

# **B. K. Khare & Co.**

## **Chartered Accountants**

706/708, Sharda Chambers, New Marine  
Lines, Mumbai – 400 020, India

### **INDEPENDENT AUDITORS' REPORT**

**To the members of Performance Chemiserve Limited**

**Report on the audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying Financial Statements of **Performance Chemiserve Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss and total comprehensive loss, its changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 Financial Statements.

#### **Key Audit Matter**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the current period. These matters were addressed in the context of our audit of the 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 the matter described below to be the key audit matter to be communicated in our report.



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Impairment of Assets	
<p>The Company has significant Property, Plant and Equipment relating to the Ammonia Project.</p> <p>As the amount is significant, an assessment of carrying value of assets of Ammonia Project is required.</p>	<p>Our audit approach and procedures included:</p> <ul style="list-style-type: none"><li>• Evaluated the reasonableness of management's conclusions on key assumptions, including forecast cash flows focusing on revenues and earnings, assessing the appropriateness of discount rates, historical and budgetary Financial Information, current market conditions and growth rates.</li><li>• Assessed the reliability of management's forecast, whilst considering the risk of management bias.</li><li>• Evaluated the appropriateness of impairment model prepared by the management.</li></ul>

### Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report and the related annexures but does not include the Financial Statements and our Auditors' Report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

### Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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





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

### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls 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 auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 Financial Statements.



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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 controls 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 Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in paragraph (h)(vi) below relating to audit trail feature.
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.





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- (g) The Company has not paid/provided any remuneration to managerial personnel as defined in the Act. Accordingly, the provisions of Section 197 of the Act related to the managerial remuneration are not applicable to the Company.
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 39(a) to the Financial Statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - (iv)
    - (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (a) and (b) contain any material misstatement;
  - (v) The Company has not declared/paid/declared and paid any dividend during the year; and



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- (vi) 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 except that audit trail feature is not enabled for direct changes at database level. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration No. 105102W



**Himanshu Goradia**

Partner

Membership No. 045668

UDIN: 25045668BMOBWT2208

Place: Pune

Date: May 21, 2025





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### **Annexure A to the Independent Auditors' Report**

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

### **Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of **Performance Chemiserve Limited** ("the Company") as of March 31, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditors' Responsibility**

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

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

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



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### **Meaning of Internal Financial Controls with reference to financial statements**

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

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to financial statements 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 **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration No. 105102W

  
**Himanshu Goradia**

Partner  
Membership No. 045668  
UDIN: 25045668BMOBWT2208  
Place: Pune  
Date: May 21, 2025





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### Annexure B to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

1. (a) (A) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.  
  
(B) According to the information and explanations given to us, the Company has maintained proper records showing full particulars of intangible assets.  
  
(b) The Company has a regular programme of physical verification of its property, plant and equipment by which the property, plant and equipment are verified by the management according to a programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. In accordance with the programme, the Company has physically verified certain property, plant and equipment during the year and no material discrepancies were noticed on such verification.  
  
(c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.  
  
(d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.  
  
(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. (a) According to the information and explanations given to us, the inventory comprising of raw materials, finished goods and stores and consumables has been physically verified at reasonable intervals by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification between the physical inventory and the book records.  
  
(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets during the year. The statements of current assets filed by the Company with banks on a quarterly basis are materially in agreement with the unaudited books of account as certified by the management.



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3. According to the information and explanations given to us, the Company has not made investments in or 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. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.
4. According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.
5. According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.
6. The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act for the product of the Company. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, specified by the Central Government under sub-section (1) of Section 148 of the Act and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at March 31, 2025, which have not been deposited with the appropriate authorities on account of any dispute. The statutory dues in respect of Income-tax and Property Tax as at March 31, 2025, which have not been deposited with the appropriate authorities on account of a dispute, are as under:





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Name of the statute	Nature of the dues	Amount Rs. lakhs*	Period to which the amount relates	Forum where dispute is pending
The Income-tax Act, 1961	Income-tax	62	Assessment Year 2018-2019	Commissioner of Income Tax (Appeals)
The Maharashtra Municipal Corporations Act, 1949	Property Tax	6	Financial Year 2024-2025	Panvel Municipal Corporation

\*Net of amounts paid including under protest

8. According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.
9. (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.
- (c) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained.
- (d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long- term purposes as at the Balance Sheet date.
- (e) The Company does not have any subsidiaries, joint ventures or associates. Accordingly, the reporting under Clauses 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the Company.
10. (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.
11. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.



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- (b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.
12. According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures, specified under Section 133 of the Act.
14. (a) In our opinion and according to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the Internal Audit reports of the Company issued till date for the period under audit.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.
16. (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations given to us, we report that the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has no Core Investment Companies.
17. In our opinion and according to the information and explanations given to us, the Company has incurred cash losses of Rs. 14,548 Lakhs in the current financial year and Rs. 5,641 Lakhs in the immediately preceding financial year.





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18. There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that 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.
20. (a) According to the information and explanations given to us, in respect of other than ongoing projects, the Company has no unspent amount that needs to be transferred to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the Act.
- (b) According to the information and explanations given to us, there are no ongoing projects relating to corporate social responsibility. Accordingly, the reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.

For **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration No. 105102W





**Himanshu Goradia**  
Partner  
Membership No. 045668  
UDIN: 25045668BMOBWT2208  
Place: Pune  
Date: May 21, 2025

Performance Chemiserve Limited			
Balance Sheet as at 31 March 2025			
(All Amounts in ₹ Lakhs unless otherwise stated)			
	Notes	31 March 2025	31 March 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	3,59,486	3,65,087
Right of use assets	4	17,940	18,149
Capital work-in-progress	5	1,475	153
Intangible assets	6	165	189
Financial assets			
(i) Other financial assets	14	7,274	3,180
Deferred tax assets (net)	7	10,324	1,257
Income tax assets (net)		370	355
Other non-current assets	8	345	2,141
<b>Total non-current assets</b>		<b>3,97,379</b>	<b>3,90,511</b>
<b>Current assets</b>			
Inventories	9	3,045	2,115
Financial assets			
(i) Investments	10	2,168	7,225
(ii) Trade receivables	11	25,137	24,512
(iii) Cash and cash equivalents	12	5,393	1,262
(iv) Other bank balances	13	3,309	10,364
(v) Other financial assets	14	26,599	19,119
Other current assets	15	219	23,252
<b>Total current assets</b>		<b>65,870</b>	<b>87,849</b>
<b>Total assets</b>		<b>4,63,249</b>	<b>4,78,360</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	16	19	19
Other equity	17	1,83,359	1,71,928
<b>Total equity</b>		<b>1,83,378</b>	<b>1,71,947</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
(i) Borrowings	18	1,77,507	82,253
(ii) Inter-corporate deposit	19	66,258	97,375
(iii) Non convertible debentures	20	-	89,178
Provisions	21	175	144
<b>Total non-current liabilities</b>		<b>2,43,940</b>	<b>2,68,950</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	22	15,016	4,125
(ii) Trade payables	23		
(a) total outstanding dues of micro and small enterprises		331	324
(b) total outstanding dues of creditors other than micro and small enterprises		12,270	11,830
(iii) Other financial liabilities	24	6,790	20,715
Provisions	21	52	28
Other current liabilities	25	1,472	441
<b>Total current liabilities</b>		<b>35,931</b>	<b>37,463</b>
<b>Total liabilities</b>		<b>2,79,871</b>	<b>3,06,413</b>
<b>Total equity and liabilities</b>		<b>4,63,249</b>	<b>4,78,360</b>
The accompanying notes form an integral part of the financial statements. 1 - 45			
As per our report of even date attached		For and on behalf of the Board of Directors of Performance Chemiserve Limited	
<p>For B. K. Khare &amp; Co. Chartered Accountants Firm Registration No. 105102W</p> <p><i>Himanshu Goradia</i> Himanshu Goradia Partner Membership No. 045668</p> <p>Place: Pune Date: 21 May 2025</p>		<p><i>S. C. Mehta</i> S. C. Mehta Chairman DIN:00128204</p> <p><i>Pankaj Paliwal</i> Pankaj Paliwal Chief Financial Officer</p> <p><i>Madhumilan Shinde</i> Madhumilan Shinde Director DIN:06533004</p> <p><i>Pankaj Gupta</i> Pankaj Gupta Company Secretary Membership No: F-9219</p> <p>Place: Pune Date: 21 May 2025</p>	





**Performance Chemiserve Limited**  
**Statement of Profit and Loss for the year ended 31 March 2025**  
(All Amounts in ₹ Lakhs unless otherwise stated)

	Notes	31 March 2025	31 March 2024
Revenue from operations	26	2,17,381	1,25,080
Other income	27	1,146	924
<b>Total income</b>		<b>2,18,527</b>	<b>1,26,004</b>
<b>Expenses</b>			
Cost of materials consumed	28	1,95,235	1,09,847
Purchases of stock-in-trade	29	-	287
Changes in inventories of finished goods	30	775	(1,845)
Employee benefits expense	31	2,392	1,592
Finance costs	32	26,528	17,882
Depreciation and amortisation expenses	33	13,177	8,409
Other expenses	34	8,145	3,882
<b>Total expenses</b>		<b>2,46,252</b>	<b>1,40,054</b>
<b>(Loss)/Profit before tax</b>		<b>(27,725)</b>	<b>(14,050)</b>
Tax expense			
- Current tax		(3)	-
- Deferred tax		(6,974)	(3,537)
<b>Total tax expense</b>		<b>(6,977)</b>	<b>(3,537)</b>
<b>(Loss)/Profit for the year</b>		<b>(20,748)</b>	<b>(10,513)</b>
<b>Other comprehensive income (OCI)</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of defined benefit obligations		15	(33)
Income tax relating to these items		(4)	8
<i>Items that may be reclassified to profit or loss</i>			
Cash flow hedges		(8,332)	9,608
Income tax relating to these items		2,097	(2,418)
<b>Other comprehensive income for the year, net of tax</b>		<b>(6,224)</b>	<b>7,165</b>
<b>Total comprehensive (loss)/income for the year</b>		<b>(26,972)</b>	<b>(3,348)</b>
(Loss)/Earnings per Equity Share: Face value ₹ 10 each	42		
(i) Basic (in ₹)		(10,833.96)	(5,489.56)
(ii) Diluted (in ₹)		(10,833.96)	(5,489.56)

The accompanying notes form an integral part of the financial statements.

1 - 45

As per our report of even date attached

For and on behalf of the Board of Directors of  
Performance Chemiserve Limited

For B. K. Khare & Co.  
Chartered Accountants  
Firm Registration No. 105102W

S. C. Mehta  
Chairman  
DIN:00128204

Pankaj Paliwal  
Chief Financial Officer

Himanshu Goradia  
Partner  
Membership No. 045668



Madhumilan Shinde  
Director  
DIN:06533004

Pankaj Gupta  
Company Secretary  
Membership No: F-9219

Place: Pune  
Date: 21 May 2025

Place: Pune  
Date: 21 May 2025



Performance Chemiserve Limited		
Statement of Cash Flows for the year ended 31 March 2025		
(All Amounts in ₹ Lakhs unless otherwise stated)		
	31 March 2025	31 March 2024
<b>Cash flow from operating activities</b>		
(Loss)/Profit before tax	(27,725)	(14,050)
<b>Adjustments for -</b>		
Depreciation and amortisation expense	13,177	8,409
Net gain on sale of investments	(140)	(115)
Fair value gain on financial assets measured at fair value through profit or loss	(93)	(128)
Finance costs	26,528	17,882
Interest income	(912)	(681)
Unrealised foreign exchange differences	-	-
<b>Cash generated from operations before working capital changes</b>	<b>10,835</b>	<b>11,317</b>
Change in inventories	(930)	(2,115)
Change in trade receivables	(625)	(24,140)
Change in trade payables	447	12,131
Change in other financial liabilities	62	80
Change in other provisions	64	139
Change in other financial assets	(15,693)	(8,376)
Change in other non-current assets	263	(14)
Change in other current assets	23,033	18,287
Change in other current liabilities	1,031	210
<b>Cash generated from operations</b>	<b>18,487</b>	<b>7,519</b>
Income taxes paid	(11)	(319)
<b>Net cash from operating activities</b>	<b>18,476</b>	<b>7,200</b>
<b>Cash flow from investing activities</b>		
Purchases of property, plant and equipment, intangible assets and capital work-in-progress	(21,279)	(45,034)
(Purchases)/Sale of investments (net)	5,290	(6,103)
Fixed deposits (placed)/matured (net)	3,024	(8,558)
Interest received	708	768
<b>Net cash (used in) investing activities</b>	<b>(12,257)</b>	<b>(58,927)</b>
<b>Cash flow from financing activities</b>		
Proceeds from borrowings - non current	2,32,400	86,543
Repayment of borrowings - non current	(1,26,912)	(1,93,950)
Proceeds from inter-corporate deposit (net)	-	2,70,040
Repayment of inter-corporate deposit (net)	-	(1,84,337)
Proceeds/Repayments from/ of non convertible	(90,000)	88,560
Interest paid	(17,576)	(19,458)
<b>Net (used in) financing activities</b>	<b>(2,088)</b>	<b>47,398</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>4,131</b>	<b>(4,329)</b>
Cash and cash equivalents at the beginning of the year	1,262	5,591
<b>Cash and cash equivalents at the end of the year</b>	<b>5,393</b>	<b>1,262</b>
<b>Cash and cash equivalents comprise of the following</b>	<b>31 March 2025</b>	<b>31 March 2024</b>
Cash and cash equivalents (Including Bank Balances)	5,393	1,262
<b>Balances per statement of cash flows</b>	<b>5,393</b>	<b>1,262</b>
The accompanying notes form an integral part of the financial statements.		
Note: The above statement of cash flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows".		
As per our report of even date attached		For and on behalf of the Board of Directors of Performance Chemiserve Limited
For B. K. Khare & Co. Chartered Accountants Firm Registration No. 105102W	S. C. Mehta Chairman DIN:00128204	Pankaj Paliwal Chief Financial Officer
Himanshu Goradia Partner Membership No. 045668	Madhumilan Shinde Director DIN:06533004	Pankaj Gupta Company Secretary Membership No: F-9219
Place: Pune Date: 21 May 2025	Place: Pune Date: 21 May 2025	





**Performance Chemiserve Limited**
**Statement of Changes in Equity for the year ended 31 March 2025**

(All Amounts in ₹ Lakhs unless otherwise stated)

A. Equity Share Capital	31 March 2025	31 March 2024
Balance at the beginning of the year	19	19
Changes in Equity Share Capital due to prior period errors	-	-
<b>Restated balance at the beginning of the current reporting period</b>	<b>19</b>	<b>19</b>
Changes in equity share capital during year	-	-
<b>Balance at the end of the year</b>	<b>19</b>	<b>19</b>

**B. Other Equity**

	Reserves and surplus						Total
	Securities premium	Retained earnings	General reserve	Fair value of financial guarantee	Equity Component of DMSL ICD	Fair value through OCI	
<b>Balance as at 1 April 2022</b>	<b>1,34,359</b>	<b>3,793</b>	<b>147</b>	<b>3,609</b>	-	-	<b>1,41,908</b>
Profit for the year	-	621	-	-	-	-	621
Securities premium on share issue	29,999	-	-	-	-	-	29,999
Share issue costs	(2)	-	-	-	-	-	(2)
Fair value of financial guarantee*	-	-	-	660	-	-	660
<b>Balance as at 31 March 2023</b>	<b>1,64,356</b>	<b>4,414</b>	<b>147</b>	<b>4,269</b>	-	-	<b>1,73,186</b>
Loss for the year	-	(10,513)	-	-	-	-	(10,513)
Fair value of financial guarantee*	-	-	-	2,090	-	-	2,090
Other comprehensive income for the year	-	-	-	-	-	7,165	7,165
<b>Balance as at 31 March 2024</b>	<b>1,64,356</b>	<b>(6,099)</b>	<b>147</b>	<b>6,359</b>	-	<b>7,165</b>	<b>1,71,928</b>
Loss for the year	-	(20,748)	-	-	-	-	(20,748)
Fair value of financial guarantee*	-	-	-	1,168	-	-	1,168
Equity Component of DMSL ICD	-	-	-	-	37,235	-	37,235
Other comprehensive income for the year	-	-	-	-	-	(6,224)	(6,224)
<b>Balance as at 31 March 2025</b>	<b>1,64,356</b>	<b>(26,847)</b>	<b>147</b>	<b>7,527</b>	<b>37,235</b>	<b>941</b>	<b>1,83,359</b>

Notes: \*(1) Equity component of the guarantee issued by holding company and ultimate holding company accounted for on fair value basis.  
(2) Refer Note 17 for nature and purpose of other equity.

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors of  
Performance Chemiserve Limited

For B. K. Khare & Co.  
Chartered Accountants  
Firm Registration No. 105102W

S. C. Mehta  
Chairman  
DIN:00128204

Pankaj Paliwal  
Chief Financial Officer

Himanshu Goradia  
Partner  
Membership No. 045668

Madhumilsh Shinde  
Director  
DIN:06533004

Pankaj Gupta  
Company Secretary  
Membership No: F-9219

Place: Pune  
Date: 21 May 2025

Place: Pune  
Date: 21 May 2025



## PERFORMANCE CHEMISERVE LIMITED

CIN:- U24239PN2006PLC022101

### Notes to the financial Statements for the year ended 31 March 2025

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#### 1. CORPORATE INFORMATION

Performance Chemiserve Limited ("the Company") is engaged in the business of ammonia production and The installed production capacity of the new plant is 1500 TPD, and also in business of drumming of chemical and IPA. The company is having its registered office at Sai Hira, Survey No.93, Mundhwa, Pune 411036 and started its ammonia operations at E-31, E41, E41 A to F plant and drumming operations from August 2023 at its plant located at K – 6 Block, Talaja MIDC, Navi Mumbai – 410208. Accordingly, the previous year's figures to that extent are not comparable with the current year.

#### 2. MATERIAL ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### (a) Basis of Preparation:

###### i. Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements have been prepared on accrual and going concern basis.

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

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

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.





**PERFORMANCE CHEMISERVE LIMITED**

**CIN:- U24239PN2006PLC022101**

**Notes to the financial Statements for the year ended 31 March 2025**

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**Historical cost convention**

- a) The Financial Statements have been prepared on historical cost basis, except the following:
- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
  - Assets held for sale – measured at fair value less cost to sell; Defined benefit plans – plan assets measured at fair value; and
- b) The financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency and all values are rounded off to the nearest lakhs, except when otherwise indicated. Wherever, an amount is presented as INR '0' (zero) it construes value less than Rs 50,000.

**(b) Significant accounting estimates, assumptions and judgements.**

The preparation of the financial statements requires management to make estimates, assumptions and judgements that affect the reported balances of assets and liabilities and disclosures, and disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

**Taxes**

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provision in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

**Useful lives of property, plant and equipment ('PPE')**

The Management reviews the estimated useful lives and residual value of PPE at the end of each reporting period.

The factors such as changes in the expected level of usage, number of shifts of production, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.



**PERFORMANCE CHEMISERVE LIMITED****CIN:- U24239PN2006PLC022101****Notes to the financial Statements for the year ended 31 March 2025**

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Intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives.

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

**Litigations**

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the charge/ expense can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcomes and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions are made for the changes in facts and circumstances.

**Fair value measurement of financial instruments**

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

**Impairment of financial assets**

The Company assesses impairment based on the expected credit loss ("ECL") model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

**Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the assets recoverable amount. An assets recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and it is written down to its recoverable amount. In assessing value in use, the estimated future cashflows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken in account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded entities or other available fair value indicators.





**PERFORMANCE CHEMISERVE LIMITED****CIN:- U24239PN2006PLC022101****Notes to the financial Statements for the year ended 31 March 2025**

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**(c) Revenue recognition**

Ind AS 115 specifies a uniform, five-step model for revenue recognition, which is generally to be applied to all contracts with customers.

**Sale of goods:**

The Company recognises revenue from sale of goods based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. Depending on the terms of the contract, which differs from contract to contract, the goods are sold on a reasonable credit term. As per the terms of the contract, consideration that is variable, according to Ind AS 115, is estimated at contract inception and updated thereafter at each reporting date or until crystallisation of the amount.

**Sale of services:**

Sale of services are recognised on satisfaction of performance obligation towards rendering of such services.

**Interest and dividend income:**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable and dividend income from investments in shares is recognised when the owner's right to receive the payment is established.

**(d) Property, plant and equipment**

Items of property, plant and equipment including capital work-in-progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bring the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repairs and maintenance costs are recognized in the Statement of Profit and Loss, as incurred. In respect of additions to/ deletions from fixed assets, depreciation is provided on a pro-rata basis with reference to the month of addition/ deletion of the assets. Freehold land is carried at historical cost.

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed in Schedule II of the Companies Act, 2013. As per requirements of the Companies Act, 2013 the Company has also identified significant components of assets and their useful life and depreciation charge is based on an internal technical evaluation. Estimated useful life adopted in respect of the following assets is different from the useful life prescribed in Schedule II of the Companies Act, 2013. These estimated lives are based on technical assessment made by technical expert and management estimates. Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.



**PERFORMANCE CHEMISERVE LIMITED****CIN:- U24239PN2006PLC022101****Notes to the financial Statements for the year ended 31 March 2025**

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Name of assets	Estimated useful life (in years)
Computers – Servers and Networks	3 – 6
End User Devices such as desktops and laptops	3 – 6
Vehicles	4-8
Buildings	Various estimated life up to 60
Plant and equipment	Various estimated life up to 50

**(e) Intangible assets**

Intangible assets are initially recognized at cost. Following initial recognition, intangible assets with finite useful life are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in the statement of profit or loss in the period in which the expenditure is incurred.

The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Name of assets	Estimated useful life (in years)
Computers software	7-10

**(f) Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset, that necessarily takes a substantial period of time to get ready for its intended use, are capitalised as a part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Investment income earned on the temporary investment of specific borrowings is deducted from the borrowing costs eligible for capitalisation.

**(g) Foreign currency transactions and balances**

Transactions in foreign currency are recorded applying the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the end of the year, are translated at the closing rates prevailing on the balance sheet date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Exchange differences arising as a result of the above are recognized as income or expenses in the Statement of Profit and Loss. Exchange differences arising on the settlement of monetary items, at rates different from those at which they were initially recorded, during the year or reported in previous financial statements, are recognized as income or expenses in the year in which they arise. Foreign exchange difference on foreign currency borrowings, loans given, settlement gain/ loss and fair value gain/ loss on derivative contract relating to borrowings are accounted and disclosed under finance cost. Such exchange difference does not include foreign exchange difference regarded as an adjustment to the borrowing cost and capitalized with cost of fixed assets.





**PERFORMANCE CHEMISERVE LIMITED**

**CIN:- U24239PN2006PLC022101**

**Notes to the financial Statements for the year ended 31 March 2025**

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**(h) Financial instruments**

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

*Financial assets: Initial recognition and measurement*

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

*Subsequent measurement*

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

*Debt instruments at amortised cost*

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and b) contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

*Debt instrument at FVOCI*

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and b) The asset's contractual cash flows represent SPPI. Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

*Debt instrument at FVPL*

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, the Company may



## PERFORMANCE CHEMISERVE LIMITED

CIN:- U24239PN2006PLC022101

### Notes to the financial Statements for the year ended 31 March 2025

elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

#### *Equity investments-instruments*

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

#### *Impairment of financial assets*

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

#### *Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when;

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.





**PERFORMANCE CHEMISERVE LIMITED**

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**Notes to the financial Statements for the year ended 31 March 2025**

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*Financial liabilities*

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

*Borrowings*

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

*Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

*Derivative financial instruments*

The Company uses various types of derivative financial instruments to hedge its currency and interest risk etc. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

*Offsetting*

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

**(i) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.



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

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

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

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest on lease liability.

Lease contracts entered by the Company majorly pertain for land.

**(j) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursements.





**PERFORMANCE CHEMISERVE LIMITED****CIN:- U24239PN2006PLC022101****Notes to the financial Statements for the year ended 31 March 2025**

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If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

**(k) Employee benefit obligations****Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**Post-employment obligations**

The Company operates the following post-employment schemes:  
defined benefit plans such as gratuity, pension, post-employment medical plans; and defined contribution plans such as provident fund.

**Gratuity and retirement benefit obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity and retirement benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. They are included in retained earnings in the statement of changes in equity and in the balance sheet.



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**Notes to the financial Statements for the year ended 31 March 2025**

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Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost

**Provident Fund**

The eligible employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees 'salary (currently 12% of employees 'salary). The contributions as specified under the law are paid to the Regional Provident Fund Commissioner and the Central Provident Fund under the Pension scheme. The Company recognises such contributions as expense of the year in which the liability is incurred.

**(l) Derivative financial instruments**

The Company uses derivative financial instruments such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship which is designated.

Cash flow hedges that qualify for hedge accounting: The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in 'other comprehensive income' in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in equity are reclassified to the statement of profit and loss in the periods in which the hedged item affects the profit or loss (for example, when the interest expenditure is recorded).

Derivatives that are not designated as hedges: The Company enters into certain derivative contracts to hedge foreign exchange risks which are not designated as hedges for accounting purpose. Such derivative contracts are accounted for at each reporting date at fair value through the Statement of Profit and Loss.

**(m) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

**(n) Income taxes**

Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken





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in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets on deductible temporary differences, the carry forward of unused tax credits and any unused tax losses are recognized to the extent that there is reasonably certainty that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become reasonably certain that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset or liability is settled based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

**(o) Earnings per share**

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

**(p) Recent Pronouncements****Recent Accounting Pronouncements**

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



Performance Chemiserve Limited  
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Note 3: Property, Plant and Equipment

	Freehold Land	Buildings	Electrical Installation	Furniture and Fixtures	Office Equipment	Laboratory Equipment	Plant and Machinery	Computers	Vehicles	Total
Gross carrying amount as at 1 April 2023	2,311	21,836	173	406	5	-	96	1	-	2,413
Additions	489	-	-	-	113	321	3,47,220	282	158	3,70,998
Deletions	-	-	-	-	-	-	-	-	-	-
Gross carrying amount as at 31 March 2024	2,800	21,836	173	406	118	321	3,47,316	283	158	3,73,411
Gross carrying amount as at 1 April 2024	2,800	21,836	173	406	118	321	3,47,316	283	158	3,73,411
Additions	294	86	-	44	8	10	7,300	10	24	7,776
Deletions	-	(414)	(21)	-	-	-	-	-	-	(435)
Gross carrying amount as at 31 March 2025	3,094	21,508	152	450	126	331	3,54,616	293	182	3,80,752
Accumulated depreciation as at 1 April 2023	-	-	-	-	2	-	69	-	-	71
Depreciation charge during the year	-	312	3	19	5	20	7,842	38	13	8,252
Depreciation on deletions	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2024	-	312	3	19	7	20	7,911	38	13	8,323
Net carrying amount as at 31 March 2024	2,800	21,524	170	387	111	301	3,39,404	245	145	3,65,087
Accumulated depreciation as at 1 April 2024	-	312	3	19	7	20	7,911	38	13	8,323
Depreciation charge during the year	-	577	11	42	29	31	12,170	60	23	12,943
Depreciation on deletions	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2025	-	889	14	61	36	51	20,081	98	36	21,266
Net carrying amount as at 31 March 2025	3,094	20,619	138	389	90	280	3,34,536	195	146	3,59,486

Note 4: Right of Use Assets

Particulars	Leasehold land	Total
Balance as at 1 April 2023	18,358	18,358
Additions	-	-
Deletions	-	-
Amortisation*	(209)	(209)
Balance as at 31 March 2024	18,149	18,149
Balance as at 1 April 2024	18,149	18,149
Additions	-	-
Deletions	-	-
Amortisation*	(209)	(209)
Balance as at 31 March 2025	17,940	17,940

Note\*: Amortisation expense on right of use assets of ₹ NIL Lakhs (31 March 2024: ₹ 70 Lakhs) was included under Capital work-in-progress and subsequently capitalised.

Expenses on short term leases / low value assets

	March 31, 2025	March 31, 2024
Short term leases	438	247

Company as Lessor:

Not applicable





Performance Chemiserve Limited  
Notes to the financial statements for the year ended 31 March 2025  
(All Amounts in ₹ Lakhs unless otherwise stated)

**Note 5: Capital Work-in-Progress**

	31 March 2025	31 March 2024
Projects/ Others (Mainly consists of spares)	1,475	153
<b>Total carrying amount</b>	<b>1,475</b>	<b>153</b>

**(a) Ageing schedule of capital-work-in progress:**

CWIP	As on 31 March 2025				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<u>Projects/Others in progress</u>					
Others	1,328	20	-	128	1,475
<u>Projects temporarily suspended</u>	-	-	-	-	-
<b>Total</b>	<b>1,328</b>	<b>20</b>	<b>-</b>	<b>128</b>	<b>1,475</b>

CWIP	As on 31 March 2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<u>Projects in progress</u>					
Ammonia project	-	-	-	-	-
Others	11	10	4	128	153
<u>Projects temporarily suspended</u>	-	-	-	-	-
<b>Total</b>	<b>11</b>	<b>10</b>	<b>4</b>	<b>128</b>	<b>153</b>

**(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan:**

CWIP	As on 31 March 2025 to be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 year	
Ammonia project	-	-	-	-	-
Others	-	-	-	-	-

CWIP	As on 31 March 2024 to be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 year	
Ammonia project	-	-	-	-	-
Others	-	-	-	-	-

**Note 6: Intangible Assets**

	Computer Software	Total
Gross carrying amount as at 1 April 2023	39	39
Additions	191	191
Deletions	-	-
Gross carrying amount as at 31 March 2024	230	230
Accumulated depreciation as at 1 April 2023	23	23
Amortisation charge for the year	18	18
Accumulated depreciation as at 31 March 2024	41	41
Net carrying amount as at 31 March 2024	189	189
Gross carrying amount as at 1 April 2024	230	230
Additions	-	-
Deletions	-	-
Gross carrying amount as at 31 March 2025	230	230
Accumulated depreciation as at 1 April 2024	41	41
Amortisation charge for the year	24	24
Accumulated depreciation as at 31 March 2025	65	65
Net carrying amount as at 31 March 2025	165	165



Performance Chemiserve Limited  
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Note 7: Deferred Tax Assets (Net)

Movement during the year ended 31 March 2025:

	1 April 2024	Credit/(Charge) in the Statement of Profit and Loss	Credit/(Charge) in Other Comprehensive Income	31 March 2025
Property, plant and equipment	(11,480)	(8,659)	-	(20,139)
Financial assets at Fair Value through Profit or Loss/ FVOCI	(2,280)	(189)	2,097	(372)
Business losses (refer footnote)	15,009	15,826	-	30,835
Others	8	(4)	(4)	-
<b>Net deferred tax assets/(liabilities)</b>	<b>1,257</b>	<b>6,974</b>	<b>2,093</b>	<b>10,324</b>

Movement during the year ended 31 March 2024:

	1 April 2023	Credit/(Charge) in the Statement of Profit and Loss	Credit/(Charge) in Other Comprehensive Income	31 March 2024
Property, plant and equipment	(2)	(11,478)	-	(11,480)
Financial assets at Fair Value through Profit or Loss/ FVOCI	132	6	(2,418)	(2,280)
Business losses	-	15,009	-	15,009
Others	-	-	8	8
<b>Net deferred tax assets/(liabilities)</b>	<b>130</b>	<b>3,537</b>	<b>(2,410)</b>	<b>1,257</b>

**Footnote:** Deferred tax asset is recognised considering probability of sufficient taxable profit in future years.



A handwritten signature in blue ink, consisting of a stylized 'S' followed by a flourish.



Performance Chemiserve Limited  
Notes to the financial statements for the year ended 31 March 2025  
(All Amounts in ₹ Lakhs unless otherwise stated)

**Note 8: Other Non-Current Assets**

	31 March 2025	31 March 2024
Capital advances	341	1,874
Prepaid expenses	4	267
<b>Total</b>	<b>345</b>	<b>2,141</b>

**Note 9: Inventories**

	31 March 2025	31 March 2024
Finished goods	1,070	1,845
Raw Material (Natural Gas)	277	-
Stores and consumables	1,698	270
<b>Total</b>	<b>3,045</b>	<b>2,115</b>

**Note 10: Current Investments**

	31 March 2025	31 March 2024
<b>Quoted</b>		
Investment in mutual funds (carried at fair value through profit and loss)	2,168	7,225
<b>Total</b>	<b>2,168</b>	<b>7,225</b>
Aggregate carrying value of quoted investments	2,168	7,225

**Note 11: Trade Receivables**

	31 March 2025	31 March 2024
Considered good - Secured	-	-
Considered good - Unsecured	25,137	24,512
Receivables which have significant increase in credit risk	-	-
Credit Impaired	-	-
<b>Total</b>	<b>25,137</b>	<b>24,512</b>

**Trade Receivables ageing schedule**

Particulars	Outstanding for following periods from due date of payment as on 31st March 2025						Total
	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	13,565	11,420	19	133	-	-	25,137
(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	-	-	-	-	-	-	-
<b>Total</b>	<b>13,565</b>	<b>11,420</b>	<b>19</b>	<b>133</b>	<b>-</b>	<b>-</b>	<b>25,137</b>

Particulars	Outstanding for following periods from due date of payment as on 31st March 2024						Total
	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	23,832	34	344	302	-	-	24,512
(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	-	-	-	-	-	-	-
<b>Total</b>	<b>23,832</b>	<b>34</b>	<b>344</b>	<b>302</b>	<b>-</b>	<b>-</b>	<b>24,512</b>



Performance Chemiserve Limited  
Notes to the financial statements for the year ended 31 March 2025  
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**Note 12: Cash and Cash Equivalents**

	31 March 2025	31 March 2024
Balances with banks		
- in current accounts	748	1,262
- in deposits with original maturity up to three months	4,645	-
<b>Total</b>	<b>5,393</b>	<b>1,262</b>

**Note 13: Other Bank Balances**

	31 March 2025	31 March 2024
Deposits with banks with maturity more than three months and up to twelve months	3,309	10,364
<b>Total</b>	<b>3,309</b>	<b>10,364</b>

**Note 14: Other Financial Assets**

	31 March 2025		31 March 2024	
	Current	Non-Current	Current	Non-Current
<b>(i) Derivatives</b>				
Foreign currency forward contracts*	1,252	-	9,600	-
<b>(ii) Others</b>				
Interest receivable	204	-	-	-
Ammonia incentive receivable	24,591	-	8,898	-
Deposits with banks with maturity more than twelve months	-	5,760	-	1,729
Security deposit	1	344	1	344
Financial guarantee asset	551	1,170	620	1,107
<b>Total</b>	<b>26,599</b>	<b>7,274</b>	<b>19,119</b>	<b>3,180</b>

\*Consists of Rs. 1,277 Lakhs commodity hedge contract with group company and Rs. (25) Lakhs forward contract. (Rs. 9608 commodity hedge contract with group company and Rs.(8) lakhs forward contract)

**Note 15: Other Current Assets**

	31 March 2025	31 March 2024
Advances to suppliers	218	94
Advance to employees	1	1
Balances with government authorities	-	23,157
<b>Total</b>	<b>219</b>	<b>23,252</b>





Performance Chemiserve Limited  
Notes to the financial statements for the year ended 31 March 2025  
(All Amounts in ₹ Lakhs unless otherwise stated)

Note 16: Share Capital

	31 March 2025	31 March 2024
<b>Authorised</b>		
5,00,000 equity shares of ₹ 10 each	50	50
(31 March 2024: 5,00,000 equity shares of ₹ 10 each)	50	50
<b>Issued, subscribed and fully paid-up share capital</b>		
191,509 equity shares of ₹ 10 each	19	19
(31 March 2024: 191,509 equity shares of ₹ 10 each)	19	19
<b>Total</b>	<b>19</b>	<b>19</b>

(i) Reconciliation of the number of Equity Shares

	31 March 2025		31 March 2024	
Equity Shares	No. of Shares	Amount	No. of Shares	Amount
Balance as at the beginning of the year	1,91,509	19	1,91,509	19
Add: Issued during the year	-	-	-	-
<b>Balance as at the end of the year</b>	<b>1,91,509</b>	<b>19</b>	<b>1,91,509</b>	<b>19</b>

Terms and rights attached to equity shares

The Company has only one class of Equity Shares having par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per Share.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion to their shareholding.

(ii) Details of shareholders holding more than 5% shares in the company

	31 March 2025		31 March 2024	
	Number of shares	% Holding	Number of shares	% Holding
Deepak Mining Solutions Limited	1,91,509	100.00%	-	-
Mahadhan AgriTech Limited	-	-	1,91,509	100.00%

(ii) Disclosure of Shareholding of Promoters

Shares held by promoters at the end of the year - 31 March 2025			% of Change during the year
Promoter Name	Number of Shares	% of Total Shares	
Class of Shares : Equity Shares of ₹ 10 each			
(1) Deepak Mining Solutions Limited*	1,91,509	100.00%	100.00%

Shares held by promoters at the end of the year - 31 March 2024			% of Change during the year
Promoter Name	Number of Shares	% of Total Shares	
Class of Shares : Equity Shares of ₹ 10 each			
(1) Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)	1,91,509	100.00%	5.60%

\*The Composite Scheme between Mahadhan AgriTech Limited (Formerly known as Smartchem Technologies Limited) ("Demerged Company" or "Transferee Company" or "MAL"), Deepak Mining Solutions Limited (Formerly known as Deepak Mining Solutions Private Limited) ("Resulting Company" or "DMSL") and Mahadhan Farm Technologies Private Limited ("Transferor Company" or "MFTPL") and their respective shareholders ("Scheme") approved by the Mumbai Bench of the Hon'ble National Company Law Tribunal (NCLT) on 28 June 2024 and was made effective from 1 August 2024. The Appointed date of Scheme was 1 January 2022. Consequently, the Technical Ammonium Nitrate business including all movable and immovables assets, liabilities, licenses, registrations, contracts, legal proceedings, tax credits and employees, workers were transferred assigned and novated to DMSL as a going concern basis on appointed date. The appropriate effects of demerger from the appointed date have been accounted for in the respective period. As a result of the scheme, investment held by MAL in Performance Chemiserve Limited has been transferred to DMSL.



Performance Chemiserve Limited  
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**Note 17: Other Equity**  
**Nature and purpose of other equity**

- (a) **Securities premium:** The amount received in excess of face value of the equity shares is recognised in securities premium.
- (b) **General reserve:** This represents appropriation of profits by the Company and is available for distribution of dividend.
- (c) **Fair value of financial guarantee:** The Holding Company has provided the guarantee for the funds raised by the Company for which guarantee commission is neither planned nor likely to be settled in near future and accordingly, fair value of the guarantee commission is recorded as a component of equity.
- (d) **Retained earnings:** Retained earnings are the profits/(losses) that the Company has earned/(incurred) till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- (e) **Other Comprehensive Income (OCI):** This represents equity instruments carried at fair value through OCI, foreign currency exchange differences, hedge income and remeasurement of employee benefits (Gratuity and Post retirement benefits).





Performance Chemiserve Limited  
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Note 18: Non-Current Borrowings

	Maturity date	Terms of repayment	Interest rate	31 March 2025	31 March 2024
<b>Term loans</b>					
<b>Secured - at amortised cost</b>					
Canara Bank	24 September 2032	Repayable in 32 quarterly installments starting from December 2024	9.05% to 9.35% per annum	67,054	46,627
State Bank of India	30 September 2032	Repayable in 32 quarterly installments starting from December 2024	8.52% to 9.20% per annum	76,813	39,751
Bank of India	30 September 2032	Repayable in 32 quarterly installments starting from December 2024	8.45% to 9.10% per annum	48,656	-
<b>Total</b>				<b>1,92,523</b>	<b>86,378</b>
<b>Less: Current maturities of long-term debt (Refer Note 22)</b>				<b>15,016</b>	<b>4,125</b>
<b>Non-current borrowings</b>				<b>1,77,507</b>	<b>82,253</b>

The term loan from Canara Bank (Loan 1) has been availed against security of Ammonia Plant situated at plot no E31, E41, E41 A to E41F Taloja, Maharashtra. The said term loan is secured by first pari passu charge (both present and future) on movable assets and immovable assets in relation to the Ammonia plant situated at plot no E31, E41, E41 A to E41F Taloja and by way of pari passu charge on current assets of the Ammonia plant with other working capital lenders. Primary security available for term loan shall be available as collateral security for Working Capital limits and vice versa. Further the term loan is also secured by way of 30 % pari passu pledge of shares of the company held by Deepak Mining Solutions Limited in favour of security trustee for the benefit of the Canara Bank & 21% Non disposal undertaking and by way of Corporate guarantee of Deepak Mining Solutions Limited for the minimum period of 3 years from August 2023 or till the time company achieves a minimum DSCR of 1.25x for continuous two financial years, whichever is later.

The term loans from State Bank India (Loan 2) has been availed against security of Ammonia Plant situated at plot no E31, E41, E41 A to E41F Taloja, Maharashtra. The said term loans are secured by first pari passu charge (both present and future) on movable assets and immovable assets in relation to the Ammonia plant situated at plot no E31, E41, E41 A to E41F Taloja and by way of pari passu charge on current assets of the Ammonia plant with other working capital lenders. Further the term loan is also secured by way of 51 % pari passu pledge of shares of the company held by Deepak Mining Solutions Limited in favour of security trustee for the benefit of the State Bank of India and by way of Corporate guarantee of Deepak Mining Solutions Limited.

The term loans from Bank of India (Loan 3) has been availed against security of Ammonia Plant situated at plot no E31, E41, E41 A to E41F Taloja, Maharashtra. The said term loan is secured by first pari passu charge (both present and future) on movable assets and immovable assets in relation to the Ammonia plant situated at plot no E31, E41, E41 A to E41F Taloja. Further the term loan is also secured by way of 51% pari passu pledge of shares of the company held by Deepak Mining Solutions Limited in favour of security trustee for the benefit of the Bank of India and by way of Corporate guarantee of Deepak Mining Solutions Limited for the minimum period of 3 years from August 2023 or till the time company achieves a minimum DSCR of 1.25x for continuous two financial years, whichever is later.



Performance Chemiserve Limited  
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**Note 19: Inter Corporate Deposit**

	31 March 2025	31 March 2024
Inter Corporate Deposit from Deepak Mining Solutions Limited, the Holding Company	66,258	97,375
<b>Total</b>	<b>66,258</b>	<b>97,375</b>

\* Including accrued interest of ₹ 14,790 Lakhs (31 March 2024: ₹ 8,673 Lakhs).

Interest corporate deposit rate was at 8.85 % upto 31st July 2024. From 1st Aug DMSL will have an option to convert the ICD into Equity Shares of the Company within a period of 2 years at the predetermined conversion price of Rs. 1,65,099.90 per share, which is based on the valuation report and hence, the ICD rate of interest reduced from 8.85% to 4%.

<b>Note 20: Non-convertible Debentures</b>	31 March 2025	31 March 2024
Secured and Quoted		
Non-convertible Debentures (@ 9.75% p.a.)	-	89,178
<b>Total</b>	<b>-</b>	<b>89,178</b>

Description of NCDs	Number of NCDs	Rs. in Lakhs	Redemption
Listed Rated Secured Redeemable Non-Convertible Debentures (Face Value ₹ 1 Lakh each)	90,000	90,000	Fully Redeemed NCDs on 6th December 2024

**Note 21: Provisions**

	31 March 2025		31 March 2024	
	Current	Non-Current	Current	Non-Current
<b>Provision for employee benefits</b>				
Gratuity	15	135	12	103
Compensated absences	8	36	5	26
Defined pension benefits	29	4	11	15
<b>Total</b>	<b>52</b>	<b>175</b>	<b>28</b>	<b>144</b>

**(A) Defined Contribution Plans**

The Company has defined contribution plans such as provident fund, employee state insurance, employee pension scheme and employee superannuation fund wherein specified percentage is contributed to them. During the year, the Company has contributed following amounts to:

Particulars	31 March 2025	31 March 2024
Employer's contribution to provident fund	63	40
Employer's contribution to employees' pension scheme	29	17
Employer's contribution to superannuation fund	49	28
<b>Total</b>	<b>141</b>	<b>85</b>

**(B) Defined Benefit Plans**

**(i) Gratuity**

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed is 6.70% p.a. (31 March 2024: 7.20% p.a.) which is determined by reference to market yield of Government bonds at the Balance Sheet date. The retirement age has been considered at 60 years (31 March 2024: 60 years) and mortality table is as per IALM (2012-14) (31 March 2024: IALM (2012-14)).

The estimates of future salary increases considered in actuarial valuation is 9% p.a. (31 March 2024: 8% p.a.), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**Reconciliation of opening and closing balances of the present value of the defined benefit obligation:**

Particulars	31 March 2025	31 March 2024
Present value of obligation at the beginning of the year	115	-
Current service cost	38	-
Transfer In/(Out)	(1)	82
Interest cost	8	6
Actuarial loss/(gain)	(4)	33
Benefits paid	(6)	(6)
<b>Present value of obligation at the end of the year</b>	<b>150</b>	<b>115</b>

**Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:**

Particulars	31 March 2025	31 March 2024
Present value of obligation at the end of the year	150	115
Fair value of plan assets at the end of the year	-	-
<b>Net (asset)/liabilities recognised in the Balance Sheet</b>	<b>150</b>	<b>115</b>





**Fair value of plan assets:**

Particulars	31 March 2025	31 March 2024
Plan assets at the beginning of the year	-	-
Interest Income	-	-
Expected return on plan assets	-	-
Contribution by employer	-	-
Actual benefits paid	-	-
Actuarial gain/(loss)	-	-
Plan assets at the end of the year	-	-

**Expense recognised in the Statement of Profit and Loss under employee benefits expense:**

Particulars	31 March 2025	31 March 2024
Current service cost	38	-
Interest cost	8	6
Transfer In/(Out)	(1)	82
Expense recognised in the Statement of Profit and Loss	44	88

**Amount recognised in other comprehensive income:**

Particulars	31 March 2025	31 March 2024
Remeasurements Cost/(Credit)	33	-
Actuarial (gain)/loss	(4)	33
Amount recognised in the Other Comprehensive Income	30	33

**Sensitivity analysis :**

Particulars	31 March 2025		31 March 2024	
	Discount rate		Discount rate	
Assumptions	1.00% increase	1.00% (decrease)	1.00% increase	1.00% (decrease)
Sensitivity level	(9.73)	11.01	(7.24)	8.15
Impact on defined benefit (decrease)/increase				

Particulars	31 March 2025		31 March 2024	
	Salary increment rate		Salary increment rate	
Assumptions	1.00% increase	1.00% (decrease)	1.00% increase	1.00% (decrease)
Sensitivity level	9.20	(8.32)	6.87	(6.24)
Impact on defined benefit (decrease)/increase				

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumptions while holding all other assumptions constant.

**(ii) Defined pension benefits**

The Company has a Post Retirement Benefit plan, which is a defined benefit retirement plan, according to which executives superannuating from the service after ten years of service are eligible for certain benefits like medical, fuel expenses, telephone reimbursement, club membership, etc. for specified number of years. The liability is provided for on the basis of an independent actuarial valuation.

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of post retirement benefits. The discount rate assumed is 6.70% p.a (31 March 2024: 7.20% p.a.) which is determined by reference to market yield of Government bonds at the Balance Sheet date. The retirement age has been considered at 60 years and mortality table is as per IALM (2012-14) (31 March 2024: IALM (2012-14)).

**Reconciliation of opening and closing balances of the present value of the defined benefit obligation:**

Particulars	31 March 2025	31 March 2024
Present value of obligation at the beginning of the year	26	-
Current service cost	13	26
Past service cost	-	-
Interest cost	2	-
Actuarial (gain)/loss	(9)	-
Benefits paid	-	-
Present value of obligation at the end of the year	33	26

**Expense recognised in the Statement of Profit and Loss under employee benefits expense:**

Particulars	31 March 2025	31 March 2024
Current service cost	13	26
Past service cost	-	-
Interest cost	2	-
Expense recognised in the Statement of Profit and Loss	15	26

**Amount recognised in the other comprehensive income:**

Particulars	31 March 2025	31 March 2024
Remeasurements Cost / (Credit)	-	-
Actuarial (gain)/loss on plan assets	(9)	-
Amount recognised in the Other Comprehensive Income	(9)	-

**Sensitivity analysis :**

Particulars	31 March 2025		31 March 2024	
	Discount rate		Discount rate	
Assumptions	1.00% increase	1.00% (decrease)	1.00% increase	1.00% (decrease)
Sensitivity level	9.20	13.66	7.28	10.78
Impact on defined benefit (decrease)/increase				

Particulars	31 March 2025		31 March 2024	
	Salary increment rate		Salary increment rate	
Assumptions	1.00% increase	1.00% (decrease)	1.00% increase	1.00% (decrease)
Sensitivity level	23.66	(12.93)	4.70	3.41
Impact on defined benefit (decrease)/increase				



**Note 22: Current borrowings**

	31 March 2025	31 March 2024
<b>Secured</b>		
Current maturities of non-current borrowings (refer Note 18)	15,016	4,125
<b>Total current borrowings</b>	<b>15,016</b>	<b>4,125</b>

**Note 23: Trade Payables**

	31 March 2025	31 March 2024
Trade Payables		
(a) Dues to micro and small enterprises	331	324
(b) Dues to others	12,270	11,830
<b>Total</b>	<b>12,601</b>	<b>12,154</b>

**Dues to Micro and Small Enterprises - Disclosures under Micro, Small and Medium Enterprises Development Act, 2006**

	31 March 2025	31 March 2024
Principal amount due at the year end	308	324
Interest provided but not paid at the year end on above	23	-
Interest due on principal amount already paid	-	-
Delayed principal amount paid during the year	-	-
Interest paid on delayed principal payment	-	-

**Trade Payables aging schedule**

Particulars	As on 31 March 2025 - Outstanding for following periods from due date of payment				
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	155	157	11	2	6
(ii) Others	1,559	10,052	659	-	-
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-
<b>Total</b>	<b>1,714</b>	<b>10,210</b>	<b>670</b>	<b>2</b>	<b>6</b>

Particulars	As on 31 March 2024 - Outstanding for following periods from due date of payment				
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	60	256	2	6	-
(ii) Others	-	10,946	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
(v) Unbilled dues	884	-	-	-	-
<b>Total</b>	<b>944</b>	<b>11,202</b>	<b>2</b>	<b>6</b>	<b>-</b>

**Note 24: Other Financial Liabilities**

	31 March 2025	31 March 2024
Interest accrued	874	712
Security deposits	14	13
Capital creditors	5,682	19,831
Employee benefits payable	220	159
<b>Total</b>	<b>6,790</b>	<b>20,715</b>

**Note 25: Other Current Liabilities**

	31 March 2025	31 March 2024
Statutory dues payable	1,193	413
Advance from customers	273	27
Other payables	6	1
<b>Total</b>	<b>1,472</b>	<b>441</b>





Performance Chemiserve Limited  
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**Note 26: Revenue from Operations**

	31 March 2025	31 March 2024
Sale of products		
- Finished goods	2,00,455	1,15,317
- Traded goods	4	293
Income from operations - Drumming services	611	565
Other Operating Revenue		
- Incentive income*	16,299	8,898
Income from		
- Scrap sale	12	7
<b>Total</b>	<b>2,17,381</b>	<b>1,25,080</b>

\*Under incentive to industries scheme - Package Scheme of Incentives (PSI)-2013 of State of Maharashtra.

**Note 27: Other Income**

	31 March 2025	31 March 2024
Interest income	912	681
Fair value gain on financial assets measured at fair value through profit or loss	93	128
Net gain on sale of investments	140	115
<b>Total</b>	<b>1,146</b>	<b>924</b>



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**Note 28: Cost of Materials Consumed**

	31 March 2025	31 March 2024
Raw materials at the beginning of the year	-	-
Add: Purchases	1,95,512	1,09,847
Less: Raw materials at the end of the year	277	-
<b>Total cost of materials consumed</b>	<b>1,95,235</b>	<b>1,09,847</b>

**Note 29: Purchases of Stock-in-Trade**

	31 March 2025	31 March 2024
Purchases of stock-in-trade	-	287
<b>Total</b>	<b>-</b>	<b>287</b>

**Note 30: Changes in inventories of finished goods**

	31 March 2025	31 March 2024
<b>Opening balance</b>		
Finished goods	1,845	-
Traded goods	-	-
<b>Total opening balance</b>	<b>1,845</b>	<b>-</b>
<b>Closing balance</b>		
Finished goods	1,070	1,845
<b>Total closing balance</b>	<b>1,070</b>	<b>1,845</b>
<b>Total changes in inventories of work-in-progress, stock-in-trade and finished goods</b>	<b>775</b>	<b>(1,845)</b>

**Note 31: Employee Benefits Expense**

	31 March 2025	31 March 2024
Salaries, wages and bonus	2,040	1,297
Contribution to provident fund and other funds (Refer Note 21)	141	85
Gratuity (Refer Note 21)	44	88
Compensated absences	21	37
Post-employment pension benefits (Refer Note 21)	15	26
Staff welfare expenses	131	59
<b>Total</b>	<b>2,392</b>	<b>1,592</b>

**Note 32: Finance Costs**

	31 March 2025	31 March 2024
Interest and finance charges on financial liabilities not at fair value through profit or loss	26,313	29,057
Other borrowing costs	191	407
Interest - others	24	1
	26,528	29,465
Less: Amount capitalised	-	11,583
<b>Finance costs expensed in Statement of Profit and Loss</b>	<b>26,528</b>	<b>17,882</b>

**Note 33: Depreciation and Amortisation Expense**

	31 March 2025	31 March 2024
Depreciation on property, plant and equipment	12,944	8,252
Amortisation of right of use assets*	209	139
Amortisation on intangible assets	24	18
<b>Total</b>	<b>13,177</b>	<b>8,409</b>

Note\*: Amortisation expense on right of use assets of ₹ Nil (31 March 2024: ₹ 70 Lakhs) was included under Capital work-in-progress and subsequently capitalised.





**Note 34: Other Expenses**

	31 March 2025	31 March 2024
Power, fuel and water	2,012	1,318
Stores, spares, oils, chemicals and catalysts consumed	1,292	528
Material handling charges	28	24
Repairs to:		
- Plant and machinery	1,631	709
- Others	529	64
Insurance	328	404
Rent	438	247
Rates, taxes and duties	24	47
Directors' fees	13	25
Carriage outward (net)	152	4
Warehouse and handling charges	11	-
Foreign exchange fluctuations (net)	985	170
Legal and professional fees	359	153
Travelling and conveyance	7	7
Utility services	214	115
Communication expenses	5	4
Expenditure towards corporate social responsibility [Refer Note 34(a) below]	-	7
Payments to auditors [Refer Note 34(b) below]	18	18
Miscellaneous expenses	99	38
<b>Total</b>	<b>8,145</b>	<b>3,882</b>

**Note 34(a): Expenditure towards corporate social responsibility**

	31 March 2025	31 March 2024
Ishanya Foundation	-	7
<b>Total</b>	<b>-</b>	<b>7</b>
Amount required to be spent as per Section 135 of the Act	-	7
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	-	7
(iii) shortfall at the end of the year	-	-
(iv) total of previous years shortfall	-	-
(v) reason for shortfall	-	Not Applicable
(vi) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	Ishanya Foundation
(vii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	Not Applicable

**Note 34(b): Details of payments to auditors**

	31 March 2025	31 March 2024
<b>As auditor:</b>		
Audit fees	8	8
Tax audit fees	2	2
Limited review fees	7	7
<b>In other capacities</b>		
Taxation matters	-	-
Certification fees	1	-
Re-imbursement of expenses	0	1
<b>Total</b>	<b>18</b>	<b>18</b>



**Performance Chemiserve Limited**  
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**Note 35: Fair Value Measurements**  
**Financial Instruments by Category**

	31 March 2025			31 March 2024		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
<b>Financial assets</b>						
Investments						
- Mutual funds	2,168	-	-	7,225	-	-
Trade receivables	-	-	25,137	-	-	24,512
Cash and cash equivalents	-	-	5,393	-	-	1,262
Other bank balances	-	-	3,309	-	-	10,364
Interest receivable	-	-	204	-	-	-
Ammonia incentive receivable	-	-	24,591	-	-	8,898
Foreign exchange forward contracts/options	-	1,252	-	-	9,600	-
Security deposits	-	-	345	-	-	345
Other financial assets	-	-	7,481	-	-	3,456
<b>Total financial assets</b>	<b>2,168</b>	<b>1,252</b>	<b>66,460</b>	<b>7,225</b>	<b>9,600</b>	<b>48,837</b>
<b>Financial liabilities</b>						
Borrowings	-	-	1,92,523	-	-	86,378
Inter-corporate deposit	-	-	66,258	-	-	97,375
Non convertible debentures	-	-	-	-	-	89,178
Trade payables	-	-	12,601	-	-	12,154
Other financial liabilities	-	-	-	-	-	-
- Capital creditors	-	-	5,682	-	-	19,831
- Interest accrued	-	-	874	-	-	712
- Security deposits	-	-	14	-	-	13
- Employee benefits payable	-	-	220	-	-	159
- Foreign exchange forward contracts/options	-	-	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>2,78,172</b>	<b>-</b>	<b>-</b>	<b>3,05,800</b>

**(i) Fair Value Hierarchy**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities that are measured at fair value or where fair value disclosure is required:

	31 March 2025				31 March 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets and liabilities measured at fair value</b>								
<b>Financial Investments at FVPL/FVTOCI</b>								
Mutual funds - Growth plan/Liquid fund	2,168	-	-	2,168	7,225	-	-	7,225
<b>Derivatives not designated as hedges</b>								
Foreign exchange forward contracts/options	-	1,252	-	1,252	-	9,600	-	9,600
<b>Total financial assets</b>	<b>2,168</b>	<b>1,252</b>	<b>-</b>	<b>3,420</b>	<b>7,225</b>	<b>9,600</b>	<b>-</b>	<b>16,825</b>
<b>Financial liabilities</b>								
Foreign exchange forward contracts/options	-	-	-	-	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**(ii) Valuation process to determine fair value**

The following methods and assumptions were used to estimate the fair values of financial instruments:

(a) The carrying amounts of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

(b) The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. The fair value of derivative financial instruments is based on observable market inputs including currency spot and forward rate, yield curves, currency volatility, interest rate curves and use of appropriate valuation models.





**Performance Chemiserve Limited**  
**Notes to the financial statements for the year ended 31 March 2025**  
(All Amounts in ₹ Lakhs unless otherwise stated)

**Note 36: Financial Risk Management**

**Risk Management Framework**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company, through three layers of defence namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit Committee of the Board with top management oversee the formulation and implementation of the risk management policies. The risks are identified at business unit level and mitigation plans are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

**(i) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments.

The carrying amount of financial assets represents the maximum credit risk exposure.

**Trade receivables and other financial assets**

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

**Expected credit loss for trade receivables:**

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. The expected credit loss as at 31 March 2025 is - Nil (31 March 2024: Nil).

**Expected credit loss on financial assets other than trade receivables:**

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and hence the risk of default is negligible and accordingly, no provision for excepted credit loss has been made on these financial assets.



A handwritten signature in blue ink, appearing to be "S.S." or similar, enclosed within a circular scribble.

**Performance Chemiserve Limited**

**Notes to the financial statements for the year ended 31 March 2025**

(All Amounts in ₹ Lakhs unless otherwise stated)

**(ii) Liquidity risk**

Liquidity risk is the risk that the company will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily by treasury. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

31 March 2025	Carrying Amount	Payable within 1 year	Between 1 and 5 years	More than 5 years	Total
<b>Non-derivatives financial liabilities</b>					
Borrowings	1,92,523	15,016	95,064	82,443	1,92,523
Inter-corporate deposit	66,258	-	-	66,258	66,258
Trade payables	12,601	12,601	-	-	12,601
Interest accrued	874	874	-	-	874
Security deposits	14	14	-	-	14
Other financial liabilities	5,491	5,491	-	-	5,491
<b>Total non-derivative liabilities</b>	<b>2,77,761</b>	<b>33,996</b>	<b>95,064</b>	<b>1,48,701</b>	<b>2,77,761</b>
<b>Derivatives financial liabilities</b>					
Other financial liabilities	411	411	-	-	411
<b>Total derivative liabilities</b>	<b>411</b>	<b>411</b>	<b>-</b>	<b>-</b>	<b>411</b>

31 March 2024	Carrying Amount	Payable within 1 year	Between 1 and 5 years	More than 5 years	Total
<b>Non-derivatives</b>					
Borrowings	86,378	4,125	46,782	35,471	86,378
Inter-corporate deposit	97,375	-	-	97,375	97,375
Non convertible debentures	89,178	-	89,178	-	89,178
Trade payables	12,154	12,154	-	-	12,154
Interest accrued	712	712	-	-	712
Security deposits	13	13	-	-	13
Other financial liabilities	15,598	15,598	-	-	15,598
<b>Total non-derivative liabilities</b>	<b>3,01,408</b>	<b>32,602</b>	<b>46,782</b>	<b>1,32,846</b>	<b>3,01,408</b>
<b>Derivatives financial liabilities</b>					
Other financial liabilities	4,392	4,392	-	-	4,392
<b>Total derivative liabilities</b>	<b>4,392</b>	<b>4,392</b>	<b>-</b>	<b>-</b>	<b>4,392</b>





(iii) Market risk

Market risk is risk of changes in the market such as foreign exchange rates, interest rates that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company. The currency in which the Company is exposed to risk is USD.

The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, by entering into forward contracts.

Exposure to currency risk

(a) The Company's exposure to foreign currency risk at the end of the reporting period is presented in Note 40.

(b) The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and forward contracts.

Foreign currency balances outstanding

	USD in lakhs	USD in lakhs
	31-03-2025	31-03-2024
Liabilities		
Creditors	1	48
Net Payable as on 31 March 2023	1	-
Net Payable as on 31 March 2022	-	48

	Impact on profit after tax	Impact on profit after tax
	31 March 2025	31 March 2024
USD sensitivity		
R/USD -appreciated by 1%	1	44
R/USD -depreciated by 1%	(1)	(44)



**Performance Chemiserve Limited**

**Notes to the financial statements for the year ended 31 March 2025**

(All Amounts in ₹ Lakhs unless otherwise stated)

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate.

**Exposure to interest rate risk**

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows. The following table provides a break-up of the company's fixed and floating rate borrowings:

	31 March 2025	31 March 2024
Variable rate	2,58,781	1,83,753
Fixed rate borrowings	-	89,178
<b>Total borrowings</b>	<b>2,58,781</b>	<b>2,72,931</b>

**Sensitivity**

The sensitivity analysis below has been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Company's loss for the year ended 31 March 2025 would decrease / increase by Rs. 1,294 lakhs (for the year ended 31 March 2024: capital work-in-progress would decrease / increase by Rs. 919 lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

**Note 37: Capital Management**

**Risk Management**

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for its shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents and other bank balances) and divided by Total 'equity' (as shown in the Balance Sheet).

The gearing ratios were as follows:

	31 March 2025	31 March 2024
Net debt (net of cash and cash equivalents)	2,50,079	2,61,305
Total equity	1,83,378	1,71,947
<b>Net debt to equity ratio</b>	<b>1.36</b>	<b>1.52</b>





Performance Chemiserve Limited  
Notes to the financial statements for the year ended 31 March 2025

**Note: 38(a) Names of the Related Parties and Relationships**

**NAMES OF THE RELATED PARTIES AND RELATIONSHIPS**

**A Holding Company**

Deepak Mining Solutions Limited

**B Ultimate Holding Company**

Deepak Fertilisers and Petrochemicals Corporation Limited

**C Fellow Subsidiaries**

- 1 Mahadhan AgriTech Limited (MAL)
- 2 SCM Fertichem Limited
- 3 Ishanya Brand Services Limited
- 4 Deepak Nitrochem Pty Limited
- 5 Ishanya Realty Corporation Limited
- 6 Platinum Blasting Services Pty Limited [PBS]
- 7 Platinum Blasting Services (Logistics) Pty Limited (Formerly Australian Mining Explosives Pty Limited (Subsidiary of PBS))

**D Jointly Controlled Entity of Ultimate Holding Company**

- 1 Yarrowda Investments Limited

**E Key management personnel**

**(a) Non-executive Directors**

- 1 Mr. Sailesh Chimanlal Mehta
- 2 Mrs. Parul Sailesh Mehta
- 3 Mr. Madhumilan Parshuram Shinde

**(b) Non-executive Independent directors**

- 1 Mr. Bhuwan C Tripathi
- 2 Mr. Partha Bhattacharyya
- 3 Mr. Sitaram Kunte

**(c) Chief Financial Officer**

Mr. Upendra Patro

**(d) Company Secretary**

Mr. Pankaj Gupta

**F Names of the related parties and relationships**

- (a) Private Companies in which a Director is Director or Member, or Public Companies in which Director is a Director and holds along with his relatives, more than 2% of its paid-up share**
- 1 Deepak Nitrite Limited
  - 2 Deepak Novachem Technologies Limited



Note 38(b): Related Party Transactions

		31 March 2025						31 March 2024					
Sr. No.	Nature of Transactions	Ultimate Holding Entity	Holding Company	Fellow Subsidiaries	Key Management Personnel	Entities over which relatives of key management personnel are able to exercise significant influence	Total	Ultimate Holding Entity	Holding Company	Key Management Personnel	Entities over which relatives of key management personnel are able to exercise significant influence	Total	
1	Inter Corporate Deposit taken/(repaid) from												
	Mahadhan AgriTech Limited	-	-		-	-	-	-	2,70,040	-	-	2,70,040	
	Taken	-	-		-	-	-	-	(1,84,337)	-	-	(1,84,337)	
	Repaid												
2	Rendering of services												
	Deepak Fertilisers and Petrochemicals Corporation Limited	611	-		-	-	611	565	-	-	-	565	
3	Receiving of services/reimbursement of expenses												
	Deepak Fertilisers and Petrochemicals Corporation Limited	(92)	-		-	-	(92)	(609)	-	-	-	(609)	
	Mahadhan AgriTech Limited	-	-	(367)	-	-	(367)	-	-	-	-	-	
4	Interest on ICD Corporate Deposit taken/NCD subscription												
	Deepak Mining Solutions Ltd	-	(6,681)		-	-	(6,681)	-	-	-	-	-	
	Mahadhan AgriTech Limited			(1,224)									
5	Sale of Ammonia, Water and Co2												
	Deepak Fertilisers and Petrochemicals Corporation Limited	19,374	-		-	-	19,374	12,893	-	-	-	12,893	
	Mahadhan AgriTech Limited	-		91,545	-	-	91,545	-	92,219	-	-	92,219	
	Deepak Mining Solutions Limited		57,578										
	Deepak Nitrite Limited	-	-		-	2,383	2,383	-	-	-	2,294	2,294	
	Deepak Novochem Technologies Limited	-	-		-	-	-	-	-	-	15	15	
6	Sale of Scrap												
	Limited												
	Mahadhan AgriTech Limited				-	-	-		2	-	-	2	
	Deepak Mining Solutions Limited												
7	Sitting fees paid to non executive directors	-	-		(13)	-	(13)	-	-	(25)	-	(25)	
8	Purchase of Utilities, Spares and Consumables, other goods and services, etc.												
	Deepak Fertilisers and Petrochemicals Corporation Limited	(9,756)	-		-	-	(9,756)	(16,970)	-	-	-	(16,970)	
	Mahadhan AgriTech Limited	-			-	-	-		(299)	-	-	(299)	
	Deepak Mining Solutions Limited												
9	Standby letter of credit charges reimbursement												
	Deepak Fertilisers and Petrochemicals Corporation Limited	-	-		-	-	-	(66)	-	-	-	(66)	
	Mahadhan AgriTech Limited	-	-		-	-	-		(142)	-	-	(142)	
10	Hedging Transaction Gain/ Loss at actual by DFPC	(3,996)					(3,996)	4,902				4,902	
10	Standby letter of credit												
	Deepak Fertilisers and Petrochemicals Corporation Limited				-	-	-	12,451	-	-	-	12,451	
	Mahadhan AgriTech Limited				-	-	-		18,906	-	-	18,906	
11	Consultancy Fees paid to M. P. Shinde	-	-		(10)	-	(10)	-	-	(7)	-	(7)	
12	Issue of debenture												
	Mahadhan AgriTech Limited			25,000									
13	Release of debenture												
	Mahadhan AgriTech Limited			(25,000)									
14	Amounts outstanding at the year end												
	Inter Corporate Deposit												
	Mahadhan AgriTech Limited	-	-	-	-	-	-		(88,702)	-	-	(88,702)	
	Deepak Mining solutions Ltd	-	(1,03,492)	-	-	-	(1,03,492)		(8,672)	-	-	(8,672)	
	Trade Receivable												
	Mahadhan AgriTech Limited	-		8,962	-	-	8,962	-	23,085	-	-	23,085	
	Deepak Nitrite Limited	-	-		-	-	-	-			448	448	
	Deepak Mining Solutions Limited		15,697										
	Trade Payables												
	Mahadhan AgriTech Limited	-	-		-	-	-	-	-	-	-	-	
	Deepak Fertilisers and Petrochemicals Corporation Limited	(1,429)	-	-	-	-	(1,429)	(5,073)	-	-	-	(5,073)	

Note: Figures in bracket represent outflows.

The company has taken corporate guarantee of Rs. 2,50,000 Lakhs (31 March 2023: Rs. 2,50,000 Lakhs from Mahadhan AgriTech Limited) from Deepak Mining Solutions Limited.

The company has taken corporate guarantee of Rs. Nil (31 March 2024: Rs.90,000 Lakhs) from Deepak Fertilisers and Petrochemicals Corporation Limited.

Note 39(a): Contingent Liabilities

Sr. No.	Particulars	31 March 2025	31 March 2024
1	Income tax matter	78	78
2	Claims against the company not acknowledged as debts	7	-

Note 39(b): Capital Commitments

Sr. No.	Particulars	31 March 2025	31 March 2024
1	Commitments related to projects (net of advances)	1,482	5,330



**Performance Chemiserve Limited**

**Notes to the financial statements for the year ended 31 March 2025**

(All Amounts in ₹ Lakhs unless otherwise stated)

**Note 40: Foreign Currency Balances Outstanding**

	31 March 2025		31 March 2024	
	Amount in Foreign Currency Lakhs	Equivalent amount in ₹ Lakhs	Amount in Foreign Currency Lakhs	Equivalent amount in ₹ Lakhs
Hedged Position				
Creditors in (USD)	1	12	48	3,967
<b>Total</b>	<b>1</b>	<b>12</b>	<b>48</b>	<b>3,967</b>

Particulars	31 March 2025		31 March 2024	
	Amount in Foreign Currency Lakhs	Equivalent amount in ₹ Lakhs	Amount in Foreign Currency Lakhs	Equivalent amount in ₹ Lakhs
Forward contracts - USD	0	12	-	-
Option Contracts - USD	-	-	60	5,005
Forward Contracts - USD (Based on POs in Hand)	1	116	-	-
Forward contracts - EURO (Based on POs in Hand)	5	414	-	-
<b>Total</b>	<b>6</b>	<b>543</b>	<b>60</b>	<b>5,005</b>

Note: The Company has chosen not to designate the foreign exchange forward contracts and options contracts as hedges under IND AS 109.

**Note 41: Income Taxes**

Components of Income Tax Expenses	31 March 2025	31 March 2024
<b>I. Income tax expense recognised in the statement of profit and loss</b>		
Current year	-	-
Charge/(credit) related to previous year (net)	(3)	-
<b>Total (A)</b>	<b>(3)</b>	<b>-</b>
Deferred tax (credit)/charge	(6,974)	(3,537)
<b>Total (B)</b>	<b>(6,974)</b>	<b>(3,537)</b>
<b>Total (A+B)</b>	<b>(6,977)</b>	<b>(3,537)</b>
<b>II. Tax on other comprehensive income</b>	<b>(2,093)</b>	<b>2,410</b>
<b>Total</b>	<b>(9,070)</b>	<b>(1,127)</b>

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate 31 March 2025 and 31 March 2024

Particulars	31 March 2025	31 March 2024
Accounting (loss)/profit before tax	(27,725)	(14,050)
At India's statutory income tax rate of 25.17% (31 March 2024: 25.17%) (A)	(6,977)	(3,537)
Effects of non-deductible business expenses	-	-
Reversal of earlier year tax provision	-	-
Others	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>
<b>Income Tax expense reported in the statement of profit or loss (A+B)</b>	<b>(6,977)</b>	<b>(3,537)</b>





**Note 42: (Loss)/Earnings per Share**

Basic (Loss)/Earnings per Share is calculated by dividing the (loss)/profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted Earnings per Share is calculated by dividing the profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year and the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. There are no dilutive potential equity shares and accordingly, Basic Earnings per Share and Diluted Earnings per Share are the same. (Loss)/Earnings per Share has been calculated as under:

Particulars	31 March 2025	31 March 2024
(Loss)/Profit after tax for calculation of Basic and Diluted Earnings per Share (₹ Lakhs)	(20,748)	(10,513)
Weighted average number of equity shares (Face Value per share ₹ 10)	1,91,509	1,91,509
Basic (Loss)/Earnings per Share (in ₹)	(10,833.96)	(5,489.56)
Diluted (Loss)/Earnings per Share (in ₹)	(10,833.96)	(5,489.56)

**Note 45:** The Company is in the business of chemicals manufacturing and chemical drumming, which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable business segment.

As per our report of even date attached

For and on behalf of the Board of Directors of  
Performance Chemiserve Limited

For B. K. Khare & Co.  
Chartered Accountants  
Firm Registration No. 105102W

Himanshu Goradia  
Partner  
Membership No. 045668

Place: Pune  
Date: 21 May 2025



S. C. Mehta  
Chairman  
DIN:00128204

Pankaj Paliwal  
Chief Financial Officer

Madhumitan Shinde  
Director  
DIN:06533004

Pankaj Gupta  
Company Secretary  
Membership No. F-9219

Place: Pune  
Date: 21 May 2025

Performance Chemiserve Limited  
Notes to the financial statements for the year ended 31 March 2025

Note 43: Relationship with Struck off Companies

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
Not applicable			

Note 44: Ratios

Particulars	Current Year	Previous Year	Items included in numerator	Items included in denominator	Change in the ratio as compared to the preceding year	Explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding year
(a) Current Ratio	1.83	2.34	Total current assets	Total current liabilities	(21.82)	
(b) Debt-Equity Ratio	1.41	1.59	Total Debt (Long Term Borrowings, Short Term Borrowings and Lease liabilities)	Shareholder's Equity (Share capital and Other Equity)	(11.09)	
(c) Debt Service Coverage Ratio	0.71	0.88	Earnings available for Debt Service (Net profit after tax + Non cash operating expenses + interest + other non cash adjustments)	Debt Service = Interest and lease payments + Principal repayments	(19.01)	
(d) Return on Equity Ratio	(11.68)	(6.09)	Profit after tax for the current year less preference dividend (if any)	Average Shareholder's Equity	91.71	The Company's new world scale Ammonia Greenfield Plant commenced its commercial production on 4 August 2023. The installed production capacity of the new plant is 1500 MT per day.
(e) Inventory turnover ratio	84.26	118.28	Revenue from operations	Average of inventory current and previous year	(28.76)	Operations has begun in FY 23-24 Consumables and spares are kept in inventory to prevent shutdowns.
(f) Trade Receivables turnover ratio	8.76	10.05	Revenue from operations	Average trade receivables	(12.89)	
(g) Trade payables turnover ratio	17.56	20.54	Revenue from operations	Average trade payables	(14.51)	
(h) Net capital turnover ratio	5.41	4.66	Revenue from operations	Average of net working capital current and previous year	16.09	
(i) Net profit ratio	-9.54%	-8.41%	Profit after tax for the current year	Revenue from operations	13.56	
(j) Return on Capital employed	-0.27%	0.86%	Profit before tax and finance costs	Capital Employed = Tangible Net worth + Total Debt + Deferred tax liability	(131.43)	The Company's new world scale Ammonia Greenfield Plant commenced its commercial production on 4 August 2023. The installed production capacity of the new plant is 1500 MT per day.
(k) Return on investment	4.96%	6.00%	Income generated from investment funds	Average invested funds in treasury investments	(17.26)	

