100.00**

Categories of Shareholders as per Clause 31 of SEBI (LODR) Regulations, 2015 as on March 31, 2026

Category	Total No. of Shares	% of holding
Promoter & Promoter Group	20,25,728	41.27
Insurance Company	0	0
FPIs	0	0
Directors, KMPs & Relatives	5	0
Resident Individuals	25,37,458	51.70
Non-Resident Indians (Individuals)	26,331	.17
Foreign Companies & Bodies Corporate	65552	.50
Others	2,53.401	6.36
Total	**49,08,470**	**100**

Dematerialization of shares and liquidity thereof

The Board has delegated the authority for approving transmission etc. to the stakeholder relationship committee

The Company's shares are compulsorily traded in dematerialized form and are available for trading with both the depositories. i.e. National Securities Depository Limited and Central Depository Services (India) Limited. The shareholders can hold the Company's shares with any depository participant, registered with the depositories.

Registrar And Share Transfer Agent

RCMC Share Registry Pt. Ltd. are acting as Registrar and Share Transfer Agent of the Company for both Physical and Demat Shares. They have adequate infrastructure and VSAT connectivity with both the depositories, which facilitate better and faster services to the investors. The registered office address is given below:

Address: B-25/1, First Floor Okhla Industrial Area, Phase – 2, New Delhi – 110 020

Tel: 011-35020465,35020466|

E-mail: mdnair@rcmcdelhi.com

Website: www.rcmcdelhi.com

The Shareholders are requested to correspond directly with the R&T Agent for transfer/transmission of shares, change of address, queries pertaining to their shares, dividend etc.

Name, Designation and Address of the Compliance

Officer: Mr. Yugank,

Company Secretary and Compliance Officer

"Haryana Leather Chemicals Ltd. 1405 B, Signature Towers, South City I, Gurgaon - 122001, Haryana, India

E-mail ID: yugank@leatherchem.com

Share Transfer System

The Board of Directors have delegated the power of re-materialization of shares, transfers and transmission, splitting/ consolidation of share certificates and issue of duplicate share certificates etc. to Stakeholders' Relationship Committee. The meetings of the Committee are periodically held to consider the requests of the Shareholders.

Unclaimed Dividends

The unclaimed dividend for every financial year if any has been transferred to the Investors Education and Protection Fund (IEPF) within the stipulated time.

Other disclosures

1. There were no materially significant Related Party Transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their relatives, etc. that may have potential conflict with the interests of the Company at large. The related party transactions are duly disclosed in the Notes to the Financial Statements. Further, there have been NIL loans and advances in the nature of loans to the Firms/Companies in which Directors are interested.
2. No penalties, strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
3. No treatment different from the Indian Accounting Standards, (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended has been followed in the preparation of Financial Statements except as stated in Note No.44I of Standalone Financial Statements.
4. During the year, no funds were raised through Preferential Allotment or Qualified Institutional placement.
5. All mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations have been complied with by the Company.
6. There are no activities involving commodity price risk; hence, no commodity hedging activities were taken up.

CEO / CFO Certification

The certificate required under Regulation 17(8) of the Listing Regulations, duly signed by the CEO and CFO of your Company was placed before the Board. The same is provided as an annexure to this report.

Company Secretary Certificate on Corporate Governance

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations. It has obtained a certificate affirming the compliances from CS Neeraj Gupta, M/s. Neeraj Gupta & Associates, Practising Company Secretaries, affirming compliance of Corporate Governance requirements during FY 2025-26 and the same is attached to this Report.

Certificate from Secretarial Auditor pursuant to Schedule V of the Listing Regulations

A certificate from CS Neeraj Gupta, M/s. Neeraj Gupta & Associates, Practising Company Secretaries, pursuant to Schedule V of the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority as on March 31, 2026, is annexed to this report.

Directors' details

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given in the Annexure to the Notice of the 41st AGM to be held on 26th September, 2025 at 1.00 P.M.

Senior Management

The details of senior management including changes therein since the close of the previous financial year is as under:

Name	FY 2025-26	FY 2024-25
Ms. Ratnam Jain	✓	✓
Mr. Sukanto Choudhury	✓	✓
Mr. Deepak Raj	✓	✓
Mr. Vipin Sharma	✓	✓
Mr. Yash Pal Gaba	✓	✓

Compliance with Secretarial Standards

The Company complies with all applicable secretarial standards.

Compliances Under Clause C Of Schedule V Of Sebi (LODR) Regulations, 2015

The Company has complied with the requirement of Corporate Governance Report as mentioned in sub paras (2) to (10) of Schedule V of the SEBI Listing Regulations 2015, to the extend as applicable to the Company.

Disclosure Of Certain Types of Agreements Binding on The Company:

As per Schedule V Clause G of SEBI (LODR) Regulations 2015, requiring disclosure of Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entities – **NIL**

WEBLINKS

S. No.	Policy	Weblink
1.	Code of Conduct to Regulate, Monitor & Report Trading by Insiders	https://www.leatherchem.com/pdf/Code-of-conduct-of-Board-of-Directors-and-Senior-Management-Personnel.pdf
2.	Nomination & Remuneration Policy	https://www.leatherchem.com/pdf/Nomination-and-Remuneration-Policy.pdf
3.	Regularization Program me for Independent Directors	https://www.leatherchem.com/pdf/Programme-for-Independent-Directors.pdf
4	Brief Profile of Directors	https://www.leatherchem.com/pdf/Directors-Brief-Profile.pdf
5.	Vigil Mechanism-Cum Whistle Blower Policy	https://www.leatherchem.com/pdf/Vigil-Mechanism-Whistle-Blower-Policy.pdf
6.	Memorandum & Articles of Association	https://www.leatherchem.com/pdf/memorandum-And-Articles-Of-Association.pdf
7.	Policy on Determining Materiality of Events/Information	https://www.leatherchem.com/pdf/Materiality-Policy.pdf
8.	Criteria for Making payments to Non-Executive Directors	https://www.leatherchem.com/pdf/Criteria-of-Making-payment-to-non-executive-directors.pdf
9.	Policy on Related Party Transactions	https://www.leatherchem.com/pdf/HLCL-RPT-Policy.pdf
10.	Sexual Harassment Policy	https://www.leatherchem.com/pdf/HLCL-POSH-Policy.pdf
11.	Whistle Blower Policy	https://www.leatherchem.com/pdf/Vigil-Mechanism-Whistle-Blower-Policy.pdf
12.	Policy on Preservation of Documents	
13.	Dividend Distribution Policy	https://www.leatherchem.com/pdf/Dividend-Distribution-Policy.pdf

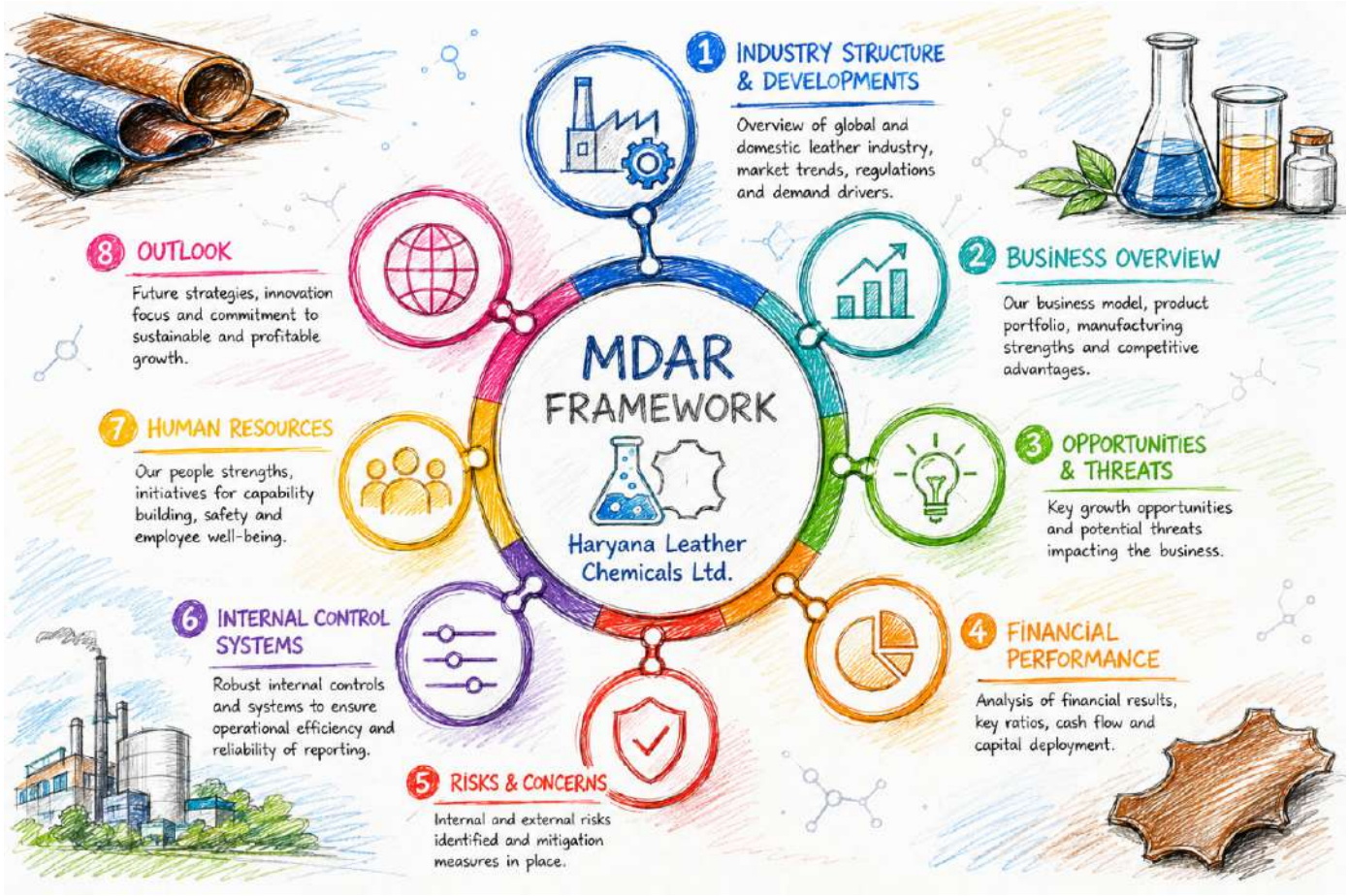
For and on behalf of the Board

Pankaj Jain
(DIN: 00206564)
Managing Director

Date : 10th August, 2026
Place: Gurugram

Management Discussion andAnalysis Report

Haryana Leather Chemicals Limited is dedicated to providing innovative and sustainable chemical solutions to the leather industry worldwide. With decades of industry experience and technical expertise, the Company has established a strong reputation for quality, reliability, and customer-centricity. The Company continues to strengthen its market position through product innovation, operational excellence, and an expanding global presence across key international markets. By focusing on technological advancement, sustainable manufacturing practices, and long-term customer partnerships, Haryana Leather Chemicals Limited remains well-positioned to capitalize on emerging opportunities and drive sustainable growth while creating enduring value for all stakeholders.



Management Perspective

Financial Year 2025–26 was characterized by a resilient Indian economy, moderating inflation, evolving global trade dynamics and continued geopolitical uncertainties that influenced supply chains, freight costs and raw material prices across the specialty chemicals industry. Despite these external challenges, Haryana Leather Chemicals Limited remained focused on strengthening its core businesses through operational discipline, customer engagement, product innovation and prudent financial management.

During the year, the Company continued to consolidate its position in specialty leather chemicals while making encouraging progress in its PVC additives business under the AKRELON brand. Continued emphasis on product quality, technical support, manufacturing excellence and customer-focused innovation enabled the Company to strengthen relationships with existing customers while expanding opportunities across new application segments.

A significant milestone during the year was the Company's successful participation in PLASTINDIA 2026, one of the world's premier exhibitions for the plastics processing industry. The event enhanced the visibility of the AKRELON brand, facilitated meaningful engagement with customers and industry stakeholders, and reinforced the Company's long-term strategy of diversifying into high-value specialty performance chemicals.

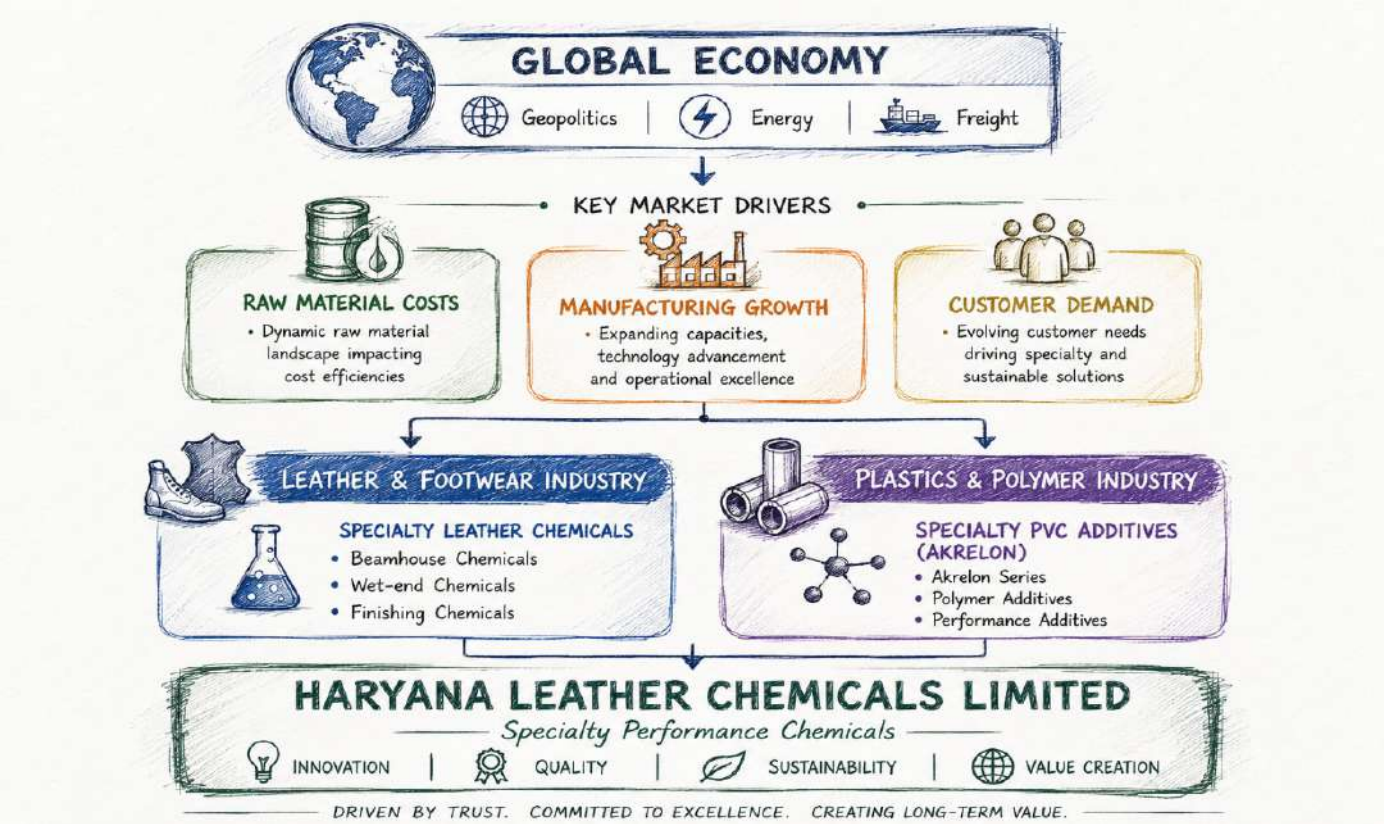
The specialty chemicals industry continues to evolve rapidly, driven by increasing demand for sustainable products, application-specific formulations and higher performance standards across end-use industries. These structural changes

create opportunities for companies that possess strong technical capabilities, diversified product portfolios and close customer engagement.

Management remains confident that Haryana Leather Chemicals Limited is well positioned to capitalize on these opportunities through continued investments in product development, process optimization, manufacturing efficiency and responsible business practices. The Company's balanced presence across leather chemicals and specialty PVC additives provides a broader platform for sustainable growth while reducing dependence on any single end-use industry.

The following discussion provides an analysis of the Company's performance, industry developments, opportunities, risks, and future outlook during the year under review.

Economic Environment



1. Global Economic Outlook

The global economy in FY 2025-26 demonstrated resilience despite ongoing geopolitical tensions, trade uncertainties, and volatility in energy markets. Global GDP growth remained moderate, albeit uneven across regions, supported by easing inflation, gradual monetary policy normalization in several economies, and sustained investments in infrastructure and technology. However, medium-term growth prospects continued to face structural challenges, including subdued productivity growth, elevated public debt levels, and increasing geoeconomic fragmentation.

Global trade witnessed a gradual recovery during the year, driven by improving demand and inventory replenishment. Nevertheless, the trade environment remained influenced by tariff measures, evolving industrial policies, selective trade restrictions, and disruptions across key shipping routes, prompting businesses to strengthen supply chain resilience and diversify sourcing strategies.

Inflationary pressures moderated across most major economies, aided by easing commodity prices, improved supply chain efficiencies, and the delayed impact of tighter monetary policies. However, services inflation remained relatively elevated in certain regions. Energy markets continued to experience periodic volatility, particularly in crude oil and natural gas prices, driven by geopolitical developments and uncertainties surrounding global supply. Although medium-term supply conditions showed signs of improvement, near-term price fluctuations continued to affect cost structures across energy-intensive industries, including the chemicals sector.

Overall, the global macroeconomic environment during FY 2025-26 was characterized by stable yet moderate economic growth, easing inflation, and gradually improving financial conditions, while continuing to be shaped by geopolitical

developments, policy uncertainties, and evolving global trade dynamics.

The specialty chemicals sector continued to benefit from long-term structural trends including industrial modernization, technological advancement and increasing demand for environmentally responsible products. Customers across industries are placing greater emphasis on product performance, sustainability, regulatory compliance and technical support, creating opportunities for manufacturers capable of delivering differentiated value-added chemical solutions.

Sources: *International Monetary, January 2026 Updates and April 2026 International Energy Agency (IEA), Oil Market Report, December 2025*

2. India Economic Outlook

The Indian economy is estimated to have expanded by 7.4–7.6% in FY2025–26, reinforcing its position as the fastest-growing major economy globally. Growth was underpinned by robust domestic demand, sustained government capital expenditure and resilient performance across the manufacturing and services sectors, particularly infrastructure, construction, financial services and technology-enabled industries.

Inflation moderated during the year, with headline Consumer Price Index (CPI) inflation averaging 4.0–4.5%, supported by easing food prices, improved supply-side management and relatively stable core inflation. The moderation in inflation, combined with a favorable macroeconomic environment, strengthened domestic consumption and investment activity.

India's external sector demonstrated resilience despite a challenging global backdrop marked by subdued merchandise demand, geopolitical uncertainties and increasing trade fragmentation. Total exports, comprising merchandise and services, are estimated at USD 840–860 billion, with strong growth in services exports offsetting relatively muted merchandise exports.

Merchandise exports stood at approximately USD 430–440 billion, reflecting only marginal growth over the previous year due to weaker global demand, pricing pressures across select commodity and chemical segments and slower global manufacturing activity. Merchandise imports increased to around USD 740–770 billion, driven by higher energy imports, robust domestic demand for capital goods and elevated precious metal prices, partly offset by moderation in non-essential imports.

Services exports continued to be a key pillar of India's external sector, reaching USD 410–420 billion and recording high single-digit growth. This performance was driven by sustained demand for IT, business and professional services, financial services and the continued expansion of Global Capability Centers (GCCs). Services imports rose modestly to approximately USD 200–205 billion, resulting in a sizeable services trade surplus of around USD 210–215 billion, which significantly mitigated the impact of the widening merchandise trade deficit.

Consequently, India's merchandise trade deficit is estimated at USD 310–330 billion. However, the strong surplus in services exports helped contain the current account deficit within manageable levels, reinforcing the resilience of the country's external sector.

Government capital expenditure remained a critical driver of economic growth, with Central Government capex sustained at around 3.1% of GDP. The Union Budget reaffirmed the Government's long-term commitment to infrastructure-led development through continued investments in transportation, logistics, energy transition and manufacturing ecosystems. Policy support for strategic sectors, including chemicals, fertilizers and domestic manufacturing, further strengthened India's industrial growth outlook and investment climate.

For Haryana Leather Chemicals Limited, these macroeconomic developments present favorable long-term opportunities across its specialty chemicals businesses. Continued industrial growth, increasing quality consciousness, greater emphasis on sustainable manufacturing and expanding downstream industries are expected to support demand for the Company's products in both domestic and international markets.

Sources: *Economic Survey 2025–26, RBI, Union Budget, Press Information Bureau (PIB), India Brand Equity Foundation (IBEF), Monetary Policy Statements and Growth Projections FY26*

Industry Landscape

The leather chemicals industry continued to demonstrate resilience during FY 2025–26, supported by stable demand from the footwear, leather goods, automotive upholstery and industrial leather sectors. While demand remained uneven across certain export markets due to global economic uncertainties, long-term consumption trends continue to be

supported by increasing urbanisation, rising disposable incomes and growing preference for high-quality finished leather products.

The industry is undergoing a gradual transformation driven by increasing environmental regulations, sustainability requirements and evolving customer expectations. Tanneries worldwide are increasingly adopting cleaner production technologies, environmentally responsible formulations and resource-efficient manufacturing processes. These developments are encouraging greater use of specialty chemicals that enhance processing efficiency, product performance and environmental compliance.

India remains one of the world's leading producers of leather and leather products, supported by a well-established manufacturing ecosystem, abundant raw material availability, skilled workforce and strong export capabilities. Government initiatives focused on strengthening the leather and footwear sector, together with investments in technology and manufacturing competitiveness, are expected to support the industry's long-term growth.

Global sourcing strategies are also undergoing structural change as international brands diversify their supply chains and expand sourcing from India. This trend presents encouraging opportunities for Indian manufacturers to strengthen export competitiveness and increase production, thereby supporting demand for specialty leather chemicals across beamhouse, tanning, dyeing and finishing applications.

Specialty Chemicals Landscape

The specialty chemicals sector continues to benefit from structural growth drivers including industrial modernisation, product differentiation and increasing demand for application-specific chemical solutions. Across industries, customers are increasingly seeking products that deliver superior performance, greater consistency, enhanced sustainability and regulatory compliance rather than conventional commodity chemicals.

Manufacturers are investing in advanced formulations, process optimisation and technical service capabilities to improve product quality and operational efficiency. This shift is encouraging closer collaboration between specialty chemical manufacturers and end-users, with increasing emphasis on customised solutions, technical support and long-term partnerships.

Sustainability remains one of the defining themes across the specialty chemicals industry. Demand for environmentally responsible products, improved resource efficiency, lower emissions and compliance with evolving global regulations continues to influence product development and investment decisions across the value chain.

The long-term outlook for specialty chemicals remains favourable, supported by expanding manufacturing activity, infrastructure development, increasing industrialisation and rising demand for value-added materials across multiple end-use industries. Companies with diversified product portfolios, strong technical capabilities and a commitment to innovation are expected to be well positioned to benefit from these evolving market trends.

3. Global Chemical Industry

The global leather chemicals market size was valued at USD 10.84 billion in 2025 and is projected to grow from USD 11.55 billion in 2026 to USD 18.55 billion in 2034 at a CAGR of 6.20% during the 2026-2034 period. Asia Pacific dominated the leather chemicals market with a market share of 43% in 2025.

Chemicals used in the tanning, dyeing process, and finishing stages of the leather manufacturing process are referred to as leather chemicals. The tanning and dyeing chemicals used in leather processing are determined by the desired finished product's attributes, making the industry sensitive to changes in the fashion industry. The demand for leather chemicals is expected to rise significantly due to increasing demand from the footwear and automobile upholstery industries, especially in Asia Pacific's developing economies. In recent times, the types of chemicals used in leather processing have been governed by sustainability and health impacts, prompting the use of eco-friendly and sustainable chemicals.

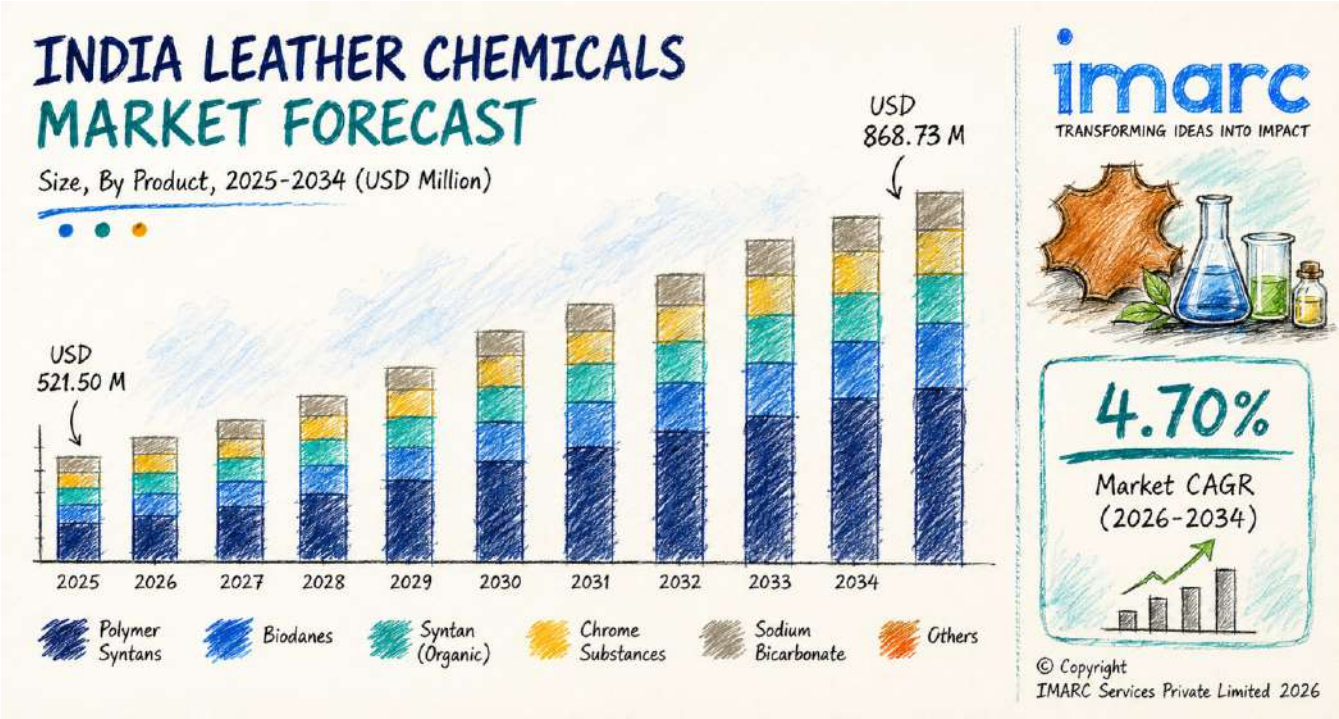
Based on product type, the market is segmented into beam house chemicals, tanning, dyeing, and finishing chemicals. The tanning segment is projected to dominate the market with a share of 41.13% in 2026. Over the last few decades, chemical companies have conducted extensive research and development, both long-term and seasonal, leading to a shift in technology ownership from tanneries, research institutes, and educational institutions to these corporations. As a result, tanning chemical producers have become a dominant force in the leather supply chain, with higher profit margins than those obtained in the tanning sector itself.

4. Indian Chemical Industry

The India leather chemicals market size was valued at USD 539.50 Million in 2025 and is projected to reach USD 868.73 Million by 2034, growing at a compound annual growth rate of 4.70% from 2026-2034.

The India leather chemicals market is propelled by expanding domestic leather production, rising demand for high-performance finishing products, and a robust export-oriented footwear manufacturing base. Government-backed initiatives fostering infrastructure development and sustainable tanning practices are accelerating chemical adoption across multiple applications. The shift toward eco-friendly formulations and innovative processing technologies continues to shape the India leather chemicals market share.

India is a prominent player in the global market for leather products, with a reputation for being a leading manufacturer and consumer of leather footwear products. The high cattle and buffalo population of India ensures a ready supply of raw hides for processing into leather products, which is a basic advantage for suppliers of leather chemicals. The government's policy guidelines for the development of the leather and footwear industry have created a high demand for leather chemicals by laying emphasis on turnover development and export market growth. The exports of leather and footwear products from India have shown high growth in recent years, which is a reflection of high demand for products in the market, thereby increasing the demand for leather chemicals at every stage of processing. The development of specific schemes for the development of the leather and footwear sectors has helped to create a conducive atmosphere for suppliers of leather chemicals.



Company Overview

Haryana Leather Chemicals Limited (HLCL), incorporated in 1985, is a leading manufacturer of specialty performance chemicals catering to the leather, footwear, textile, pressure-sensitive adhesives (PSA), and PVC industries. Established as an Indo-Italian joint venture, the Company has built strong technical expertise through collaborations with global technology partners, enabling it to develop innovative and high-performance chemical solutions.

The Company's diversified product portfolio comprises over 250 specialty products, including syntans, acrylic retaining agents, fat liquors, polyurethane and acrylic binders, leather finishing chemicals, pigments, specialty coatings, textile binders, footwear finishing products, and PVC additives. These products are designed to enhance product quality, durability, aesthetics, and processing efficiency while meeting the evolving requirements of domestic and international customers.

With a manufacturing facility located in Jind, Haryana, and its corporate office in Gurugram, HLCL serves customers across India and several international markets. The Company focuses on continuous product innovation, sustainable manufacturing practices, stringent quality standards, and customer-centric solutions to strengthen its market position. Its emphasis on research and development, technology adoption, and environmentally responsible products enables it to address the evolving needs of the leather and allied industries while maintaining long-term competitiveness.

Business Review & Strategic Developments

FY 2025–26 was a year of steady operational progress and strategic business development for Haryana Leather Chemicals Limited. Against a backdrop of evolving market dynamics, changing customer expectations and increasing demand for sustainable and high-performance chemical solutions, the Company continued to strengthen its position as a manufacturer of specialty performance chemicals through disciplined execution, product innovation and customer-focused technical support.

The Company's leather chemicals business continued to serve customers across domestic and international markets with a comprehensive range of specialty products for beamhouse, tanning, dyeing and finishing applications. Continued emphasis on product quality, application development and technical service enabled the Company to maintain long-standing customer relationships while responding effectively to changing industry requirements.

During the year, the Company also continued to strengthen its strategic diversification into specialty PVC additives under the **AKRELON** brand. The business represents an important pillar of the Company's long-term growth strategy and reflects management's vision of expanding into high-value specialty chemical segments that complement its existing technical capabilities.

Recognising the increasing demand for advanced PVC formulations across infrastructure, construction, water management and industrial applications, the Company continued to expand the AKRELON portfolio with products designed to improve

processing efficiency, impact strength, weatherability, surface finish and overall product performance. The business is supported by a strong technical service approach, enabling close collaboration with customers in product selection, formulation development and process optimisation.

A significant milestone during the year was the Company's participation in **PLASTINDIA 2026**, one of the world's largest exhibitions for the plastics processing industry. The exhibition provided an excellent platform to showcase the Company's expanding PVC additives portfolio, strengthen relationships with existing customers and engage with processors, compounders, OEMs and industry professionals from India and overseas.

HIGHLIGHTS FROM PLASTINDIA 2026

- Showcased comprehensive range of AKRELON PVC additives
- Engaged with a large number of domestic and international visitors
- Generated strong enquiries across multiple applications and geographies
- Strengthened brand visibility and market presence
- Reinforced our commitment to innovation and technical collaboration

"PLASTINDIA 2026 provided an excellent platform to showcase our capabilities, understand customer needs and build meaningful partnerships that will support the growth of the AKRELON brand.

The Board acknowledges the leadership and efforts of Ms. Ratnam Jain, Vice President – PVC Additives (AKRELON), and the entire AKRELON team for the successful execution of our participation at PLASTINDIA 2026.

The event generated encouraging business enquiries, enhanced brand visibility and provided valuable insights into emerging market trends, customer expectations and new application opportunities across pipes and fittings, window profiles, rigid sheets, cables and other PVC processing segments. These interactions will support future product development and strengthen the Company's market position in the years ahead.

Alongside its market expansion initiatives, the Company continued to strengthen its operational capabilities through improvements in manufacturing efficiency, quality management systems and customer support. Continuous emphasis on product development, process optimisation and technical service enabled the Company to deliver value-added specialty chemical solutions tailored to evolving customer requirements. These initiatives have further strengthened long-standing customer relationships while reinforcing the Company's reputation for quality, reliability and application-focused technical expertise across its key business segments.

The Company remains committed to expanding its presence across both leather chemicals and specialty PVC additives through continuous innovation, responsible manufacturing and customer partnership. Management believes that its diversified product portfolio, technical expertise and disciplined approach to business development provide a strong foundation for sustainable long-term growth.

Government Initiatives

India's specialty chemicals industry continues to benefit from a supportive policy environment aimed at strengthening domestic manufacturing, enhancing export competitiveness and promoting sustainable industrial development. Government initiatives focused on infrastructure creation, manufacturing growth and industrial modernisation are expected to generate long-term opportunities across several downstream industries served by specialty chemical manufacturers.

The Indian Footwear and Leather Development Programme continues to support the modernisation of the leather and footwear industry through investments in technology, infrastructure, environmental compliance and export promotion. These initiatives are expected to improve manufacturing competitiveness and stimulate demand for high-performance leather chemicals across the value chain.

At the same time, continued public investment in infrastructure, housing, transportation, water management and industrial development is expected to support sustained growth in India's plastics processing industry. Increasing demand for pipes, fittings, window profiles, electrical applications, packaging and construction materials is creating favourable opportunities for manufacturers of specialty PVC additives and performance chemicals.

India's emergence as a preferred global manufacturing destination, supported by supply chain diversification, competitive manufacturing capabilities and policy reforms, is expected to strengthen export opportunities across multiple industrial sectors. Specialty chemical manufacturers with strong technical capabilities, diversified product portfolios and application development expertise are expected to benefit from these structural trends.

Across industries, sustainability has become a key driver of investment and product development. Customers increasingly seek products that combine superior performance with environmental responsibility, regulatory compliance and efficient resource utilisation. These evolving requirements are encouraging greater adoption of innovative specialty chemical solutions across both leather processing and polymer applications.

Looking ahead, the outlook for the specialty chemicals sector remains positive. Rising domestic consumption, continued industrialisation, expanding infrastructure investment and increasing demand for value-added chemical solutions are expected to support long-term industry growth.

Against this backdrop, Haryana Leather Chemicals Limited will continue to focus on strengthening its market position through innovation, technical excellence, manufacturing efficiency and customer-centric product development. The Company believes that its balanced presence across leather chemicals and specialty PVC additives, together with its commitment to quality and sustainable manufacturing, positions it well to participate in the long-term growth of India's specialty chemicals industry.

Outlook & Way Forward

The long-term outlook for the specialty chemicals industry remains encouraging, supported by India's sustained economic growth, increasing manufacturing activity, expanding infrastructure development and rising demand for high-performance, application-specific chemical solutions. Increasing emphasis on sustainability, product innovation and operational efficiency is expected to continue shaping customer requirements across the Company's key business segments.

Haryana Leather Chemicals Limited remains committed to strengthening its leadership position in specialty leather chemicals while accelerating the growth of its PVC additives business under the AKRELON brand. Building on its technical expertise and established customer relationships, the Company will continue to expand its product portfolio, enhance manufacturing capabilities and deliver innovative solutions that create value across diverse industrial applications.

The Company will continue to invest in product development, process optimization, quality enhancement and technical support to strengthen customer partnerships and improve its competitive position in both domestic and international markets. Management also remains focused on improving operational efficiencies, optimising resource utilisation and maintaining prudent financial discipline to support sustainable and profitable growth.

The continued development of the AKRELON business represents an important strategic initiative that complements the Company's established leather chemicals portfolio. At the same time, the Company remains committed to reinforcing its leadership in leather chemicals through environmentally responsible products, application-focused technical support and continuous innovation.

Looking ahead, Haryana Leather Chemicals Limited will continue to build on its core strengths of technical expertise, innovation, quality and customer partnership while embracing responsible manufacturing practices and sound corporate governance. Supported by a diversified product portfolio, an experienced management team and a clear strategic direction, the Company remains confident of creating sustainable long-term value for its shareholders, customers, employees and all other stakeholders.

Risks and Opportunity

The Company operates in a dynamic business environment influenced by global economic conditions, technological advancements, evolving customer expectations and changing regulatory frameworks. While these factors present operational and commercial challenges, they also create opportunities for innovation, market expansion and long-term value creation. Haryana Leather Chemicals Limited remains committed to maintaining a balanced approach to risk management while pursuing sustainable growth across its business segments.

5. Raw Material & Supply Chain

The Company's principal raw materials are derived from petrochemical feedstocks and are therefore susceptible to fluctuations in crude oil prices, global supply-demand imbalances, logistics constraints and geopolitical developments. Such factors may influence procurement costs and availability.

To mitigate these risks, the Company continues to strengthen supplier relationships, diversify procurement sources, optimize inventory planning and maintain disciplined purchasing practices to support uninterrupted operations.

6. Market Competition

The specialty chemicals industry remains highly competitive, with increasing emphasis on product performance, quality, technical support and cost competitiveness. Customer requirements continue to evolve towards customized and application-specific solutions.

The Company addresses these challenges by continuously enhancing its product portfolio, strengthening customer engagement, investing in technical service capabilities and developing value-added specialty chemical solutions that create differentiation in the marketplace.

7. Sustainability & Regulatory Compliance

Increasing environmental regulations and customer expectations regarding sustainability require continuous improvements in manufacturing processes and product development. Compliance with evolving domestic and international standards remains an important business priority.

The Company continues to invest in environmentally responsible products, process improvements and quality systems to ensure compliance while supporting customers in achieving their own sustainability objectives.

8. Technology & Innovation

Rapid technological advancements across both leather processing and polymer industries require continuous innovation and

product development. Manufacturers must respond quickly to changing application requirements and customer expectations.

The Company remains focused on strengthening its technical capabilities through continuous product development, process optimization and close collaboration with customers, thereby enhancing its ability to deliver differentiated specialty chemical solutions.

9. Foreign Exchange & Global Markets

The Company serves both domestic and international markets and is therefore exposed to fluctuations in foreign exchange rates, global economic conditions and international trade policies.

A diversified customer base, prudent financial management and continued expansion into multiple markets help reduce dependence on any single geography while improving overall business resilience.

Business Diversification.

The Company's continued expansion into specialty PVC additives under the AKRELON brand represents an important strategic initiative that complements its established leather chemicals business. Diversification across multiple industrial sectors broadens the Company's revenue opportunities and reduces dependence on any single end-use market

Opportunities

India's continued economic growth, infrastructure development, manufacturing expansion and increasing emphasis on value-added materials present encouraging opportunities for the specialty chemicals industry. Demand for high-performance chemical solutions is expected to increase across leather processing, plastics, construction, water management and industrial manufacturing.

The Company believes that its diversified product portfolio, technical expertise, customer relationships and commitment to innovation position it favorably to participate in these long-term growth opportunities while delivering sustainable value to all stakeholders.

Segment-Wise or Product-Wise Performance

he Company primarily operates in a single business segment, namely the manufacture and sale of specialty leather chemicals. Accordingly, there are no separate reportable business segments as defined under the applicable Indian Accounting Standards (Ind AS 108 – Operating Segments).

During the year under review, the Company's product portfolio continued to cater to various stages of leather processing, including beamhouse chemicals, tanning chemicals, dyeing chemicals, and finishing chemicals. Demand remained diversified across domestic and international markets, supported by the Company's focus on product quality, technical expertise, customer-centric solutions, and continuous product innovation.

The Company continued to strengthen its market position by offering a comprehensive range of specialty chemicals designed to meet the evolving requirements of the leather industry. Product performance was driven by sustained customer relationships, expansion into new markets, and emphasis on value-added products, enabling the Company to maintain its competitive position despite a dynamic business environment.

The management remains focused on expanding its product portfolio, enhancing manufacturing capabilities, and developing sustainable and environmentally responsible chemical solutions to support long-term growth and meet changing industry requirements.

Note: *Since the Company operates in a single reportable segment, detailed segment-wise financial information is not applicable. The financial statements contain the necessary disclosures in accordance with the applicable accounting standards.*

Internal Control Systems and their Adequacy

The Company has established a comprehensive system of internal controls commensurate with the nature, scale and complexity of its business operations. These controls are designed to safeguard assets, ensure the reliability of financial reporting, improve operational efficiency and ensure compliance with applicable laws, regulations and internal policies.

Documented policies, standard operating procedures and clearly defined authority levels govern key business functions including procurement, manufacturing, inventory management, sales, finance, statutory compliance and information technology. Appropriate segregation of responsibilities, approval mechanisms and periodic management reviews support effective governance and operational discipline throughout the organisation.

The Company's internal audit function is carried out by an independent firm of Chartered Accountants, which periodically reviews the adequacy and effectiveness of internal control systems and evaluates compliance with established policies

and procedures. Significant observations and recommendations are placed before the Audit Committee of the Board for review and guidance.

The Audit Committee regularly monitors the effectiveness of the Company's internal financial controls, enterprise risk management framework and financial reporting processes. Recommendations arising from internal audits are reviewed by the management and implemented, wherever necessary, to further strengthen governance standards and operational effectiveness.

Management continuously evaluates and enhances the internal control framework in response to evolving business requirements, regulatory developments and emerging risks. During the year, the Company continued to strengthen its governance practices through periodic review of operating procedures, compliance mechanisms and internal reporting systems.

Based on the reviews conducted during the year, the Board is of the opinion that the Company's internal control systems and internal financial controls are adequate and operating effectively. These systems provide reasonable assurance regarding the orderly and efficient conduct of business, safeguarding of assets, prevention and detection of frauds and errors, reliability of financial reporting and compliance with applicable statutory and regulatory requirements.

Financial Discussion & Analysis

The financial statements of the Company for the year ended **31 March 2026** have been prepared in accordance with the applicable Indian Accounting Standards (Ind AS) notified under the Companies Act, 2013 and other accounting principles generally accepted in India.

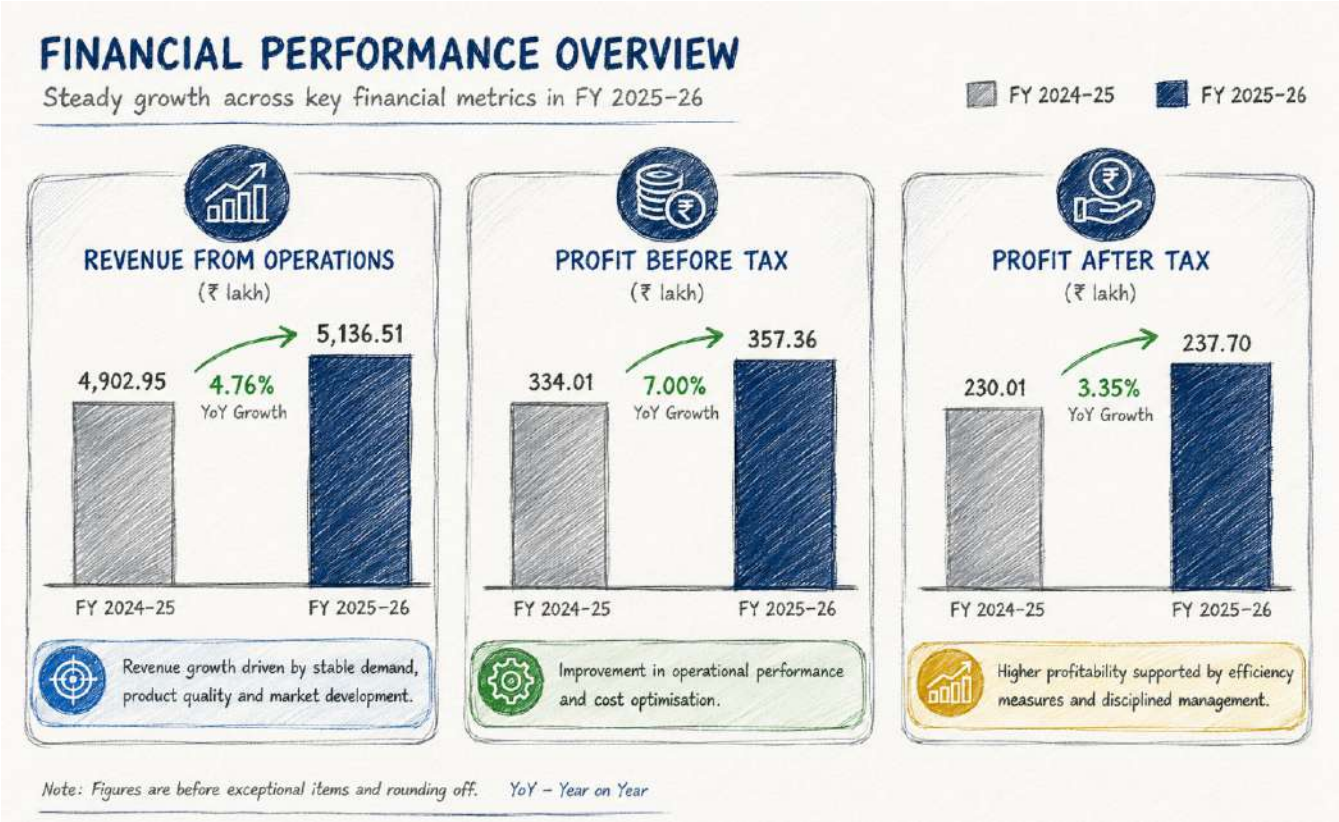
10. Financial Performance

The revenue from operations for the year ended 31st March, 2026 aggregated to Rs.5136.51 Lakhs as compared to Rs. 4902.95 lakhs in the previous year i.e. higher by Rs. 233.56 lakhs.

The operations resulted in profit before exceptional items, tax and regulatory deferral account balances for the year under review of Rs 357.36 lakhs as compared to profit of Rs 334.01 lakhs in the previous year which includes sale of land. This year there is improvement in the operational efficiency of the Company.

Further, Other Income is Rs.167.96 lakhs as compared to income of Rs. 168.32 Lakhs in the previous year.

The Tax expenses during the year under review are Rs. 107.51 lakhs (excluding Deferred Tax of Rs.8.04 lakhs) against Tax expenses of Rs. 99.17 lakhs in the previous year. The Net profit during the year under review is Rs. 237.70 lakhs against Net profit of Rs. 230.01 lakhs during the previous year.



Management remains committed to improving operational efficiencies, strengthening margins through value-added products and maintaining a prudent financial position while supporting future business growth.

11. Key Financial Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018 (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector-specific financial ratios, along with detailed explanation there for. The details of Key Financial Ratios for FY 2025-26 and FY 2024-25 are given below:

Ratio	FY 2025-26	FY 2024-25	% of variance	Reason for variance
Current Ratio (times)	4.87	3.84	1.03	NA
Debt-equity Ratio (times)	0.019	0.016	0.003	NA
Debt Service Coverage Ratio (times)	4.508	4.508	NIL	NA
Return on Equity Ratio (ROE) (%)	0.05	0.05	NIL	NA
Inventory turnover ratio (times)	0.07	0.09	-0.02	NA
Trade Receivables turnover ratio (times)	0.232	0.216	0.016	NA
Trade Payables turnover ratio (times)	0.073	0.089	-0.016	NA
Net capital turnover ratio (times)	0.872	0.875	-0.003	NA
Net profit ratio (%)	0.0463	0.0469	-0.0003	NA
Return on Capital employed (%)	0.0530	0.0536	-0.006	NA
Return on Net worth (Times)	0.0530	0.0536	-0.006	NA

Human Resources & Industrial Relations

The Company firmly believes that its employees are fundamental to its long-term success and sustainable growth. It remains committed to fostering a work environment that encourages professionalism, continuous learning, teamwork and accountability while providing employees with opportunities for personal and professional development.

During FY 2025–26, the Company continued to strengthen employee capabilities through structured training programmes, technical skill enhancement, quality awareness initiatives and workplace safety practices. Emphasis was placed on developing competencies that support operational excellence, product quality, customer service and compliance with evolving regulatory and industry standards.

The Company promotes a culture of integrity, transparency and mutual respect through fair employment practices, open communication and employee engagement. Equal opportunity, merit-based growth, workplace safety and employee well-being continue to remain integral components of the Company's human resource philosophy.

Industrial relations remained cordial and harmonious throughout the year across all manufacturing and office locations. The Company maintained constructive engagement with its employees through open communication, mutual trust and adherence to fair labour practices. No significant industrial disputes or work stoppages were reported during the year, ensuring uninterrupted business operations.

As the Company continues to expand its presence across specialty performance chemicals, it remains committed to developing a skilled, motivated and future-ready workforce capable of supporting its long-term growth objectives.

As on 31 March 2026, the Company had 82 employees on its rolls, representing a dedicated workforce that continues to contribute to the Company's operational excellence and sustained growth.

Human Capital Snapshot	FY 2025–26
Total Employees	82
Average Training Hours per Employee	8 Hours/yearly
Women Employees	*5 (6.1% of workforce)*
Health & Wellness Programme	2 times

The Board of Directors expresses its sincere appreciation to the Company's customers, suppliers, business associates, shareholders, bankers, employees and all other stakeholders for their continued trust, confidence and support. The Board also places on record its gratitude to the Central and State Governments and various regulatory authorities for their continued guidance and cooperation. The Company looks forward to their continued support as it pursues sustainable growth and long-term value creation.

For Haryana Leather Chemicals Limited

Date: 10th August, 2026
Place: Gurugram

Pankaj Jain
DIN: 00206564
Managing Director

INDEPENDENT AUDITOR'S REPORT

The Members of HARYANA LEATHER CHEMICALS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of HARYANA LEATHER CHEMICALS LIMITED ("the Company"), which comprise the Balance Sheet as at **31st March 2026**, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 made there- under, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. we have determined that there are no key audit matters to be communicated in our report.

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 Annual Report, but does not include the standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone 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 standalone 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 during the course of our 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind. AS and other accounting principles generally accepted in India. 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind. AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on **31st March, 2026** taken on record by the Board of Directors, none of the directors is disqualified as on **31st March, 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 A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   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 remuneration paid 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company

      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 Company has not declared any dividend during the year for the Financial year 2025-26.

      (B) During the year under Audit the company declared dividend for the year 2024- 25 at the rate of Rupees 1/- Per Share on 49,08,470/- Equity Shares fully Paid up. As such a sum of Rupees 49,08,470/- has been

debited in the Note No 5(ix) of other Equity under the head Reserve and Surplus. Since no provision for the same was made in the Financials for the year 2024-25.

vi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

vii. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has 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 audit trail feature being tampered with."

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For S.C. Dewan & Co.
Chartered Accountants
Firm's Registration No.: 000934N

S.C. Dewan
Partner
Membership No.: 015678
UDIN : 26015678SJCEYO7874

Place : Gurugram
Date : 28.05.2026

Annexure A to Independent Auditor's Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of HARYANA LEATHER CHEMICALS LIMITED of even date)

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

1. We have audited the internal financial controls over financial reporting of HARYANA LEATHER CHEMICALS LIMITED ("the Company") as of **March 31, 2026** in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the company's internal financial control over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on audit of internal financial control over financial reporting (the "Guidance Notes") and the standards on auditing deemed to be prescribed under section 143(10) of the act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those standards and the guidance notes require that we comply with ethical requirements and planned and performed the audit to obtain reasonable assurance about whether adequate internal financial control over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. 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 system over financial reporting included obtaining an understanding of internal financial controls system over financial reporting, assessing the risks that material weakness exists, and testing and evaluating the design and operating effectiveness of the internal control based on the assessed risk. The procedure selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the Standalone Financial Statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained in our audits 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

6. A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the company are being made only in accordance with authorization 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 Standalone Financial Statements.

Inherent Limitation of Internal financial controls over financial reporting

7. Because of the Inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management over-ride of controls, material misstatements due to error or fraud may occur and not be detected. Also, projection of any evaluations of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls 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

8. In our opinion, the company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at **March 31st, 2026** based on the internal financial controls 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 S.C. Dewan & Co.
Chartered Accountants
Firm's Registration No.: 000934N

S.C. Dewan
Partner
Membership No.: 015678
UDIN : 26015678SJCEYO7874

Place : Gurugram
Date : 28.05.2026

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of HARYANA LEATHER CHEMICALS LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and [1] situation of Property, Plant and Equipment.

(B) The Company does not have any intangible asset and hence reporting under clause 3(i)(a)(B) of the Order is not applicable

(b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.

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

ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. The company has not made investments in, not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, during the year, and hence reporting under clause 3(iii) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and section 186 of the Companies Act 2013 are applicable and hence reporting under clause 3(iv) of the Order is not applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub- section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at **March 31, 2026** for a period of more than six months from the date they became payable.

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

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

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

(c) The Company has not taken any term loan during the year and the outstanding term loans at the beginning of the year was applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

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

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

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.

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

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

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

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

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

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

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

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial

liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The section 135 (Corporate Social Responsibility) of the Companies Act, 2013 is not applicable to the company. hence, reporting under clause (xx) of the Order is not applicable to the Company

For S.C. Dewan & Co.
Chartered Accountants
Firm's Registration No.: 000934N

S.C. Dewan
Partner
Membership No.: 015678
UDIN : 26015678SJCEYO7874

Place : Gurugram
Date : 28.05.2026

STANDALONE BALANCE SHEET AT 31 MARCH, 2026

(Rupees in Thousands)

	Notes	As at 31 March, 2026	As at 31 March, 2025
ASSETS			
A. Non-Current Assets			
(a) Property, plant and equipment	5 (i)(a)	1,44,288.37	1,48,780.44
(b) Capital work-in-progress	5 (i)(b)	260.14	405.04
(c) Investment property			
(d) Goodwill		-	-
(e) Other intangible assets		-	-
(f) Intangible assets under development		-	-
(g) Biological Assets other than bearer plants			
(h) Financial assets			
(i) Investments		-	-
(ii) Trade receivables		-	-
(iii) Loans		-	-
(iv) Other financial assets	5 (ii)(a)	97,813.99	1,23,159.85
(i) Deferred tax assets (Net)		-	-
(j) Other non-current assets	5 (iii)(a)	1,198.12	1,138.12
Total Non-Current Assets (A)		**2,43,560.62**	**2,73,483.45**
B. Current Assets			
(a) Inventories	5 (iv)	38,215.00	44,294.00
(b) Financial assets			
(i) Other investments		-	-
(ii) Trade receivables	5 (v)	1,19,032.32	1,05,773.51
(iii) Cash and cash equivalents	5 (vi)	1,12,103.78	74,126.38
(iv) Bank balances other than (iii) above	5 (vii)	763.54	826.56
(v) Loans			
(vi) Other financial assets	5 (ii)(b)	4,887.28	3,601.39
(c) Current Tax Assets (net)			
(d) Other current assets	5 (iii)(b)	2,105.27	2,100.27
Total Current Assets (B)		**2,77,107.19**	**2,30,722.11**
Total Assets (A+B)		**5,20,667.81**	**5,04,205.56**
EQUITY AND LIABILITIES			
A. Equity			
(a) Equity share capital	5 (viii)	49,084.70	49,084.70
(b) Other equity	5 (ix)	3,99,008.76	3,80,147.26
Total Equity (A)		**4,48,093.46**	**4,29,231.96**
LIABILITIES			
B. Liabilities			
I Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings			-
(ia) Lease liabilities			
(ii) Trade payables			
(A) Total outstanding dues of micro enterprise and small enterprises			
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises			
(iii) Other financial liabilities (other than those specified in item (b))		-	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities (Net)	5(x)	15,685.70	14,881.60
(d) Other non-current liabilities			
Total Non-Current Liabilities (I)		**15,685.70**	**14,881.60**

II	**Current Liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	5 (xi)	8,541.31	7,098.71
	(ia) Lease liabilities			
	(ii) Trade payables			
	(A) Total outstanding dues of micro enterprise and small enterprises	5 (xii)	2,209.32	2,570.76
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		35,183.94	41,104.38
	(iii) Other financial liabilities	5 (xiii)	763.54	826.55
	(b) Other current liabilities	5 (xiv)	5,741.21	4,116.65
	(c) Provisions	5 (xv)	2,169.83	1,874.95
	(d) Current Tax Liabilities (Net)	5 (xvi)	2,279.50	2,500.00
	Total Current Liabilities (II)		**56,888.65**	**60,092.00**
	Total Liabilities (I+II)		**72,574.35**	**74,973.60**
	Total Equity And Liabilities (A+B)		**5,20,667.81**	**5,04,205.56**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached.

For S . C. Dewan & Co.
Chartered Accountants
ICAI FRN: 000934N

FOR AND ON BEHALF OF BOARD OF DIRECTORS
HARYANA LEATHER CHEMICALS LIMITED

CA S.C.Dewan
Partner
ICAI MRN: 015678

PANKAJ JAIN
Managing Director
DIN: 00206564

SIPPY JAIN
Director
DIN:03189151

Place : Gurugram
Date : 28.05.2026

YUGANK
Company Secretary
Membership No.: 70463

SUKANTO CHOUDHURY
COO & CFO

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

(Rupees in Thousands)

		Notes	Year ended 31 March, 2026	Year ended 31 March, 2025
I	Revenue from operations	5 (xvii)	5,13,651.16	4,90,295.65
II	Other income	5 (xviii)	16,795.73	16,831.52
III	Profit on sale of Assets		262.21	120.20
III	**TOTAL INCOME (I+II)**		**5,30,709.10**	**5,07,247.37**
IV	**EXPENSES**			
(i)	Cost of materials consumed	5 (xix)	3,32,324.00	3,43,625.63
(ii)	Changes in inventories of finished goods, stock in process and stock in trade	5 (xx)	5,412.00	(9,812.00)
(iii)	Employee benefits expense	5 (xxi)	55,866.88	48,632.72
(iv)	Finance costs	5 (xxii)	904.20	764.97
(v)	Depreciation and amortisation expense	5 (i)(a)	9,357.09	9,003.51
(vi)	Other expenses	5 (xxiii)	91,108.12	81,631.52
	TOTAL EXPENSES (IV)		**4,94,972.29**	**4,73,846.35**
V	**PROFIT BEFORE TAX (III-IV)**		**35,736.81**	**33,401.02**
VI	**TAX EXPENSE**			
(i)	Current tax provision		10,751.56	9,916.81
(ii)	Tax for earlier year		411.18	-
(ii)	Deferred tax charge / (credit)	5 (xxiv)	804.10	482.77
			11,966.84	**10,399.58**
VII	**PROFIT FOR THE YEAR (VII-VIII)**		**23,769.97**	**23,001.44**
	OTHER COMPREHENSIVE INCOME			
(i)	Items that will not be reclassified to profit or loss			
	(a) Remeasurement of post employment benefit obligations		-	-
(ii)	Income tax relating to items that will not be reclassified to profit or loss		-	-
VIII	**TOTAL OTHER COMPREHENSIVE INCOME**		**-**	**-**
IX	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR (IX+X)**		**23,769.97**	**23,001.44**
	Earnings per equity share:			
(i)	Basic (in Rs.)	5 (xxv)	4.84	4.69
(ii)	Diluted (in Rs.)	5 (xxv)	4.84	4.69

See accompanying notes forming part of the financial statements

In terms of our report attached.

For S . C. Dewan & Co.
Chartered Accountants
ICAI FRN: 000934N

FOR AND ON BEHALF OF BOARD OF DIRECTORS
HARYANA LEATHER CHEMICALS LIMITED

CA S.C.Dewan
Partner
ICAI MRN: 015678

PANKAJ JAIN
Managing Director
DIN: 00206564

SIPPY JAIN
Director
DIN:03189151

Place : Gurugram
Date : 28.05.2026

YUGANK
Company Secretary
Membership No.: 70463

SUKANTO CHOUDHURY
COO & CFO

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2026

(Rupees in Thousands)

	Notes	Year ended 31 March, 2026	Year ended 31 March, 2025
Cash flows from operating activities			
Profit Before Tax		**35,736.81**	**33,401.02**
Adjustments for:			
Finance costs recognised in profit or loss		-	-
Finance costs recognised in profit or loss		709.83	449.84
Dividend paid during the year		-	-
Dividend income recognised in profit or loss		-	-
Other non-operating income (net of directly attributable expenses)		-	-
Profit on disposal of property, plant and equipment		-	-
Impairment loss recognised on trade receivables		-	-
Bad debts and sundry balances written off		-	-
Provision for doubtful advances		-	-
Depreciation and amortisation of non-current assets (continuing and discontinued operations)		9,357.09	9,003.51
Impairment of property, plant and equipment		-	-
Provision for contingencies		-	-
		45,803.73	**42,854.37**
Movements in working capital:			
(Increase)/decrease in trade and other receivables		(13,258.81)	(12,281.21)
(Increase)/decrease in inventories		6,079.00	(11,169.00)
(Increase)/decrease in other assets		24,057.99	(6,803.96)
Increase/ (Decrease) in trade payables		(6,281.88)	1,187.68
Increase/ (Decrease) in provisions		74.38	1,777.61
Increase/ (Decrease) in other liabilities		1,561.55	(3,765.55)
Cash (used in)/generated from operations		**58,035.96**	**11,799.94**
Income taxes paid		(11,162.74)	(9,916.81)
Net cash (used in)/generated by operating activities		**46,873.22**	**1,883.13**
Cash flows from investing activities			
Profit on redemption of mutual funds		-	-
Interest received		-	-
Dividend paid		(4,908.47)	(4,908.47)
Proceeds against land held for sale		-	-
Proceeds from sale of property, plant and equipment		98.79	304.80
Payments for property, plant and equipment		(4,818.91)	(13,802.60)
Profit on disposal of property, plant and equipment		-	-
Net cash outflow on acquisition of subsidiaries		-	-
Net cash (used in)/generated by investing activities		**(9,628.59)**	**(18,406.27)**
Cash flows from financing activities			
Proceeds from issue of convertible non-participating preference shares		-	-
Proceeds from borrowings		-	-
Repayment of borrowings		1,442.60	4,322.71
Interest paid		(709.83)	(449.84)
Net cash (used in)/generated financing activities		**732.77**	**3,872.87**
Net increase in cash and cash equivalents		**37,977.40**	**(12,650.27)**
Cash and cash equivalents at the beginning of the year	5 (vi)	74,126.38	86,776.65
Cash and cash equivalents at the end of the year	5 (vi)	1,12,103.78	74,126.38

For S . C. Dewan & Co.
Chartered Accountants
ICAI FRN: 000934N

FOR AND ON BEHALF OF BOARD OF DIRECTORS
HARYANA LEATHER CHEMICALS LIMITED

CA S.C.Dewan
Partner
ICAI MRN: 015678

PANKAJ JAIN
Managing Director
DIN: 00206564

SIPPY JAIN
Director
DIN:03189151

Place : Gurugram
Date : 28.05.2026

YUGANK
Company Secretary
Membership No.: 70463

SUKANTO CHOUDHURY
COO & CFO

STANDALONE STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2026

A. Equity share capital

(Rupees in Thousands)

(1) Current reporting period				Amount
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
49,084.70	-	-	-	49,084.70
(2) Previous reporting period				
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
49,084.70	-	-	-	49,084.70

B. Other equity

(Rupees in Thousands)

(1) Current reporting period														Amount
			Reserves and Surplus											
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
Balance at the beginning of the current reporting period	-	-	-	-	47,167.72	3,32,979.54		-		-	-	-	-	3,80,147.26
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	23,769.97	-	-	-	-	-	-	-	23,769.97
Any other change (to be specified)	-	-	-	-	-	(4,908.47)	-	-	-	-	-	-	-	(4,908.47)
Balance at the end of the current reporting period	-	-	-	-	47,167.72	3,51,841.04	-	-	-	-	-	-	-	3,99,008.76

(2) Previous reporting period														
	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus										Money received against share warrants	Total
			Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Debt instrum ents through Other Compre hensive Income	Equity Instruments through Other Compre hensive Income	Effective portion of Cash Flow Hedges	Reval uation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Compre hensive Income (specify nature)		
Balance at the beginning of the current reporting period	-	-	-	-	47,167.72	3,14,886.57	-	-	-	-	-	-	-	3,62,054.29
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	23,001.44	-	-	-	-	-	-	-	23,001.44
Any other change (to be specified)	-	-	-	-	-	(4,908.47)	-	-	-	-	-	-	-	(4,908.47)
Balance at the end of the current reporting period	-	-	-	-	47,167.72	3,32,979.54	-	-	-	-	-	-	-	3,80,147.26

See accompanying notes forming part of the financial statements 1-29

In terms of our report attached.

For S . C. Dewan & Co.
Chartered Accountants
ICAI FRN: 000934N

CA S.C.Dewan
Partner
ICAI MRN: 015678

Place : Gurugram
Date : 28.05.2026

FOR AND ON BEHALF OF BOARD OF DIRECTORS
HARYANA LEATHER CHEMICALS LIMITED

PANKAJ JAIN
Managing Director
DIN: 00206564

SIPPY JAIN
Director
DIN:03189151

YUGANK
Company Secretary
Membership No.: 70463

SUKANTO CHOUDHURY
COO & CFO

5 (i)(a) Property, plant and equipment

(Rupees in Thousands)

Particulars	Land	Building	Plant & Machinery	Furniture, Fixture & Equipments	Vehicles	Total
Gross Block						
As at 31 March, 2024	**11,627.26**	**84,657.04**	**2,00,637.44**	**25,640.06**	**16,768.26**	**3,39,330.06**
Additions	7,404.89	-	7,666.84	181.93	-	**15,253.66**
Disposals		234.30	1,149.08		-	**1,383.38**
As at 31 March, 2025	**19,032.15**	**84,422.74**	**2,07,155.20**	**25,821.99**	**16,768.26**	**3,53,200.34**
Additions	-	-	3,192.77	87.98	1,683.06	**4,963.81**
Disposals		-	162.13		735.60	**897.73**
As at 31 March, 2026	**19,032.15**	**84,422.74**	**2,10,185.84**	**25,909.97**	**17,715.72**	**3,57,266.42**
Depreciation						
At 01 April, 2024	**-**	**29,314.29**	**1,35,532.99**	**23,274.67**	**8,373.02**	**1,96,494.97**
Charge for the year	-	1,205.18	5,713.27	504.24	1,580.82	**9,003.51**
Disposals	-	29.07	1,049.51		-	**1,078.58**
As at 31 March, 2025	**-**	**30,490.40**	**1,40,196.75**	**23,778.91**	**9,953.84**	**2,04,419.90**
Charge for the year	**-**	1,202.36	6,026.86	355.40	1,772.47	**9,357.09**
Disposals	**-**	-	100.12		698.82	**798.94**
As at 31 March, 2026	**-**	**31,692.76**	**1,46,123.49**	**24,134.31**	**11,027.49**	**2,12,978.05**
Net Block						
As at 1 April, 2024	**11,627.26**	**55,342.75**	**65,104.45**	**2,365.39**	**8,395.24**	**1,42,835.09**
As at 31 March, 2025	**19,032.15**	**53,932.34**	**66,958.45**	**2,043.08**	**6,814.42**	**1,48,780.44**
As at 31 March, 2026	**19,032.15**	**52,729.98**	**64,062.35**	**1,775.66**	**6,688.23**	**1,44,288.37**

Notes:

1) The company has used deemed cost exemption under Ind AS 101 as on the date of transition to Ind AS.
2) Title deeds of all Immovable Properties held in name of the Company

5 (i)(b) Capital work-in-progress

CWIP	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	260.14	-	-	-	260.14
Projects temporarily suspended	-	-	-	-	-
Total	260.14	-	-	-	260.14
Capital work in progress as at 31 March, 2026 is __260.14(as at 31 March, 2025 Rupees 405.04)					

(Rupees in Thousands)

		As at 31 March, 2026	As at 31 March, 2025
5(ii)	**Other Financial Assets**		
5(ii)(a)	**Non-Current**		
	Unsecured, considered good		
	(a) Security Deposits	474.03	474.03
	(b) Bank deposits with more than 12 months maturity	97,339.96	1,22,685.82
		97,813.99	**1,23,159.85**

5(ii)(b)	**Current**		
	Unsecured, considered good		
	(a) Interest accrued but not due on loans and deposits	3,912.34	2,830.42
	(b) Staff Advance	732.48	548.81
	(c) Advances recoverable in cash or in kind	242.46	222.16
		4,887.28	**3,601.39**
5(iii)	**Other Assets**		
5(iii)(a)	**Non-Current**		
	Unsecured, considered good		
	(b) Other Deposits	1,198.12	1,138.12
		1,198.12	**1,138.12**
5(iii)(b)	**Current**		
	Unsecured, considered good		
	(a) Advance Income Tax (net of Provision)	-	-
	(b) Income Tax Refundable	-	-
	(c) Advance to Vendors	853.89	1,175.47
	(d) Prepaid Expenses	1,251.38	853.04
	(e) Duties & Taxes	-	-
	(f) GST	-	71.76
		2,105.27	**2,100.27**

5 (iv)	**Inventories (valued at lower of cost and net realisable value)**		
	(a) Raw Material	16,444.00	16,900.00
	(b) Stores & Spares	600.00	500.00
	(c) Packing Material	3,189.00	3,500.00
	(d) Work in Progress		
	(e) Finished Goods	17,982.00	23,394.00
		38,215.00	**44,294.00**

a. Raw materials have been valued at cost on FIFO Method .

b. Stores & Spares and Packing Material have been valued at cost on FIFO Method

c. Work in process have been valued at Raw material cost plus proportionate of conversion cost.

d. Finished goods lying at factory have been valued at Raw material cost plus conversion cost.

5(v) Trade Receivables

Current

Particulars	Outstanding for following periods from due date of payment#					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,19,032.32	-	-	-	-	1,19,032.32
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	1,19,032.32	-	-	-	-	1,19,032.32

Previous reporting period

Particulars	Outstanding for following periods from due date of payment#					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,05,773.51	-	-	-	-	1,05,773.51
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-		-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	1,05,773.51	-	-	-	-	1,05,773.51

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection.

Trade receivables are unsecured and are derived from revenue earned from providing healthcare and other ancillary services. No interest is charged on the outstanding balance, regardless of the age of the balance. There are customers who represents more than 5% of the total balance of trade receivable. The risk of non-payment from these customers is considered low as most of these balances are running balance and regular customer

The Company uses judgements in making certain assumptions and selecting inputs to determine impairment of these trade receivables, based on the Company's historical experience towards potential billing adjustments, delays and defaults at the end of each reporting period. The provision matrix used to compute the expected credit loss allowance for different categories of trade receivables is as follows.

Ageing

0 - 1 year
1 - 2 year
2 - 3 year
More than 3 years

(Rupees in Thousands)

		As at 31 March, 2026	As at 31 March, 2025
5 (vi)	**CASH AND CASH EQUIVALENTS**		
	(a) Balances with Banks		
	(i) on current accounts	7,153.26	2,939.95
	(ii) Fixed Deposit / Margin Money Account	1,04,909.17	71,147.45
	(b) Cheques in hand	-	-
	(c) Cash in hand	41.35	38.98
	Cash and cash equivalents as per balance sheet	**1,12,103.78**	**74,126.38**
5 (vii)	**Bank balances other than (iii) above**		
	Balances with Banks		
	in dividend accounts	763.54	826.56
	Cash and cash equivalents as per balance sheet	**763.54**	**826.56**
5 (viii)	**Share capital**		
	Authorised Shares Capital:		
	6,000,000 Equity shares of Rs. 10 each (6,000,000 as at 31 March, 2026 and 6,000,000 as at 31 March, 2025)	60,000.00	60,000.00
	Total authorised share capital	**60,000.00**	**60,000.00**
	Issued, subscribed and fully paid up shares:		
	4,908,470 Equity shares of Rs. 10 each (4,908,470 as at 31 March, 2026 and 4,908,470 as at 31 March, 2025)	49,084.70	49,084.70
	Total issued, subscribed and fully paid up share capital	**49,084.70**	**49,084.70**

Notes :

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Ordinary Shares

Particulars	Year ended 31 March, 2026		Year ended 31 March, 2025	
	Number	Rupees in Thousands	Number	Rupees in Thousands
At the beginning of the year	49,08,470	-	49,08,470	-
Issued during the year	-	-	-	-
Outstanding at the end of the year	**49,08,470**	**-**	**49,08,470**	**-**

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rupees 10 per share. Each holder of equity shares is entitled to one vote per share. Where dividend is proposed by the Board of Directors, it is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the current and previous year, there has been no dividend proposed by the Board of Directors. 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 amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Equity Shares

Name of Shareholder	As at 31 March, 2026		As at 31 March, 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Pankaj Jain	7,52,530	15.33	7,52,530	15.33
ICAP SIRA Chemicals & Polymers SpA	7,68,470	15.66	7,68,470	15.66
SANGEETHA S	2,50,230	5.10	2,50,230	5.10

As per records of the Company, including its register of share holders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Shares held by promoters at the end of the year

S.No	Promoter Name	No. of Shares**	% of total shares**	% Change during the year
1	PANKAJ JAIN	7,52,530	15.33	-
2	SIPPY JAIN	1,53,626	3.13	-
3	MANIK JAIN	7,300	0.15	-
4	RATNAM JAIN	5,300	0.11	-
5	MUNAK HOLDING LTD	1,13,282	2.31	-
6	MUNAK ENGINEERS PVT LTD	800	0.02	-
7	MUNAK CREDIT & INVESTMENT PVT. LTD.	64,980	1.32	-
8	N K JAIN HOLDINGS & FINANCE PVT. LTD.	13,900	0.28	-
9	VIJAY KUMAR GARG CONTRACTOR PVT. LTD.	7,500	0.15	-
10	SAVITA AGGARWAL	1,38,190	2.82	-
11	ICAP SIRA CHEMICALS & POLYMERS SPA	7,68,470	15.66	-
Total		20,25,878	41.27	-

(d) Agreegate number of shares issued for consideration other than cash during the period of 5 years immediately proceeding the reporting date.

No shares issued during the period of 5 years immediately proceeding the reporting date.

(Rupees in Thousands)

		As at 31 March, 2026	As at 31 March, 2025
5 (ix)	**Other equity**		
	i) Reserve and Surplus		
	(A) General Reserve		
	Opening balance	47,167.72	47,167.72
	Add : Transfer from Statement of Profit & Loss	-	-
	Closing balance	**47,167.72**	**47,167.72**

(B)	**(Deficit)/Surplus in the statement of profit and loss**		
	Opening balance	3,32,979.54	3,14,886.57
	Profit for the year ended	23,769.97	23,001.44
	Other comprehensive income arising from remeasurement of defined benefit obligation (net of income tax)	-	
	Dividend for the F.Y. 2024-25 paid during the year	(4,908.47)	(4,908.47)
	Net surplus in the statement of profit and loss	**3,51,841.04**	**3,32,979.54**
	Total (A+B)	**3,99,008.76**	**3,80,147.26**

(Rupees in Thousands)

		As at 31 March, 2026	As at 31 March, 2025
5(x)	**Deferred tax balances (Net)**		
	(a) Deferred tax assets	-	-
	(b) Deferred tax liabilities	15,685.24	14,881.60
		(15,685.24)	**(14,881.60)**

The following is the analysis of deferred tax assets/(liabilities)
Recognised in profit and loss account and other comprehensive income

Deferred tax assets/ (liabilities) in relation to:	As at 31 March, 2025	Credit / (Charge) to Profit or loss	Credit / (Charge) to Other Comprehensive Income	As at 31 March , 2026
Property, plant and equipment	(14,881.60)	804.10		(15,685.24)
Employee benefits	-		-	-
	(14,881.60)	**804.10**	**-**	**(15,685.24)**

5 (xi)	**Current Borrowings**		
	Current Portion of Term Loan		
	SBI DELHI	8,541.31	7,098.71
		8,541.31	**7,098.71**

5 (xii) **Trade Payable**

					As at 31 March, 2026
Particulars	**Outstanding for following periods from due date of payment#**				
	Less year than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	2,209.32	-	-	-	2,209.32
(ii) Others	35,183.94	-	-	-	35,183.94
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-
Total	**37,393.26**	**-**	**-**	**-**	**37,393.26**

					As at 31 March, 2025
Particulars	**Outstanding for following periods from due date of payment#**				
	Less year than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	2,570.76	-	-	-	2,570.76
(ii) Others	41,104.38	-	-	-	41,104.38
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-
Total	**43,675.14**	**-**	**-**	**-**	**43,675.14**

Debit and Credit Balances in the accounts of suppliers and others are subject to confirmation and reconciliations.

(Rupees in Thousands)

		As at 31 March, 2026	As at 31 March, 2025
5 (xiii)	**Other financial liabilities-Current**		
	Unclaimed Dividend	763.54	826.55
		763.54	**826.55**
5 (xiv)	**Other Current Liabilities**		
	(a) Duties and Taxes	293.11	629.28
	(b) Security from Customers	500.00	500.00
	(c) Advance from Customers	1,801.07	-
	(d) Other Payables	3,147.03	2,987.37
	(including Salary, Bonus, PF, ESI, Insurance payables)		
		5,741.21	**4,116.65**
5 (xv)	**Provisions-Current**		
	(a) Provision for Leave Encashment	-	-
	(b) GST Payable	254.26	
	(c) Accrued Liability - Others	1,915.57	1,874.95
		2,169.83	**1,874.95**
5 (xvi)	**Current Tax Liabilities (Net)**		
	Provision for current tax (Net)	2,279.50	2,500.00
		2,279.50	**2,500.00**

(Rupees in Thousands)

		Year ended 31 March, 2026	Year ended 31 March, 2025
5 (xvii)	**Revenue From Operations**		
	Sale of Manufactured Products		
	Domestic Sales	4,44,199.16	4,10,144.65
	Export Sales	69,452.00	80,151.00
		5,13,651.16	**4,90,295.65**
	Earnings in Foreign Exchange		
	Sale of Manufactured Products	69,452.00	80,151.00
5 (xviii)	**Other Income**		
	(a) Interest income on deposits with Bank	12,872.05	12,747.25
	(b) Balances written bank / off (Net)		
	(c) Foreign Exchange Fluctuations (Gains)	510.86	
	(d) Scrap Sales	1,188.05	1,382.30
	(e) Miscellaneous income	2,224.77	2,701.97
		16,795.73	**16,831.52**
5 (xix)	**Cost of Material Consumed**		
	(a) Imported	7,862.28	9,015.96
	(b) Indigenous	3,24,461.72	3,34,609.67
		3,32,324.00	**3,43,625.63**
	Value of Imports on CIF Basis in respect of :		
	Raw Material	6,158.46	11,310.11
	Components & Spare Parts	629.08	383.93
	Capital Goods (including CWIP)		1,255.28
		6,787.54	12,949.32

5 (xx)	**Increase / Decrease In Inventories**			
	(a)	Inventory at the beginning of the year		
		Finished Goods	23,394.00	13,582.00
		Stock in Process	-	-
		Total	23,394.00	13,582.00
	(b)	Inventory at the end of the year		
		Finished Goods	17,982.00	23,394.00
		Stock in Process	-	-
		Total	17,982.00	23,394.00
		Net Change in Inventories (A-B)	**5,412.00**	**(9,812.00)**
5 (xxi)	**Employee Benefits Expense**			
	(a)	Salaries, wages, bonus & incentives etc. (Net)	50,803.51	44,086.45
	(b)	Contribution to provident and other funds	2,333.68	1,982.44
	(c)	Workmen and Staff Welfare Expenses	2,729.69	2,563.83
	(d)	Gratuity	-	
	(e)	Recruitment & Training Expenses	-	-
			55,866.88	**48,632.72**
5 (xxii)	**Finance Costs**			
	(a)	Interest expense		
		- on working capital loan	-	-
		- on others	709.83	449.84
	(b)	Finance charges	194.37	315.13
			904.20	**764.97**
5 (xxiii)	**OTHER EXPENSES**			
	(a)	Power, fuel and water expenses	15,272.40	13,986.25
	(b)	Auditors' remuneration (See note (i) below)	275.00	275.00
	(c)	Damaged Material Written off	-	-
	(d)	Other debit balances W/off	110.87	155.99
	(e)	Director Sitting Fees.	160.00	112.00
	(f)	Insurance Expenses	1,238.41	1,083.56
	(g)	Postage & Telephone Expenses	1,001.94	1,523.37
	(h)	Printing Stationary Expenses	1,164.51	1,517.62
	(i)	Professional Charges	3,645.10	3,110.00
	(j)	Property Tax Expenses	183.80	40.09
	(k)	Research & Development Expenses	8,226.29	6,415.74
	(l)	Rent - Building / Other	2,979.59	2,613.59
	(m)	Repair & Maintanence Expenses	17,625.19	15,634.87
	(n)	Royalty Expenses	30.09	
	(o)	Technical Services	1,286.42	767.09
	(p)	Marketing Expenses	27,979.94	23,244.12
	(q)	Miscellaneous Expenses	303.56	490.48
	(r)	Travelling Expenses	4,863.20	6,984.03
	(s)	Vehicle Expenses	754.00	760.37
	(t)	Landscaping Expenses	1,765.89	627.66
	(u)	Forex loss	-	300.40
	(v)	Office Upkeep Expenses	736.71	484.81
	(w)	Water Treatment Expenses	269.10	348.15
	(x)	Charitable Donation	281.80	41.50
	(y)	IT Expenses	954.31	1,114.83
			91,108.12	**81,631.52**

	Note:		
	(i) Auditors' remuneration comprises (GST and Service Tax being Cenvatable, hence not included)		
	(a) Statutory audit fee (exclusive of GST)	275.00	275.00
	(b) Certification and other services	40.00	50.00
	(c) Expenses reimbursement	-	-
		315.00	**325.00**
	(ii) Expenditure in Foreign Currency		
	Travel, boarding and lodging		
	- Directors	66.85	1,655.98
	- Employees	1,572.47	1,614.04
		1,639.32	**3,270.02**
5 (xxiv)	**Income Tax Recognised In Profit And Loss**		
	Deferred tax charge / (credit)		
	In respect of the current year	804.10	1,416.06
		804.10	**1,416.06**
5 (xxv)	**Earnings per share (EPS)**		
	Basic		
	Net Profit as per profit and loss account	23,769.97	23,001.44
	Weighted average number of equity shares outstanding during the year	4,908.47	4,908.47
	Earning per Share- Basic	**4.84**	**4.69**
	Diluted		
	Net Profit as per profit and loss account	23,769.97	23,001.44
	Weighted average number of equity shares outstanding during the year	4,908.47	4,908.47
	Earning per Share- Diluted	**4.84**	**4.69**
	Nominal Value of Equity Share	**10**	**10**

1) Nature of operations

Haryana Leather Chemicals Limited (the 'Company') was incorporated on 22nd January, 1985 as a Indo-Italian Joint Venture with ICAP-SIRA, Italy focusing on bringing leading product technology from technical alliances in Italy and Spain, resulting in an extensive range of chemicals, coatings and dispersions.

The registered office of the Company is located in HSIIDC Industrial Estate, Hansi Road, Jind-126102, Haryana and the corporate office of the Company is located at Signature Towers, South City – I,Gurugram-122001, Haryana.

2) Application of new and revised Ind ASs

On 16 February, 2015, the Ministry of Corporate Affairs ("MCA") notified the Companies (Indian Accounting Standards) Rules, 2015. The rules specify the Indian Accounting Standards (Ind AS) applicable to certain class of companies and set out dates of applicability. Haryana Leather Chemicals Limited, to whom Ind AS is applicable from 01 April, 2017 as defined in the said notification, is required to apply the standards as specified in Companies (Indian Accounting Standards) Rules 2015 and accordingly the Company has adopted Ind AS from 01 April, 2017 with transition dates as on 01 April, 2016.

As at the date of authorisation of the financial statements, the Company has not applied the following revisions to the Ind AS that have been issued by MCA but are not yet effective:

Ind AS 102 (Amendment)	Measurement of cash settled awards, modification of cash settled awards and equity settled awards that includes a 'net settlement' feature
Ind AS 7 (Amendment)	Disclosure of changes in liabilities on account of financing activities.

The directors of the Company do not expect that the adoption of the amendments to the standards will have an impact on the financial statements of the Company.

3) Significant accounting policies

1.1 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015.

1.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis.

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

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

1.3 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for returns, trade allowances for deduction, rebates, goods & service tax and amounts collected on behalf of third parties.

Operating Income

Revenue from sale of manufactured products is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects Goods & Service Tax (GST) and other taxes on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Interest income

Interest income is recognized on accrual basis.

1.4 Foreign currencies

Foreign Currency transactions are recorded at the exchange rate prevailing at the date of transaction and monetary items denominated in foreign currency are restated at rates prevailing on the date of balance sheet. The exchange fluctuation arising is shown as "Foreign Exchange Fluctuation Gain / (Loss)" in the statement of profit and loss as per the requirement of Ind AS 21 "The Effects of Changes in Foreign Exchange Rates."

1.5 Borrowing Costs

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 or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

1.6 Government grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and such grants can reasonably have a value placed upon them.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in profit or loss in the period in which they become receivable.

1.7 Employee benefits

i) Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans like provident fund and Employee State Insurance, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognized in the statement of profit and loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The company presents the first two components of defined benefit costs in the statement of profit and loss in the line item 'Employee benefits expense' and "Finance Cost" respectively. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the company can no longer withdraw the offer of the termination benefit and when the company recognizes any related restructuring costs.

ii) Short-term and other long-term employee benefits:

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the company in respect of services provided by employees up to the

reporting date.

iii) Contributions to provident fund

The Company makes contributions to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. Provident Fund is a defined benefit scheme the contribution of which is being deposited with "Employees Provident Fund Organisation"; such contribution to the organisation additionally requires the Company to guarantee payment of interest at rates notified by the Central Government from time to time, for which shortfall, if any has to be provided for as at the balance sheet date.

1.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates.

ii) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

In the case of unused tax losses probability is evaluated considering factors like existence of sufficient taxable temporary differences, convincing other evidence that sufficient taxable profit will be available. At the end of each reporting period, the company reassess unrecognized deferred tax assets and, the company recognizes a previously unrecognized Deferred Tax Asset to the extent that it has become probable that future taxable profit will allow the Deferred Tax Asset to be recovered.

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

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

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

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 tax assets and deferred taxes relate to the same taxable company and the same taxation authority.

iii) Current and deferred tax for the year

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

1.9 Property, plant and equipment (PPE)

For transition to Ind AS, The Company has elected to continue with the carrying value of all of its PPE recognized as of 01 April, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Land and Building held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold Land is not depreciated

PPE are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Components of costs

The cost of an asset includes the purchase cost including import duties and non-refundable taxes, borrowing costs if capitalization criteria are met and any directly attributable costs of bringing an asset to the location and condition of its intended use.

Subsequent expenditure related to an item of PPE is added to its carrying value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

All other expenditure related to existing assets including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss in the period during which such expenditure is incurred.

The carrying amount of a PPE is de-recognized upon disposal of PPE or when no future economic benefits are expected from its use. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

Depreciation commences when the assets are ready for their intended use. Pursuant to the applicability of Schedule II of the Companies Act, 2013, depreciation on all PPE except land are provided on a straight line method based on the estimated useful life of PPE.

Residual values of assets have been considered at 5% of the original cost of the assets.

The depreciation calculation is based on the balance useful lives of assets and shift working. Depreciation on assets used on double shift basis have been increase by 50% for that period and Depreciation on assets used in triple shift basis have been increase by 100% for that period, except for assets in respect of which no extra shift depreciation is permitted (indicated by NESD in Part C of the schedule).

The useful life of PPE are reviewed at the end of each reporting period if the expected useful life of the asset changes significantly from previous estimates, the effect of such change in estimates are accounted for prospectively.

1.10 Inventories

Raw materials have been valued at cost on FIFO method.

Stores & Spares and Packing material have been valued at cost on FIFO method.

Work in Process has been valued at Raw material cost plus proportionate conversion cost.

Finished Goods lying at factory have been valued at Raw material cost plus conversion cost.

1.11 Provision

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.12 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

1.13 Segment Reporting

The Company is in the business of manufacturing of leather chemicals which is the only reportable business segment as per Ind AS 108 'Operating Segments'.

1.14 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares.

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of common shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares. For the purposes of calculating basic EPS, shares allotted to ESOP trust pursuant to employee share based payment plan are not included in the shares outstanding till the employees have exercised their rights to obtain shares after fulfilling the requisite vesting conditions. Till such time, the shares are allotted are considered as dilutive potential equity shares for the purposes of calculating diluted EPS.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease earning per share from continuing operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

1.15 Operating cycle

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

1.16 Financial Instrument

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at Fair Value Through Profit & Loss (FVTPL).

However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific

accounting policies set out below.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognized in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognized in profit or loss.

Cash and cash equivalents (for the purpose of Cash Flow Statement)

Cash and cash equivalents in Cash Flow Statement comprise cash at bank and in hand and fixed deposits maturity within 12 month with banks, which are subject to an insignificant risk of changes in value.

4) Related party disclosures

Names of related parties and related party relationship

Key Managerial Personnel ('KMP')	(a) Mr. Pankaj Jain (Managing Director-cum-Vice Chairman)
	(b) Mrs. Sippy Jain (Director)
Relatives of KMP	(c) Ms. Ratnam Jain
Enterprises owned or significantly influenced by key management personnel ('KMP') or their relatives (with whom transactions have been taken place)	(a) N.K. Jain Instruments Private Limited
	(b) Labotron Instruments Ltd.
	(c) Labotech Microscopes India Pvt. Ltd.
	(d) N.K. Jain Holding Pvt. Limited

The schedule of Related Party Transactions is as follows:

(Rupees in thousands)

Particulars	Year Ended 31 March, 2026	Year Ended 31 March, 2025
Transactions during the year		
Operating income		
Rent paid		
N.K. Jain Holding Pvt. Limited	527.50	480.00
Marketing Expenses		
Mrs. Sippy Jain	1906.00	1001.00
Ms. Ratnam Jain	1100.00	-
Salary Expenses		
Ms. Ratnam Jain	2200.00	1800.00

(Rupees in thousands)

Balance outstanding at the year end	As at 31 March, 2026	As at 31 March, 2025
Balance payable		
N.K. Jain Holding Pvt. Limited	-	-
Mrs. Sippy Jain	-	25.35
Ms. Ratnam Jain	-	-

*Related Parties have been identified by the management.

Notes:

The above outstanding are unsecured and will be settled in cash. No expenses has been recognized in the current or prior years for bad or doubtful debt in respect of the amounts owned by related party.

5) Borrowings

(i) Secured Loans

Short term borrowings: **(Rupees in thousands)**

Particulars	Note	31 March, 2026	31 March, 2025
Working Capital Loan from SBI	(i)	Nil	Nil
ICICI Bank Ltd (Car Loan)	(ii)	Nil	Nil
Total		**Nil**	**Nil**

6) Commitments:

Particulars	As at 31 March, 2026	As at 31 March, 2025
(a) Estimated amount of contracts remaining to be executed on capital account [net of advances]	Nil	Nil

7) Contingent liabilities (not provided for) in respect of:

Description	As at 31 March, 2026	As at 31 March, 2025
Letter of Credit Outstanding for Import/Purchase of Raw Material, Spares, and Plant & Machinery	Nil	Nil

8) Employee Benefits Plan:

The Company has various schemes of retirement benefits such as provident fund, gratuity and leave encashment, which is dealt as under :-

i) The Company has taken Group gratuity Policy from LIC and the fund value as on 31.03.2026 was Rs.6190.59 - thousands.

ii) The provision for Leave Encashment Rs. Nil (P.Y. Nil) as on 31.03.2026.

iii) Contribution to provident fund are made in accordance with the provisions of Employee Provident Fund & Misc. Provisions Act, 1952 and charges to revenue every year and this is in conformity as per the requirements of Ind AS

9) Financial Instruments

i) Capital Management

The Company manages its capital to ensure that the company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net cash & bank balances and total equity of the company. The company is not subject to any externally imposed capital requirements.

ii) Categories of financial instruments

(Rupees in thousands)

Financial assets		As at 31 March, 2026	As at 31 March, 2025
Non-Current			
	Other financial assets	97813.99	123159.85
Current			
(i)	Trade receivables	119032.32	105773.51
(ii)	Cash and cash equivalents	112103.78	74126.38
(iii)	Bank balances other than (iii) above	763.54	826.56
(iv)	Other financial assets	4887.28	3601.39

Financial liabilities		As at 31 March, 2026	As at 31 March, 2025
	Current		
(i)	Borrowings from SBI	8541.31	7098.71
(ii)	Trade payables		

	(A) Total outstanding dues of micro enterprise and small enterprises	2209.32	2570.77
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	35183.94	41104.38
(iii)	Other financial liabilities	763.54	826.56

At the end of the reporting period, there are no significant concentrations of credit risk for financial assets designated at FVTPL. The carrying amount reflected above represents the company's maximum exposure to credit risk for such financial assets.

iii) Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets including market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Audit & Risk Committee manages the financial risk of the company through internal risk reports which analyse exposure by magnitude of risk.

Market Risk

The company's activities majorly do not expose to the financial risks of changes in interest rates and foreign currency exchange rates.

a) Interest rate risk management

The company is not exposed to interest rate risk because company borrow funds only at fixed interest rates and company also does not have any borrowings except working capital loan.

b) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The company takes due care while extending any credit as per the approval matrix approved by ECRM.

c) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short-term, medium-term and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note given below sets out details of additional undrawn facilities that the company has at its disposal to further reduce liquidity risk.

10) Earnings per share

	As at 31 March, 2026	As at 31 March, 2025
Basic/ Diluted earnings per share	**4.84**	**4.69**
Profit as per statement of profit and loss	**23769.97**	**23001.44**
Earning used in calculation of basic earnings per share	**23769.97**	**23001.44**
Weighted average number of equity shares in calculating Basic EPS	4908.47	4908.47

11) Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

(Rs. in Thousands)

Particulars	31 March, 2026	31 March, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
-Principal amount due to micro and small enterprises	2209.32	2570.77
-Interest due on above	-	-

The above information regarding dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

12) Previous year figures

Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.

13) Dividend

During this FY the Company declare dividend on equity shares @ 10% for the FY 2024-25 for where no provisions was made in the books of accounts earlier year. As such total amount of dividend Rs.4908.47 (inclusive dividend tax) has been directly debited to reserve and surplus.

For S . C. Dewan & Co.
Chartered Accountants
ICAI FRN: 000934N

FOR AND ON BEHALF OF BOARD OF DIRECTORS
HARYANA LEATHER CHEMICALS LIMITED

CA S.C.Dewan
Partner
ICAI MRN: 015678

PANKAJ JAIN
Managing Director
DIN: 00206564

SIPPY JAIN
Director
DIN:03189151

Place : Gurugram
Date : 28.05.2026

YUGANK
Company Secretary
Membership No.: 70463

SUKANTO CHOUDHURY
COO & CFO

Green-Trek

For a Greener Tomorrow

Green Trek is the symbol that expresses the company's stance on safety and environmental management. Through a wide range of actions and projects using latest technologies and employee's insight, the company is realising its sustainability goals, year after year.