

Date: 04th September, 2026

To,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

Trading Symbol: ARABIAN

Sub.: Notice convening 17th Annual General Meeting along with the Annual Report for the financial year 2025-26.

Ref: Regulation 30 and 34 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 30 and Regulation 34(1) of the Securities and Exchange Board of India Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed the following documents, which are being sent to the shareholders of the Company through electronic mode.

1. Notice of the 17th Annual General Meeting of the Company scheduled to be held on Monday, 28th September, 2026 at 09.30 a.m. through VC/other Audio Visual Means; and
2. The Annual Report of the Company for the financial year 2025-26.

The AGM Notice and Annual Report for the financial year 2025-26 are also available on the website of the Company at www.arabianpetroleum.co.

Kindly take the same on your record and acknowledge receipt of the same.

Thanking You

Yours Faithfully

For Arabian Petroleum Limited

**MANAN
HEMANT
MEHTA**

Digitally signed by MANAN HEMANT MEHTA
DN: c=IN, postalCode=400080, st=MAHARASHTRA,
street=400080, s=, TARA TOWERS, 4TH FLOOR, S. N.
ROAD, 400080, o=Personal,
serialNumber=4389e23ad9f833e3d8f99da9c9a8b5ff,
apocb1d8e35cd8968db285a2c0d,
pseudoym=14477497af149198a0e0712108a5d,
2.5.4.20e177a81077f5e0c9802e0e9d803a79e0e311,
bb16c29f5d6e9b481c29de252,
email=MANAN.MEHTA@ARABIANPETROLEUM.CO.IN,
cn=MANAN HEMANT MEHTA

**Manan Hemant Mehta
Wholetime Director
DIN: 05124747**

ARABIAN PETROLEUM LTD.

**ARABIAN
PETROLEUM LTD.**



2025-26 ANNUAL REPORT

Manufacturing Plant:

Plot No. 14-B, Morivali MIDC, Ambarnath (W),
Dist. Thane - 421 505, Maharashtra, INDIA.

Corporate Office:

Office No. 629/630, Arior Corporate
Park, LBS Road, Mulund West,
Mumbai - 400 080, Maharashtra, INDIA.

International Office:

ARZOL PETROLEUM TRADING FZE
JAFZA, DUBAI

 arabianpetroleum.co

 [arabianpetroleum](https://www.facebook.com/arabianpetroleum)

 [arabianpetroleum.co.in](https://www.instagram.com/arabianpetroleum)

 [arabianpetroleum](https://www.linkedin.com/company/arabianpetroleum)



COMPANY INFORMATION

01. BOARD MEMBERS

Mr. Hemant Dalsukhrai Mehta	Chairman & Managing Director
Mr. Manan Hemant Mehta	Whole-time director
Mr. Dharman Manoj Mehta	Whole-time director & Chief Financial Officer (C.F.O.)
Mrs. Darshana Hemant Mehta	Non- Executive Director
Mr. Dinesh Babulal Panchal	Non-Executive-Independent Director
Mr. Milan Mohanlal Paleja	Non-Executive-Independent Director

02. COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Vandana Tiwari	Company Secretary & Compliance Officer (W.e.f. 07.10.2025)
Mr. Kishan Sata	C.O.O. & Vice President (w.e.f. 01st Sept., 2024)

03. AUDIT COMMITTEE

Mr. Milan Mohanlal Paleja	Chairman/ Non-Executive-Independent Director
Mr. Dinesh Babulal Panchal	Non-Executive-Independent Director
Mrs. Darshana Hemant Mehta	Non- Executive Director

04. NOMINATION AND REMUNERATION COMMITTEE

Mr. Milan Mohanlal Paleja	Chairman/Non-Executive-Independent Director
Mr. Dinesh Babulal Panchal	Non-Executive-Independent Director
Mrs. Darshana Hemant Mehta	Non-Executive Director

05. STAKEHOLDERS RELATIONSHIP & GRIEVANCE COMMITTEE

Mrs. Darshana Hemant Mehta	Chairman/Non-Executive Director
Mr. Manan Hemant Mehta	Whole Time Director
Mr. Dinesh Babulal Panchal	Non-Executive-Independent Director

06. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Dinesh Babulal Panchal	Non-Executive-Independent Director
Mr. Hemant Dalsukhrai Mehta	Chairman & Managing Director
Mr. Manan Hemant Mehta	Whole-time director

AUDITORS**M/s. Viral Jain & Associates**

Chartered Accountant
626/627, 6th Floor, Avior
Nirmal Galaxy, Opp. Johnson
LBS Marg. Mulund (W)
Mumbai-400080

BANKERS

Kotak Mahindra Bank
Standard Chartered Bank
ICICI Bank Limited

REGISTERED OFFICE

Plot 14-B, Morivali M.I.D.C., Opp. Positive
Packaging, Ambernath (w), Thane-421505,
Maharashtra, India.

Telephone : 022-49990333

E-mail : cs@arabianpetroleum.co.in

Website : www.arabianpetroleum.co

REGISTRAR AND SHARE TRANSFER AGENTS**PURVA SHAREGISTRY (INDIA) PVT. LTD**

Unit No. 9, Ground Floor, Shiv Shakti
Industrial. Estate, J. R. Boricha Marg,
Lower Parel East, Mumbai-400011,
Maharashtra, India.

Phone : 91 22 2301 2517 / 8261

Fax No. : +91-022-23012517

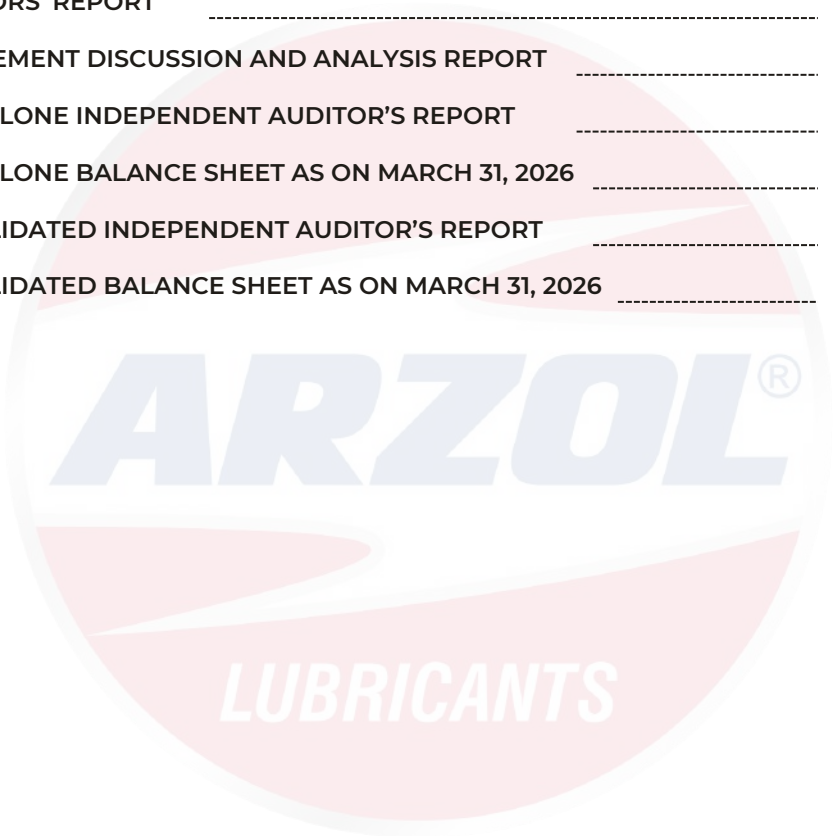
E-mail ID : support@purvashare.com

Website : www.purvashare.com



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ARABIAN
PETROLEUM LTD.



The background of the slide is a photograph of a large industrial warehouse. On the left, there are tall blue metal shelving units filled with white bags. In the center, a yellow forklift is being operated by a person wearing a white hard hat and a blue uniform. To the right, there are stacks of white bags. The floor is a smooth, light-colored concrete. The entire image is overlaid with a semi-transparent blue filter. The text "MESSAGE FROM THE MANAGING DIRECTOR" is centered in white, bold, sans-serif capital letters.

MESSAGE FROM THE MANAGING DIRECTOR

MESSAGE FROM THE MANAGING DIRECTOR

Dear Shareholders,

Every machine that keeps this country moving depends on something most people never see. The lubricant inside an engine, a gearbox, a turbine or a hydraulic system is rarely thought about until it fails - and when it does, the cost is measured not in litres but in downtime, damaged equipment and broken commitments. At Arabian Petroleum, this quiet, non-negotiable reliability is the responsibility we have chosen to carry. It is what our customers pay us for, and it is the standard against which everything in this report should be read.

What began as a single lubricant manufacturing operation has, over the years, grown into a home-grown group that today formulates more than 500 products, operates from our manufacturing base at Ambarnath near Mumbai, serves customers across 22 states through a network of over 300 distributors, and exports to more than 30 countries. Our ARZOL brand has become a mark of quality in automotive and industrial lubrication, and our listing on the National Stock Exchange gave us both the discipline and the visibility of a public company. Through each of these transitions, one thing has stayed constant: the belief that an Indian company can build lubricants that meet the world's most demanding specifications, and can do so on its own terms.

FY2025-26 has been a defining year in that journey. During the year we consolidated our accounts for the first time as a group, following the incorporation of two subsidiaries; we expanded and de-bottlenecked our manufacturing capacity; we took a decisive step into backward integration; and we won a series of institutional orders that place Arabian Petroleum firmly inside the supply chains of the country's largest public sector and industrial enterprises. Individually, each of these is a milestone. Together, they mark the year in which we stopped being simply a lubricant manufacturer and began to operate as a diversified, vertically integrating group. The company generates its revenue across six core business verticals: Industrial, Automotive, Private Label contract manufacturing, Government Tenders, Global exports spanning more than 30 countries and Process Oils.

The environment in which we operate is working in our favour. India's total lubricant market is estimated at approximately 5,000 kilotonnes, and it is being reshaped by forces that reward exactly the kind of company we have built - Make-in-India and import substitution, defence and aerospace indigenisation, and a decisive shift in demand towards specialised, higher-value formulations rather than commodity oils. As machinery becomes more sophisticated and quality expectations rise, customers increasingly want a manufacturer who can formulate to specification, certify to global standards, and stand behind the product. That is precisely the space in which Arabian Petroleum operates.

We believe we are well-positioned to benefit from these dynamics. Arabian Petroleum today ranks among the top 20 lubricant brands in India by volume and holds the **13th position among Indian-origin, home-grown lubricant brands**. Our credibility rests on genuine capability: an ISO 17025, NABL-accredited quality laboratory equipped with instruments such as ICP-OES and FTIR; ISO 9001, 14001 and 45001 certified processes; API licensing; and OEM approvals from names such as Volvo and Daimler. During the year we also secured **NSF (US FDA) certification for our food-grade lubricant range**, opening a high-compliance, high-margin niche, and BIS certification for our transformer oil segment.

Perhaps most significantly, we absorbed technology transfers from the DRDO for Universal Recoil Fluids and low-temperature coolants — defence-critical products that only a handful of players nationally are qualified to make, and which position us as a long-term supplier to the Army, Navy, Air Force and the country's ordnance establishment. The financial results of the year are set out in full in the pages that follow, and I would draw your attention to their shape. On a consolidated basis, revenue from operations grew **44.9% to ₹413.27 crore**, EBITDA rose 15.6% to ₹20.11 crore, and profit after tax grew **23.5% to ₹11.22 crore**, with earnings per share improving to ₹10.30 and return on equity at 16.2%. Our standalone entity, Arabian Petroleum Limited, grew its revenue 31.6% to ₹375.42 crore. This is strong, broad-based growth, and it is the direct result of the institutional wins and capacity investments described above.

I want to address one feature of these numbers directly, because it matters more than any single headline. Our revenue grew far faster than our margins — consolidated EBITDA margin stood at 4.9% for the year, below the prior year. This was a deliberate consequence of the phase we are in. We chose to win large institutional and tender volumes that carry thinner unit margins but enormous strategic value; we absorbed the early-stage costs of two new subsidiaries; and we invested ahead of the curve in capacity, laboratories and backward integration. Growth at this pace is also working-capital intensive: serving large government and institutional customers means carrying more inventory and extending more credit, and we consciously funded that build during the year. These are the costs of establishing the platform, not signs of its weakness. As our mix shifts towards specialty, food-grade and defence-grade products, as backward



Hemant Dalsukhrai Mehta
Chairman & Managing Director

integration lowers our input costs, and as our subsidiaries mature, margin recovery - and disciplined conversion of our order book into cash — is the outcome we are working towards, and the one I would ask you to hold us to.

The institutional order book we built this year speaks to the trust we have earned. We received a rate contract from ONGC valued at approximately ₹20.55 crore, followed by a further three-year ONGC rate contract of around ₹14.55 crore effective from March 2026; a purchase order from BHEL of approximately ₹19.02 crore for turbine, hydraulic and lubricant oils; and a multi-product order of around ₹5.5 crore from MOIL. These sit alongside a defence-grade lubricant order from the Indian Army, newly awarded rate contracts with BEML and MOIL, a repeat order for the Border Roads Organisation's Project Dantak in Bhutan, a development order completed for ISRO, and a maiden hydraulic-oil order from one of the world's top five tractor manufacturers. A clientele that already includes JSW, Tata, Mahindra, Ashok Leyland, HAL, ITC, the Indian Air Force and the Indian Navy is not won on price alone; it is won on reliability, sustained over years.

Underpinning this growth is a year of real operational progress. We advanced a de-bottlenecking and capacity-expansion programme that clears headroom for the next phase of volume, and — most importantly — we took our first decisive step into backward integration, commencing in-house production of Fatty Acid Amides in December 2025 and laying the foundation for esterification. This directly reduces our dependency on imported key raw materials, creates a second revenue stream through open-market sales, and structurally improves our cost position. In parallel, we deepened our research capability through our new accredited laboratory and our exclusive nanotechnology tie-up with Xado of Ukraine, allowing us to bring genuinely differentiated, molecular-level formulations to market under co-branded lines.

Diversification was the year's other major theme. Through Arzol Petroleum Trading FZE in the Jebel Ali Free Zone, Dubai, we established a wholly owned platform to trade finished lubricants and source raw materials at the heart of the global oil market, adding new markets across the Middle East. Through Lavisa Technologies, our 91%-owned subsidiary, we entered the high-margin specialty metalworking segment, acquiring the customers, technology and know-how of an established business and gaining access to demanding OEM clients. Both subsidiaries are, by design, in their early stages — one at break-even, the other absorbing start-up costs — and I would not have it otherwise. We would rather build these businesses properly than flatter a single year's results by starving them.

None of this would be possible without the people who make it real. To our more than 250 employees — the chemists in our laboratory, the teams on our shop floor, and the sales colleagues who earn each renewal in person — thank you. Every certification, every order and every milestone in this report is the sum of your work. I am equally grateful to our customers, many of whom have trusted us across years and now allow us into their most critical applications; to our distributors and partners; and to our bankers and investors, whose confidence in our governance and our long-term potential gives us the room to invest for the future rather than only for the quarter.

Looking ahead, our ambition is clear even if achieving it will not be easy. We intend to convert our expanded capacity into profitable volume, to keep shifting our mix towards specialty, food-grade and defence-grade products where our differentiation is strongest, to deepen backward integration so that more of our value is created in-house, and to broaden our reach in export markets and across our two subsidiaries. Defence, aerospace and institutional supply will remain at the core of who we are, and margin improvement will be the measure of whether our investments have done their work.

Beyond the metrics, our sense of purpose is unchanged. Every drum and every pack we ship carries a simple promise — that the machine it protects will perform when it is relied upon. That promise, kept consistently and at scale, is what has carried Arabian Petroleum this far, and it is what will carry us forward.

Thank you for being an integral part of the Arabian Petroleum journey.

Warm Regards,

Hemant Dalsukhrai Mehta
Chairman and Managing Director
Arabian Petroleum Limited



BOARD COMPOSITION

BOARD COMPOSITION



MR. HEMANT MEHTA

Journey at Arabian Petroleum Ltd.

- **1980:** Began his professional journey after completing B.Com. From the University of Bombay.
- **Early Years:** Built extensive expertise in petroleum products, trading and lubricants.
- **2006:** Led APL's transition into lubricant manufacturing, starting with the Taloja facility.
- **2009:** Played a key role in establishing Arabian Petroleum Private Limited.
- **2011:** Guided the transition to Arabian Petroleum Limited, a Public Limited Company.
- **2015:** Spearheaded diversification into automotive lubricants with the ARZOL brand.
- **2016-2021:** Focused on manufacturing expansion, product development, OEM partnerships and exports.
- **2022-2023:** Strengthened APL's credentials through OEM approvals, Star Export House recognition and ISO 17025 accreditation.
- **2024-2026:** Accelerated growth across automotive, industrial, OEM and international markets.
- **Today:** As Chairman & Managing Director, continues to drive APL's manufacturing capabilities, strategic growth and global expansion.

MR. MANAN MEHTA

Journey at Arabian Petroleum Ltd.

- **2011:** Joined the Board of Arabian Petroleum Ltd., beginning his leadership journey with the company.
- **2012:** Joined the family business, leveraging his background in Chemical Engineering and Business Management.
- **Early Years:** Focused on technical development, manufacturing and industrial lubricant operations.
- **Growth Phase:** Contributed to manufacturing expansion, product development and business diversification.
- **2022:** Appointed Whole-Time Director, taking on a more active role in strategic and operational leadership.
- **Strategic Leadership:** Drives initiatives across industrial lubricants, specialty products, innovation and new business opportunities.
- **Business Expansion:** Contributed to APL's growth across OEM, Defense, government, export and specialty segments.
- **Global Growth:** Supports the company's expanding international footprint and global business strategy.
- **Today:** As Whole-Time Director, continues to drive innovation, diversification, manufacturing growth and long-term business expansion.



BOARD COMPOSITION



MRS. DARSHANA MEHTA

Journey at Arabian Petroleum Ltd.

- **2009:** Joined the company as a **founding Director**, marking the beginning of her long association with Arabian Petroleum.
- **2020:** Re-designated as **Director**, strengthening her role in the company's corporate governance and board leadership.
- **2022:** Re-designated as **Non-Executive Director**, with a focus on governance and strategic oversight.
- **Technical Expertise:** Brings an advanced Master's degree in Electronics and more than 20 years of industry experience to the Board.
- **Strategic Contribution:** Provides technical oversight and board-level guidance, supporting APL's continued growth and development.
- **Tender Business:** Plays a key role in the Tender Segment, helping strengthen bidding strategies and convert opportunities into commercial success.
- **Corporate Governance:** As a Non-Executive, Non-Independent Director, contributes to governance, compliance and strategic decision-making.
- **Today:** Continues to serve as Non-Executive Director, bringing technical expertise, industry experience and strategic perspective to APL's leadership.

MR. DHARMAN MEHTA

Journey at Arabian Petroleum Ltd.

- **2017:** Joined the Board of Arabian Petroleum Ltd. as a Director, marking the beginning of his formal leadership journey with the company.
- **2017-2022:** Built experience across **finance, business operations and corporate management**, contributing to APL's growth and expansion.
- **2022:** Elevated to **Whole-Time Director & CFO**, taking on a larger role in the company's strategic and financial leadership.
- **Financial Leadership:** Drives financial planning, performance management, controls and corporate finance.
- **Business Growth:** Contributes to APL's strategic planning, business expansion and operational growth.
- **Corporate Development:** Supports the company's evolution as a listed and professionally managed organisation.
- **2024-2026:** Continues to play an active role in APL's growth across manufacturing, automotive, industrial and international businesses.
- **Today:** Serves as Whole-Time Director & CFO, combining financial expertise with strategic business leadership to support APL's next phase of growth.





A dark blue sports car is shown from a side profile, facing left. The car is sleek and aerodynamic, with large alloy wheels and a low profile. The background is a solid dark blue, and the car's reflection is visible on the ground below it.

DEAR SHAREHOLDERS

DEAR SHAREHOLDERS

Sub: MCA's Green Initiative for Paperless Communications

Ministry of Corporate Affairs ("MCA") has recently taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the companies. Towards this, MCA has issued Circulars bearing no. 17/2011 dated April 21, 2011, and 18/2011 dated April 29, 2011 stating that the service of notice / document by a Company to its shareholders can now be made through electronic mode, subject to a few conditions.

Our Company appreciates the initiative taken by MCA, as it believes strongly in a Greener Environment. This initiative also helps in prompt receipt of communication, apart from helping avoid losses/delays in postal transit.

We, therefore, propose to send documents, such as the Notice of the Annual General Meeting, Annual Report, Half-yearly communications etc. henceforth to shareholders in Electronic Form at the e-mail address provided by them and made available to us by the depositories from time to time.

In case you wish to receive all the above communications in electronic form; and

hold your shares in dematerialized form, kindly register your e-mail address with your Depository Participant at the earliest; or

hold your shares in physical form, kindly register your e-mail address with Purva Shareregistry (India) Pvt. Ltd our Registrar and Share Transfer Agent, at the following address at the earliest.

Ms. Deepali Dhruvi
Purva Shareregistry (India) Pvt. Ltd,
Unit No. 9, Ground Floor, Shiv Shakti Industrial.
Estate, J. R. Boricha Marg, Lower Parel East,
Mumbai-400011,
Maharashtra, India.
E-mail: support@purvashare.com

You may use the format given below for registering your e-mail address with Purva Shareregistry (India) Pvt. Ltd

We wish to inform you that in addition to getting the documents through your registered e-mail, you can also have access to the documents through our Company Website: www.arabianpetroleum.co. The document will also be available to you for inspection at the Registered Office of the Company during office hours.

We are sure you would appreciate the "Green Initiative" taken by MCA, just as it is being welcomed by companies like us. Needless to say, you will be, as a member of the Company, entitled to be furnished with a copy of the above-mentioned documents as required under the provisions of the Companies Act, 2013, free of cost, upon receipt of a requisition from you any time.

We solicit your whole-hearted co-operation in helping the Company implement the e-governance initiatives of the Government in the interest of environment, which is the need of the hour.

This communication may be ignored, if your email address is already registered with your Depository Participant/ Purva Shareregistry (India) Pvt. Ltd

Thanking you,

Yours faithfully,
For ARABIAN PETROLEUM LIMITED
Sd/-

HEMANT DALSUKHRAI MEHTA
CHAIRMAN & Managing Director
DIN:02507616

NOTICE



NOTICE

Notice is hereby given that the 17th Annual General Meeting of the Members of ARABIAN PETROLEUM LIMITED (CIN-U23200MH2009PLC191109) will be held on **Monday, September 28, 2026, at 09.30 A.M.** through video conference to transact the following business:

AS ORDINARY BUSINESS:

1. ADOPTION OF AUDITED STANDALONE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026, ALONG WITH THE REPORTS OF THE BOARD OF DIRECTORS' AND AUDITORS' THEREON: -

To consider and adopt the Audited Standalone Financial Statements of the Company for the year ended March 31, 2026, including the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss Account for the year ended on that date and the Report of the Board of Directors and Auditors thereon.

2. ADOPTION OF AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026, ALONG WITH THE REPORTS OF THE AUDITORS' THEREON: -

To consider and adopt the Audited Consolidated Financial Statements of the Company for the year ended March 31, 2026, including the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss Account for the year ended on that date and the Report of the Auditors thereon.

3. APPOINTMENT OF MR. DHARMAN MANOJ MEHTA (DIN 07821311), AS A "WHOLE TIME DIRECTOR", LIABLE TO RETIRE BY ROTATION, BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT: -

To appoint an Executive Director in place of Mr. Dharman Manoj Mehta (DIN 07821311), Whole Time Director, who retires by rotation and being eligible, offers herself for reappointment, as a "Whole Time Director" of the Company.

The Shareholders are requested to consider and if thought fit, to pass the following resolution As an ORDINARY RESOLUTION: -

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the Shareholders of the Company, be and is hereby accorded for the re-appointment of Mr. Dharman Manoj Mehta (DIN 07821311), as a "Whole Time Director", who shall be liable to retire by rotation."

4. TO APPROVE MATERIAL RELATED PARTY TRANSACTIONS

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

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with Lavisa Technologies Private Limited, Arzol Petroleum Trading FZE, Arabian Technologies LLP and Eastern India Co., Prop. Manan Mehta HUF related parties within the meaning of Section 2(76) of the Act and Regulation 2(1) (zb) of the Listing Regulations, grant and avail loan services to carry day to day business activity on such terms and conditions as the Board of Directors may deem fit, up to a maximum value of Rs. 50 Crore (Rupees Fifty Crores Only) for each related party for the financial year 2026-27, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.

By Order of the Board

For ARABIAN PETROLEUM LIMITED

Sd/-

HEMANT DALSUKHRAI MEHTA

CHAIRMAN & Managing Director

DIN:02507616

Registered Office

Plot 14-B, Morivali M.I.D.C., Opp. Positive Packaging, Ambernath (W),

Thane, Ambernath, Maharashtra, India, 421505

CIN:U23200MH2009PLC191109

Dated: **September 04, 2026**

Place: Thane

NOTES

1. Pursuant to the General Circular No. 03/2025 dated September 22, 2025 ('MCA Circulars') and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold EGM/AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, EGM/AGM shall be conducted through VC / OAVM.

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

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

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

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the EGM/AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.arabianpetroleum.co. The Notice can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

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

8. The Company has appointed Mr. Vijay Kumar Tiwari, Practicing Company Secretary, proprietor of M/s. Vijay S. Tiwari & Associates, Practising Company Secretaries, Mumbai (ACS: 33084; COP: 12220) as Scrutinizer to scrutinize the e-voting process in fair and transparent manner.

ARABIAN
PETROLEUM LTD.

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

i) The remote e-voting period begins on, Friday, September 25, 2026 at 9:00 A.M. and ends on, Sunday, September 27, 2026 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 21, 2026 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 21, 2026.

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

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

Step 1: Access to NSDL e-Voting system

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

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



NSDL DEMAT HOLDERS

Individual shareholders holding securities in demat mode directly through National Securities Depository Limited (NSDL).

NSDL mobile app is available on:



Login method for individual shareholders holding securities in demat mode with NSDL:

1. For OTP based login you can click on <https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

2. Existing IDeAS user can visit the e-Services website of NSDL Viz. <https://eservices.nsdl.com> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

3. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>

4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

5. Shareholders/Members can also download NSDL Mobile App "NSDLSpeede" facility by scanning the QR code mentioned below for seamless voting experience.



CDSL DEMAT HOLDERS

CDSL Demat Holders
Individual shareholders
holding securities in demat
mode directly through
Central Depository Services
Limited (CDSL).

Login method for individual Shareholders holding securities in demat mode with CDSL:

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.

2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.



VIA DEPOSITORY PARTICIPANT

Shareholders logging in
through their existing
broker or DP trading portal
registered with NSDL or
CDSL.

Individual Shareholders (holding securities in demat mode) login through their depository participants:

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

IMPORTANT NOTE:

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022-4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no.1800-21-09911

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

HOW TO LOG-IN TO NSDL E-VOTING WEBSITE?

01

Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

02

Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

03

A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

04

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

05

Password details for shareholders other than Individual shareholders are given below:

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

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

c) How to retrieve your 'initial password'?

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

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

06

If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

- a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

07

After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

08

Now, you will have to click on “Login” button.

09

After you click on the “Login” button, Home page of e-Voting will open.

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csvijaytiwari@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on no.: 022-4886 7000 or send a request to Mr. Rahul Rajbhar at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@arabianpetroleum.co.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@arabianpetroleum.co.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1(A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

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

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

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

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

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

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

6. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail ID mentioning their name, DP ID and Client ID/Folio number, PAN, mobile number at cs@arabianpetroleum.co.in from Friday, September 05, 2025 (9:00 a.m. IST) to Wednesday, September 10, 2025 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

By Order of the Board
For ARABIAN PETROLEUM LIMITED

Sd/-

HEMANT DALSUKHRAI MEHTA
Chairman & Managing Director
DIN:02507616

Registered Office
Plot 14-B, Morivali M.I.D.C., Opp. Positive Packaging, Ambernath (W),
Thane, Maharashtra, India, 421505
CIN: U23200MH2009PLC191109

Dated: September 04, 2026
Place: Thane

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**EXPLANATORY STATEMENT
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)****Item No. 4: To approve Material Related Party Transactions**

Pursuant to the applicable provisions of the Companies Act, 2013 ("Act") read with the applicable rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with amendment thereof ("SEBI Listing Regulations") and the Company's Policy on Materiality of Related Party Transactions and also on dealing with Related Party Transactions of the Company ("the Policy"), the material related party transactions to be entered by the Company on arm's length basis with as set out in Item No. 4 require approval of the members of the Company through the ordinary resolutions.

Further, the Audit Committee and the Board of Directors of the Company both on 04th September, 2026 respectively approved entering into material related party transactions, subject to the approval of the members of the Company

Provisions related to clause (d) of sub-section (1) of section 188 Companies Act 2013 for availing or rendering of any services, directly or through appointment of agent, amounting to ten percent or more of the turnover of the company as mentioned is subject to approval of shareholders.

Under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), all Related Party Transactions shall require prior approval of the Audit Committee and all material Related Party Transactions shall require approval of the Shareholders. The said Regulation further provides a definition of the term 'Material' as follows:

"a transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten percent of the annual consolidated turnover of the listed entities per the last Audited Financial Statements of the Company, whichever is earlier."

As per Regulation 23 of the SEBI Listing Regulations and read with applicable provisions of the Act, related parties of the Company are not permitted to vote to approve the resolutions set out in Item No. 4 to of this Notice whether the related party is a related party to the proposed transaction or not.

Mr. Hemant Dalsukhrai Mehta, Mr. Manan Hemant Mehta and Mr. Dharman Manoj Mehta are common directors in Lavisa Technologies Private Limited.

None of the Directors and/ or Key Managerial Personnel of the Company and/ or any of their respective relatives is concerned or interested, financially or otherwise, in the resolutions set out at Item No. 4, to this Notice except as provided above.

LUBRICANTS

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ANNEXURE TO NOTICE

Details of Directors seeking Appointment / Re-appointment (As per Regulation 36(3) of LODR)

Name	Dharman Manoj Mehta
Date of Birth	24 Oct 1990
Appointed on	15 Apr 2017
Qualifications	Chartered Accountant
Brief Profile	He is a Whole time Director of our Company. He has been on the board of our company since April, 2017. He has an overall experience of 11 years in sales, marketing and finance operations. He is currently involved in sales and marketing and quality control operations of the company. Under his leadership, our company has been successful in expanding its customer base.
Directorship held in Public Companies	-
Memberships/Chairmanships of Audit and Stakeholder's Relationship Committees across Public Companies	-
No. of Shares held in the Company	540,000

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A hand holding a magnifying glass over a document titled 'BUSINESS INFOGRAPHICS'. The document contains several charts: a bar chart at the top, a line chart in the middle, and a candlestick chart at the bottom. The text 'DIRECTORS' REPORT' is superimposed over the center of the image, with the magnifying glass focusing on it.

DIRECTORS' REPORT

DIRECTORS' REPORT

To the Members of

ARABIAN PETROLEUM LIMITED

Your Directors have pleasure in presenting their 17th Annual Report of the Company together with Audited Standalone and Consolidated Statement of Accounts for the year ended March 31, 2026.

Financial Highlights

The key highlights of the performance of your Company for the financial year ended March 31, 2026 are as under:

Particulars	Standalone Amount		Consolidated Amount	
	March 31, 2026,	Mar 31, 2025	March 31, 2026,	Mar 31, 2025
Income From Operations	37,541.64	28,524.66	41,327.37	28524.66
Other Income	257.86	102.94	254.31	102.94
Total Income	37,799.50	28,627.60	41,581.68	28,627.60
Expenses [Except Depreciation Expenses]	36,137.99	27183.19	39921.74	27187.19
Provision For Depreciation	144.56	149.86	146.39	149.86
Profit / (Loss) Before Extra-Ordinary Items [Net of Tax Expenses]	1516.95	1294.55	1513.55	1290.55
Less: Exceptional items	-	(74.39)	-	(74.39)
Profit / (Loss) Before Tax	1516.95	1220.16	1513.55	1216.16
Less: TAX Expenses				
Current Tax	(400.00)	(315.00)	(400.00)	(315.00)
Current Tax relating to prior years	(1.62)	(1.22)	(1.62)	(1.22)
Deferred Tax	10.86	8.49	9.73	8.49
Excess / Short Tax Provision W/off	-	-	-	-
Profit / (Loss) before Minority Interest	-	-	(0.69)	-
Less: Minority Interest	-	-	-	-
Profit / (Loss) After Tax	1126.2	912.43	1122.36	908.44
Paid-up Share Capital	108,920,000	108,920,000	108,920,000	108,920,000

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COMPANY PERFORMANCE OVERVIEW

During the year under review your company has reported the revenue from operation amounted to Rs. 37,541.64 lakhs as against Rs. 28,524.66 lakhs on standalone basis and Rs. 41,327.37 lakhs as against Rs. 28,524.66 lakhs on consolidated basis during the previous financial year. The Net Profit of your Company, for the year amounted to Rs. 1126.20 lakhs as against Rs. 912.43 lakhs on standalone basis and Rs. 1122.36 lakhs as against Rs. 908.44 lakhs on consolidated basis during the previous financial year.

STATE OF AFFAIRS

(Pursuant to Section 134(3)(i) of the Companies Act, 2013) The Company is engaged in the business of manufacturing wide range of Lubricants including Specialty Oils, Coolants etc. used for Industrial and Automotive applications. There is no change in the business of the Company during the financial year ended March 31, 2026.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There have been no material changes and commitments, which affect the financial position of the Company, that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

DIVIDEND

Our directors have not recommended dividend for the year ended March 31, 2026.

TRANSFER TO RESERVE

The Company has transferred Rs. 1126.20 And Company has Transferred Rs. 1122.36 on Consolidated lakhs to the Reserves for the year ended March 31, 2026.

CAPITAL STRUCTURE

The Authorised Share Capital of the company as on March 31, 2026 was Rs. 1,100 Lakhs divided into 110,00,000 equity shares of Rs. 10/- each. During the year under review, the Company has not allotted any shares.

Consequently, the paid-up equity shares capital of the company stood at Rs. 1089.20 Lakhs consisting of 1,08,92,000 equity shares of Rs.10/- each.

SUBSIDIARY / JOINT VENTURES / ASSOCIATES

As on March 31, 2026, The Company has 2 Subsidiary Companies pursuant to the Provisions of Section 129(3) of The Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, A Statement containing salient features of financial statements of Subsidiaries, Associates and Joint Venture Companies in Form Aoc-1 is annexed herewith and marked as Annexure - 'I' to this report.

The Separate Financial Statements in respect of the Subsidiary company shall be kept open for inspection at The Registered Office of the Company.

The Company will also make available these documents upon request by any member of the company interested in obtaining the same.

EXTRACTS OF ANNUAL RETURN

As required under Section 134(3)(a) & Section 92(3) of the Act, the Annual Return is put up on the Company's website and can be accessed at www.arabianpetroleum.co. & Extracts of the Annual return in form MGT 9 for the Financial Year 2025-26 is uploaded on the website of the Company and can be accessed at www.arabianpetroleum.co.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors state that:

- In the preparation of Annual Accounts, the applicable accounting standard have been followed along with proper explanation
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of Financial Year March 31, 2026, and the Profit or Loss of the Company for the period;
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and preventing and detecting fraud.
- The Directors had prepared the Annual Accounts for the Financial Year Ended March 31, 2026, on a going concern basis.
- The Directors had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively.
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not granted any loan or guarantee during the year ended March 31, 2026.

FIXED DEPOSITS

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2026. Hence, there were no unclaimed or unpaid deposits as on March 31, 2026.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year under review, the provision of section 125(2) of Companies Act, 2013 does not apply as the company was not required to transfer any amount to the Investor Education Protection Fund (IEPF) established by Central Government of India.

APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During year, no application was made or proceeding pending under Insolvency and Bankruptcy code, 2016 against the Company.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

Your Company has an adequate and effective Internal Control Mechanism in place which is commensurate with the size, scale and complexity of its operations, to ensure efficient conduct of its operations, security of assets, prevention and detection of frauds / errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information as per its Management Information System (MIS). These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations and protecting assets from unauthorized use or losses, compliances with regulations. The Company has continued its efforts to align all its processes and controls with global best practices.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The composition of the Board consists of the following persons:

Key Managerial Personnel

1. Mr. Hemant Mehta - Managing Director
2. Ms. Vandana Tiwari - Company Secretary & Compliance Officer
3. Mr. Kishan Sata - C.O.O. & Vice President
4. Mr. Dharman Manoj Mehta - CFO & Whole time director

Executive Directors

1. Mr. Manan Hemant Mehta (Whole time director)

Non-Executive, Independent Directors

- (1) Mr. Dinesh Babulal Panchal
- (2) Mr. Milan Mohanlal Paleja

Non-Executive, Non-Independent Directors

- (1) Mrs. Darshana Hemant Mehta

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mr. Dharman Manoj Mehta, Whole time Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offer for re-appointment.

The above re-appointment form part of the Notice of the Annual General Meeting.

MEETINGS OF THE BOARD

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. During the year, 8 (Eight) Board Meetings and were held on the following dates:

- (i) May 28, 2025, (ii) Sep 06, 2025, (iii) Sep 25, 2025, (iv) October 07, 2025
- (v) November 14, 2025, (vi) December 15, 2025, (vii) February 13, 2026, (viii) March 30, 2026

Name of the Directors	Category	No. of Meetings	
		Held	Attended
Mr. Hemant Dalsukhrai Mehta	Chairman & Managing Director	8	8
Mr. Dinesh Babulal Panchal	Non-Executive, Independent Director	8	8
Mr. Milan Mohanlal Paleja	Non-Executive, Independent Director	8	8
Mrs. Darshana Hemant Mehta	Non-Executive, Non-Independent Director	8	8
Mr. Manan Hemant Mehta	Whole time Director	8	8
Mr. Dharman Manoj Mehta	CFO & Whole time Director	8	8

INDEPENDENT DIRECTOR'S MEETING

During the year under review, the Independent Directors met on March 30, 2026 inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

DECLARATION BY INDEPENDENT DIRECTORS'

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SEBI COMPLAINTS REDRESS SYSTEM (SCORES):

The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. The Company has not received any complaint on the SCORES during financial year 2025-26.

AUDITORS' AND AUDITORS' REPORT**Statutory Auditors**

Viral Jain & Associates, (FRN 135089W) Chartered Accountants was appointed as the statutory auditor of the company.

The Audit Report on the Financial Statements for the Financial Year ended on March 31 2026, issued by M/s. Viral Jain & Associates, (FRN 135089W) Chartered Accountants, is unmodified and does not contain any qualifications, reservations, or adverse remarks. The information referred to in Auditor's Report is self-explanatory and hence does not require any further clarification.

The first proviso to section 139(1) of the Companies Act, 2013 has been omitted vide section 40 of the Companies (Amendment) Act, 2017 notified on May 07, 2018. Therefore, it is not mandatory for the Company to place the matter relating to appointment of statutory auditor for ratification by

members at every Annual General Meeting. Hence the Company has not included the ratification of statutory auditors in the Notice of AGM.

During the Year under review, the Auditors have not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

Internal Auditor

The Company has also appointed M/s. Akshay Parikh and Associates, Chartered Accountants, (Firm Registration No. 142987W) represented by Mr. Akshay Parikh, having Membership No - 169886, as Internal Auditor of the Company. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board. During the year, Company's Internal Controls were tested and no reportable weakness in the system was observed.

Secretarial Auditor

The Board has appointed M/s. Vijay S. Tiwari & Associates, Practicing Company Secretaries, to carry out the Secretarial Audit pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for 5 (Five) years from the Financial Year 2025-26 to 2029-30. The Secretarial Audit Report for the Financial Year ended March 31, 2026 is annexed herewith and marked as Annexure - 'II' to this Report.

Cost Auditor

M/s. Joshi Apte & Associates, Cost Accountants (Firm Registration No. 00240) represented by Mr. Ashish Thatte, having Membership No. 27543 as the Cost Auditor for auditing the cost accounting records of the company for the financial year 2025-26 is appointed as the Cost auditor of the company. Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 is applicable for the business activities carried out by the Company.

ARABIAN
PETROLEUM LTD.

COMMITTEES OF THE BOARD

The Company has constituted different Committees under the Board that are mandated under the Companies Act, 2013.

(I) Mandatory Committees

(a) Audit Committee

The Audit Committee of the Board of Directors oversees the Financial Statements and Financial Reporting before submission to the Board.

The Audit Committee is responsible for the recommendation of the appointment, remuneration, performance and oversight of the Internal and Statutory Auditors. It reviews the Reports of the Internal Auditors and Statutory Auditors. The Senior Management Personnel are invited to the meetings of the Audit Committee, along with the Head of Internal Audit.

During the year under review, the Audit Committee met 4 (Four) times to deliberate on the various matters. The Meetings were held on May 28, 2025, September 06, 2025, November 14, 2025 and March 30, 2026.

The composition of the Committee and the attendance details of the Members are given below:

Name of the Directors	Category	No. of Meetings	
		Held	Attended
Mr. Milan Mohanlal Paleja	Chairman, Non-Executive, Independent Director	4	4
Mr. Dinesh Babulal Panchal	Member, Non-Executive, Independent Director	4	4
Mrs. Darshana Hemant Mehta	Member, Non-Executive, Non-Independent Director	4	4

(b) Nomination and Remuneration Committee

Your Company has constituted the Nomination and Remuneration Committee of the Company pursuant to the provisions of Section 178 of the Companies Act, 2013. The functions of this Committee include identification of persons who are qualified to become Directors and who may be appointed as Senior Management, formulation of criteria for determining qualifications, positive attributes, independence, recommendations of their appointments to the Board, evaluation of every Director's performance, formulation of Remuneration Policy to include recommendation of remuneration for Directors, Key Managerial Personnel and Senior Management.

At present, there are 3 (Three) Members in the Nomination and Remuneration Committee, in which all of them are Non-Executive Directors and 2 Members out of 3 are Non-Executive Independent Directors.

During the year under review, the Nomination and Remuneration Committee met twice in order to appoint to deliberate on the various matters. The Meeting was held on May 28, 2025 and October 07, 2025.

The composition Committee and the attendance details of the Members are given below:

Name of the Directors	Category	No. of Meetings	
		Held	Attended
Mr. Milan Mohanlal Paleja	Chairman, Non-Executive, Independent Director	2	2
Mr. Dinesh Babulal Panchal	Member, Non-Executive, Independent Director	2	2
Mrs. Darshana Hemant Mehta	Member, Non-Executive, Non-Independent Director	2	2

Remuneration Policy, Details of Remuneration and Other Terms of Appointment of Directors.

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a Policy for Selection and Appointment of Directors, Senior Management and their remuneration. This Policy inter-alia includes:

(i) Criteria of Selection of Non-Executive Directors

- Non-Executive Directors will be selected on the basis of Identification of Industry / subject leaders with strong experience. The advisory area and therefore the role may be defined for each independent director.
- The Nomination and Remuneration Committee shall ensure that the Candidate identified for Appointment as a Director is not disqualified for Appointment under Section 164 of the Companies Act, 2013.
- In case of Appointment of Independent Directors, the Nomination and Remuneration Committee shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.

(ii) Remuneration

Sitting fees given to Independent Directors is as per approved by Board.

- The Independent Directors shall be entitled to receive remuneration by way of sitting fees for each meeting of the Board or Committee of the Board attended by them, or such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- In addition, Independent Directors shall be entitled to receive reimbursement of expenses for participation in the Board/Committee Meetings.

(c) Stakeholders Relationship and Grievance Committee

Your Company has reconstituted the Stakeholders Relationship and Grievance Committee of the Company pursuant to Section 178 of the Companies Act, 2013 which comprises of 3 (Three) Directors. The committee is headed by Mrs. Darshana Hemant Mehta.

During the year under review, the Stakeholders Relationship and Grievance Committee met twice on The Meeting was held on May 28, 2025 and October 07, 2025 in order to take on note the Share Transfer / Transmission / Demat of Shares / Sub-Division as intimated by the RTA of the Company.

The composition of the Share Transfer and Stakeholders Relationship Committee is given below:

Name of the Directors	Category	No. of Meetings	
		Held	Attended
Mrs. Darshana Hemant Mehta	Chairman, Non-Executive, Non-Independent	2	2
Mr. Dinesh Babulal Panchal	Member, Non-Executive, Independent Director	2	2
Mr. Manan Hemant Mehta	Member, Whole Time Director	2	2

WHISTLE BLOWER POLICY AND VIGIL MECHANISM

The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177 (10) of the Act and Regulation 22 of the Listing Regulations.

The Policy provides protection to the directors, employees and business associates who report unethical practices and irregularities.

Any incidents that are reported are investigated and suitable action is taken in line with the Whistle Blower Policy. However, no complaint of this nature has been received by the Audit Committee during the Fiscal year 2026. The Whistle Blower Policy of the Company can be accessed at website of the Company at www.arabianpetroleum.co.

RISK MANAGEMENT POLICY

The Management has put in place adequate and effective system and manpower for the purposes of risk management. In the opinion of the Board, following would threaten the existence risk of the Company:

STAYING ONE STEP AHEAD OF RISK

The Company has laid down a well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non-business risks.

FORMAL ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out the annual performance evaluation of its own performance, the Directors individually including the Chairman of the Board as well as the evaluation of the Committees of the Board. The performance evaluation of the Independent Directors was also carried out by the entire Board.

The results of the evaluation done by Independent Directors were reported to the Chairman of the Board. It was reported that the performance evaluation of the Board, Committee etc. was satisfactory. The Directors expressed their satisfaction with the evaluation process.

ORDERS PASSED BY THE REGULATORS

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. Internal Complaints Committee (ICC) has been constituted to consider & redress all sexual harassment complaints. The Company is committed to providing equal opportunities without regard to their race, caste, sex, religion, color, nationality, disability, etc. All women associate (permanent, temporary, contractual and trainees) as well as any women visiting the Company's office premises or women service providers are covered under this Policy. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological.

During Fiscal year 2026, the Company has not received any complaints of sexual harassment.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The particulars of Conservation of Energy and Technology Absorption as required under Section 134(3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 are not applicable to the Company.

FOREIGN EXCHANGE EARNINGS OUTGO

During the period under review there was 4,562.19 Lakhs as Foreign Exchange Earnings.

MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES

The Disclosures with respect to the Remuneration of Directors and Employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 along with, a statement containing particulars of Employees as required under Section 197 of Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith and marked as Annexure – "III" and form part of this report.

PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of the transactions with the Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed. The internal financial control of the company is adequate to ensure the accuracy and completeness of the accounting records, timely preparation of reliable financial information, prevention and detection of frauds and errors, safeguarding of the assets, and that the business is conducted in an orderly and efficient manner.

DEPOSITORY SYSTEM

As the Members are aware, your Company's shares are tradable compulsorily in Electronic Form and the Company has established connectivity with both the Depositories in the Country i.e. NSDL and CDSL. In view of the various advantages offered by the Depository System, Members are requested to avail of the facility of dematerialization of the Company's shares on either of the aforesaid Depositories.

CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct, which is applicable to the Members of the Board and all Employees in the course of day-to-day business operations of the Company. Certificate is attached as Annexure IV.

SECRETARIAL STANDARDS

The Directors state that the applicable secretarial standards i.e., SS-1 and SS-2, relating to 'Meeting of the Board of Directors' and 'Meeting of General Meeting, respectively, have been duly followed by the Company.

LISTING OF SHARES ON STOCK EXCHANGE

The Company's equity shares are listed on emerge platform of National Stock Exchange of India Limited.

BUSINESS RESPONSIBILITY REPORT (BRR)

The Business Responsibility Reporting as required by regulation 34(2) (f) of the SEBI (listing obligations and disclosure requirement) regulations, 2015 is not applicable on company for the financial year ending, March 31, 2026.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in Securities by the Directors and Designated Employees of the Company. The Board is responsible for implementation of the Code.

**CORPORATE GOVERNANCE & MANAGEMENT
DISCUSSION AND ANALYSIS REPORT**

The Company is committed to maintain the highest standards of corporate governance and transparency. We ensure that we evolve & follow the corporate governance guidelines & best practices sincerely to boost long term shareholder value legally, ethically & sustainably. We consider it an inherent responsibility to disclose timely and accurate information regarding its operations and performance. We also endeavor to maximize shareholders value and respect minority rights in all our business decisions.

Our company is Listed on Emerge Platform of National Stock exchange of India Limited (NSE), by virtue of Regulation 15 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the compliance with the corporate Governance provisions as specified in regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 and Para C, D and E of schedule V is not applicable to the company.

EDUCATION, TRAINING AND DEVELOPMENT

In an ever changing and fast paced corporate world, training and development is an indispensable function and management of Arabian Petroleum Limited believes that training presents a prime opportunity to expand the knowledge base of all employees. A structured training and development program are organized for employees to have a consistent experience and background knowledge. We encourage a culture of continual learning among employees through various Training & development sessions within the organization. Arabian Petroleum Limited team always focus on producing targeted and tangible results for the business, treat it seriously and consider it a capital investment and make it results-driven. The results from our training and development initiatives have been very positive and clearly presented the enhanced productivity, efficiency & effectiveness.

BOARD POLICIES

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 mandate the formulation of certain policies for all listed companies. The Corporate governance policies are available on the Company's website, at www.arabianpetroleum.co The policies are reviewed periodically by the board and update as needed.

CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure - 'V' of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. This Policy is available on the Company's website at www.arabianpetroleum.co.

Chief Executive Officer (CEO) / Chief Financial Officer (CFO) Certification

Regulation 17(8) of the Listing Obligations and Disclosures Requirements formulated by the Securities and Exchange Board of India (SEBI), the CEO/CFO certification is not applicable to your Company as it is an SME Listed Entity.

OTHER DISCLOSURES

- The Company does not have any scheme or provision of money for the purchase of its own shares by employees/ Directors or by trustees for the benefit of employees/ Directors;
- The Company has not issued equity shares with differential rights as to dividend, voting or otherwise;
- The Company has not issued any sweat equity shares/ESOP/ RSUs to its directors or employees; and
- There was no revision of financial statements and Board's report of the Company during the year under review.

ACKNOWLEDGEMENT

Your Directors wish to thank the Shareholders, Clients, Bankers and Others associated with the Company for their continued support during the year. Your Directors also wish to place on record their appreciation for the dedication and commitment of the Employees at all levels.

BY ORDER OF THE BOARD
For ARABIAN PETROLEUM LIMITED
Sd/-

HEMANT DALSUKHRAI MEHTA
Chairman & Managing Director
DIN: 02507616

Registered Office

Plot 14-B, Morivali M.I.D.C.,
Opp. Positive Packaging, Ambernath (W),
Thane, Ambernath, Maharashtra, India, 421505
CIN:U23200MH2009PLC191109

Dated: **September 04, 2026**

Place: Mumbai

ANNEXURE - I TO THE DIRECTORS' REPORT
Form AOC- 1

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

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

Part A Subsidiaries

Particulars	Name of Subsidiary
	Arzol Petroleum Trading FZE
Date since when the subsidiary was acquired	15th January, 2025
The reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 Mar 2026
Reporting currency and Exchange rate as on the date of the relevant financial year in the case of foreign subsidiaries	AED
Share Capital	50,000
Reserves & Surplus	(17,814)
Total Assets	50,000
Total Liabilities	50,000
Investments	-
Turnover	-
Profit / (Loss) before Taxation	(17,184)
Provision for Taxation	-
Profit / (Loss) after Taxation	(17,184)
Proposed Dividend	-
% Of shareholding	100%

(In Lakhs)

Particulars	Name of Subsidiary
	Lavisa Technologies Private Limited
Date since when the subsidiary was acquired	24th July, 2025
The reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 Mar 2026
Reporting currency and Exchange rate as on the date of the relevant financial year in the case of foreign subsidiaries	INR
Share Capital	200
Reserves & Surplus	(766.28)
Total Assets	12,408.59
Total Liabilities	12,974.87
Investments	-
Turnover	8,060.94
Profit / (Loss) before Taxation	(653.18)
Provision for Taxation	113.1
Profit / (Loss) after Taxation	(766.28)
Proposed Dividend	-
% Of shareholding	91%

ANNEXURE - II TO THE DIRECTORS' REPORT

Form No. MR -3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2022
[Pursuant to section 204 (1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
ARABIAN PETROLEUM LIMITED
Plot 14-B, Morivali M.I.D.C.,
Opp. Positive Packaging,
Ambernath (W), Thane-421505,
Maharashtra, India,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Arabian Petroleum Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with National Stock Exchange of India Limited.

1. The Trade Marks Act, 1999

During the period under review the Company has generally complied with the all material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc.

During the Period under review, provisions of the following Acts, Rules, Regulations, Guidelines, Standards, etc. we're not applicable to the Company:

- i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- ii. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014;
- iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- iv. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- v. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowings; and

WE HAVE ALSO EXAMINED COMPLIANCE WITH APPLICABLE CLAUSES OF THE FOLLOWING:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange Limited.

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

WE FURTHER REPORT THAT AS FAR AS WE ARE ABLE TO ASCERTAIN:

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decisions are carried out while the dissenting members' views are captured and recorded as part of the minutes.

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

It is stated that the compliance of all the applicable provisions of the Companies Act, 2013 and other laws is the responsibility of the management. We have relied on the representation made by the Company and its officers for systems and mechanism set-up by the Company for compliances under applicable laws. Our examination on a test-check basis was limited to the procedure followed by the Company for ensuring the compliance with the said provisions. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted its affairs. We further state that this is neither an audit nor an expression of opinion on the financial activities/statements of the Company. Moreover, we have not covered any matter related to any other laws, other than those mentioned in the report which may be applicable to the Company, except, the aforementioned corporate and other laws of the Union of India.

For, Vijay S. Tiwari & Associates
Practicing Company Secretaries

SD/-

CS Vijaykumar Tiwari
Membership No: 33084
C. P. No: 12220
Peer Review Certificate No.: 1679/2022
UDIN: A033084H001354393

Place: Mumbai
Date: **September 04, 2026**



ANNEXURE 'A' TO THE SECRETARIAL AUDIT REPORT

To
The Members,
ARABIAN PETROLEUM LIMITED
Plot 14-B, Morivali M.I.D.C.,
Opp. Positive Packaging, Ambarnath (W),
Thane-421505, Maharashtra, India,

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

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audits.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done based on the records and documents provided, on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.

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

For, Vijay S. Tiwari & Associates
Practicing Company Secretaries

SD/-

CS Vijaykumar Tiwari
Membership No: 33084
C. P. No: 12220
Peer Review Certificate No.: 1679/2022
UDIN: A033084H001354393

Place: Mumbai
Date: May 28, 2026

ARABIAN
PETROLEUM LTD.

ANNEXURE - III TO THE DIRECTORS' REPORT
PARTICULARS OF MANAGERIAL REMUNERATION

Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of the remuneration of each director to the median remuneration of the employees and percentage increase in remuneration of the Directors and Key Managerial Personnel of the Company for the financial year:

Name of Directors & Key Managerial Personnel	Designation	Increase in Remuneration in the financial year (%)	Ratio of remuneration of each director to median remuneration of all employees*
Hemant Dalsukhrai Mehta	Chairman and Managing Director	62.66%	--
Manan Hemant Mehta	Whole-time director	62.66%	--
Dharman Manoj Mehta	Whole-time director & CFO	64.61	--
Darshana Hemant Mehta	Non-Executive Director	100%	--
Dinesh Babulal Panchal	Non-Executive & Independent	--	--
Milan Mohanlal Paleja	Non-Executive & Independent	--	--
Vandana Tiwari	Company Secretary	100%	--

(ii) Percentage increase in the median remuneration of employees in the Financial Year: Nil

(iii) The number of permanent employees on the rolls of the Company: 217

(iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

(v) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

For ARABIAN PETROLEUM LIMITED
SD/-

HEMANT DALSUKHRAI MEHTA
CHAIRMAN & MANAGING DIRECTOR
DIN: 02507616

Place: Thane

Date: September 04, 2026

LUBRICANTS

ARABIAN
PETROLEUM LTD.



ANNEXURE - IV TO THE DIRECTORS' REPORT

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 it is hereby declared that all Board Members and Senior Management Personnel of the Company have affirmed the Compliance of the Code of Conduct for the year ended March 31, 2026.

For ARABIAN PETROLEUM LIMITED
SD/-
HEMANT DALSUKHRAI MEHTA
CHAIRMAN & MANAGING DIRECTOR
DIN: 02507616

Place: Thane
Date: September 04, 2026



ARABIAN
PETROLEUM LTD.

ANNEXURE - V TO THE DIRECTORS' REPORT
ANNUAL REPORT ON CSR ACTIVITIES [FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL 2024]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.

2. The CSR vision of the Company is to integrate social and environmental concerns in its business operations and interactions with all stakeholders in order to achieve a balance of economic, environmental and social imperatives. CSR will remain a fundamental part of the Company's practices, broad objective and overall culture. Company has constituted CSR Committee which recommends CSR activities to the Board for their approval. There is a monitoring team to overview the implementation of CSR activities. The Company implemented its CSR Project through implementing agencies by way of contribution. During the year under review, the Company has contributed towards programs encompassing the following areas:

- (a) Education
- (b) Health
- (c) Environment
- (d) Upliftment of poor

The Company's CSR Policy is available at www.arabianpetroleum.co.

The Composition of the CSR Committee.

CSR Committee as on March 31, 2026 consists of:

Name of the Directors	Category	No. of Meetings	
		Held	Attended
Dinesh Babulal Panchal	Chairman, Non-Executive, Independent Director	1	1
Hemant Dalsukhrai Mehta	Managing Director	1	1
Manan Hemant Mehta	Whole-time director	1	1

3. Information about Composition of CSR committee, CSR Policy and CSR projects approved by the board are available at www.arabianpetroleum.co.

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

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

6. Average net profit of the Company for the last three financial years as per Section 135(5): Rs. 929.95 Lakhs 7.

- (a) Two percent of average net profit of the Company as per Section 135(5): Rs. 18.60 Lakhs
- (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil
- (c) Amount required to be set off for the financial year, if any: Nil
- (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 18.60 Lakhs

8. CSR amount spent for the financial year: 22.40 Lakhs

9. CSR amount unspent for the financial year: Nil

10. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.

For ARABIAN PETROLEUM LIMITED
SD/-
HEMANT DALSUKHRAI MEHTA
CHAIRMAN & MANAGING DIRECTOR
DIN: 02507616

Place: Thane
Date: September 04, 2026

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
 The Members,
 ARABIAN PETROLEUM LIMITED
 Plot 14-B, Morivali M.I.D.C.,
 Opp. Positive Packaging,
 Ambernath (W), Thane-421505,
 Maharashtra, India

Subject: Certificate in Pursuance of Paragraph Number C. 10(i) of Schedule V to the Sebi (Listing Obligations And Disclosure Requirements) Regulations, 2015 for the Financial Year ending On 31st March, 2026.

Dear Sir/Madam,

In pursuance of sub-clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) listed entity is requires to disclose in its annual report the certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

As on date of issue of this certificate, the Board of Directors of Arabian Limited ("the Company"), a listed entity, is comprised of following Directors.

DIN	Name of Director	Designation	Appointment Date on Current Designation
2507616	Mr. Hemant Dalsukhrai Mehta	Chairman & Managing Director	20.03.2009
5124747	Mr. Manan Hemant Mehta	Whole-time director	10.11.2011
7821311	Mr. Dharman Manoj Mehta	Whole-time director	15.04.2017
2507587	Mrs. Darshana Hemant Mehta	Non-Executive, Non-Independent Director	20.03.2009
5328794	Mr. Dinesh Babulal Panchal	Non-Executive Independent Director	30.04.2022
8127535	Mr. Milan Mohanlal Paleja	Non-Executive Independent Director	30.04.2022

For the purpose, I have considered and examined annual submissions made by each Director of the Company in pursuance of provisions of section to section 164(2) read with rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014, relevant information as displayed on the website of the Securities and Exchange Board of India as well on the website of the Ministry of Corporate Affairs and information generally available on public domain.

And based on above; I state that none of the Directors on the board of the Company has been debarred or disqualified from being appointed or continuing as director of companies for the Financial Year ending on 31st March, 2026 by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

For Vijay S. Tiwari & Associates
 Practising Company Secretaries
 SD/-

Vijay Kumar Tiwari
 Proprietor
 ACS: 33084
 COP: 12220
 Peer Review Certificate No.: 1679/2022
 UDIN: A033084H001354404

Date: September 04, 2026
 Place: Mumbai



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL ECONOMIC SCENARIO

The global economy remained resilient during FY 2025-26 despite continued geopolitical tensions, evolving trade policies, elevated uncertainty and volatility in commodity and energy markets. Global economic activity was supported by resilient domestic demand in several major economies, easing financial conditions and continued investment in technology and digital infrastructure. However, geopolitical developments, trade restrictions, supply-chain disruptions and fluctuations in energy prices continued to create challenges for global trade, investment and consumption.

During the year, the global economy witnessed a complex combination of moderating inflation and renewed commodity-price pressures. While the disinflationary process continued in several economies, the outlook was affected by geopolitical developments and disruptions to global energy supplies. Central banks across major economies continued to carefully calibrate monetary policy with a focus on balancing inflation control with economic growth.

The International Monetary Fund, in its July 2026 World Economic Outlook Update, projected global growth at approximately 3.0% for 2026 and 3.4% for 2027. The global outlook remained uneven, with geopolitical developments and energy-market disruptions creating downside risks, while technology investment and productivity gains provided support to economic activity.

Emerging markets and developing economies continued to remain important contributors to global growth. Asian economies, in particular, continued to benefit from domestic consumption, manufacturing activity, infrastructure development and increasing integration into global supply chains. However, volatility in crude oil prices, exchange rates and international trade policies remained important factors influencing the operating environment for businesses.

For the petroleum and lubricant industry, developments in global crude oil prices, availability of base oils, freight costs, foreign exchange movements and geopolitical developments continued to have a direct bearing on raw material costs and operating margins. Companies operating in this sector therefore remained focused on efficient procurement, inventory management, product diversification and strengthening supply-chain resilience.

DOMESTIC ECONOMIC SCENARIO

India continued to remain one of the fastest-growing major economies during FY 2025-26, supported by strong domestic demand, infrastructure expenditure, manufacturing activity, services growth and improving private consumption. According to the provisional estimates released by the Ministry of Statistics and Programme Implementation (MoSPI), India's real GDP grew by approximately 7.7% during FY 2025-26, while real GDP growth in the fourth quarter of FY 2025-26 was estimated at 7.8%. The performance reflects the resilience of the Indian economy despite continuing global uncertainties. India's economic growth during the year was supported by sustained government expenditure on infrastructure, improving manufacturing activity, robust services, increasing urbanisation and continued domestic consumption. The expansion of roads, railways, logistics infrastructure, industrial corridors and other infrastructure projects also supported demand across automotive, construction, manufacturing and industrial sectors.

Key economic indicators and trends:

- **Economic Growth:** India's real GDP growth remained strong at approximately 7.7% in FY 2025-26, reflecting continued resilience in domestic economic activity.
- **Domestic Consumption:** Strong domestic consumption continued to support economic activity, particularly across automotive, consumer goods, construction and services sectors.
- **Infrastructure Development:** Continued public investment in roads, railways, ports, power, urban infrastructure and industrial development supported demand for industrial products, machinery and automotive applications.
- **Inflation and Monetary Conditions:** Inflationary conditions remained an important consideration for businesses, although the overall environment became more manageable compared with earlier periods of elevated inflation. Monetary policy continued to balance economic growth with price stability.
- **Energy Demand:** India's growing economy continued to drive demand for transportation fuels, industrial fuels and other petroleum products. Petroleum remained an important component of India's energy mix despite the increasing focus on renewable and cleaner energy sources.
- **Manufacturing and Industrial Activity:** Government initiatives promoting domestic manufacturing, infrastructure development and supply-chain localisation continued to support industrial demand.

For the petroleum sector, domestic consumption of petroleum products remained strong during FY 2025-26. India consumed approximately 243.2 million tonnes of petroleum products during the year, while the country's installed refining capacity exceeded 258 million tonnes per annum. This demonstrates the continuing importance of petroleum products in India's transportation, industrial and energy ecosystem. Electric mobility, renewable energy, biofuels, ethanol blending and other clean-energy initiatives are expected to influence the long-term energy landscape. However, petroleum products and lubricants are expected to remain important for transportation, industrial machinery, construction, mining, manufacturing and other applications over the medium term.

INDUSTRY REVIEW

The petroleum sector in India continues to play a pivotal role in meeting the country's energy requirements. During FY 2025-26, the sector remained supported by economic growth, increasing mobility, infrastructure development, industrial activity and continued demand for transportation fuels.

Key developments during the year included:

- **Demand Growth:** Consumption of petroleum products remained robust, supported by growth in transportation, aviation, industrial activity and infrastructure development.
- **Refining & Marketing:** India continued to maintain significant refining capacity and remained an important refining and petroleum-product exporting hub. Refiners continued to balance domestic demand with export opportunities and changing global market conditions.
- **Crude Price Volatility:** International crude oil prices remained subject to volatility due to geopolitical developments, changes in global supply and demand, production decisions and disruptions in major energy-producing regions. Such movements continued to influence the cost of petroleum-based raw materials.
- **Lubricant Segment:** Demand for lubricants remained supported by automotive activity, industrial production, infrastructure development, construction, mining and increasing mechanisation.
- **Specialty Products:** Increasing emphasis on equipment efficiency, preventive maintenance and longer service intervals supported demand for high-performance lubricants, specialty oils, greases and other value-added products.
- **Sustainability Push:** The industry continued to witness increasing focus on cleaner fuels, energy efficiency, lower-emission technologies, biofuels, renewable integration and environmentally responsible lubricant solutions.

India's growing manufacturing base, infrastructure expansion and increasing vehicle population are expected to provide a favourable operating environment for lubricant manufacturers. At the same time, companies are required to manage raw material price volatility, competitive pressures, evolving environmental standards and changing customer requirements.

INDIAN LUBRICANT INDUSTRY

The Indian lubricant industry continued to demonstrate stable growth during FY 2025-26, supported by expansion in the automotive, industrial, infrastructure, construction and manufacturing sectors. India remains one of the world's major lubricant markets, with demand spread across automotive lubricants, industrial lubricants, greases, specialty oils and other applications. The lubricant industry benefits from India's large vehicle population, expanding industrial base, infrastructure development and increasing mechanisation. The market is also gradually moving towards higher-value and technologically advanced lubricant products, including synthetic and semi-synthetic formulations.

1. Market Overview

The Indian lubricant market continued to witness steady demand during FY 2025-26.

Market growth was supported by:

- Growth in automobile sales and increasing vehicle utilisation.
- Expansion of commercial transportation and logistics activities.
- Strong infrastructure and construction activity.
- Continued growth in manufacturing and industrial production.
- Increasing mechanisation in agriculture and allied activities.
- Greater adoption of high-performance and synthetic lubricants.
- Increasing focus on equipment maintenance, efficiency and longer operating life.

The market is broadly categorized into:

- **Automotive Lubricants** – covering engine oils, transmission fluids, gear oils, coolants and other automotive applications.
- **Industrial Lubricants** – covering hydraulic oils, turbine oils, compressor oils, gear oils, metalworking fluids and other industrial applications.
- **Marine and Specialty Applications** – covering specialised lubricants and fluids required for specific industrial, marine and other applications.

2. Segmental Trends

- **Automotive Lubricants:** Demand remained supported by the expanding vehicle population, increasing vehicle usage, commercial transportation and improving road infrastructure. The continued replacement of older vehicles and increasing adoption of newer-generation engines supported demand for technologically advanced lubricants.
- **Industrial Lubricants:** Industrial lubricant demand remained firm, supported by sectors such as steel, cement, power, mining, textiles, engineering, manufacturing and infrastructure. Greater focus on preventive maintenance and energy efficiency continued to support demand for high-performance lubricants.
- **Greases and Specialties:** Demand for specialty greases and high-performance fluids continued to develop across sectors such as mining, railways, manufacturing, automotive and heavy engineering.
- **Synthetic and Semi-Synthetic Lubricants:** Customers increasingly preferred products offering improved engine protection, longer drain intervals, thermal stability, better fuel efficiency and enhanced equipment performance.
- **Specialty Fluids:** Growth opportunities continued to emerge in metalworking fluids, coolants, auto-care products, mechanical maintenance products and other specialised applications.

3. Trends and Challenges

- Increasing shift towards synthetic and semi-synthetic lubricants due to advancements in engine and machinery technology.
- BS-VI emission standards and evolving vehicle technologies are increasing the requirement for technically advanced lubricants.
- Growth in electric vehicles is gradually changing the long-term demand profile for conventional automotive engine oils, although conventional lubricants continue to remain important for the existing vehicle parc and hybrid applications.
- Volatility in the prices of base oils, additives, packaging materials and other raw materials continues to influence margins across the lubricant value chain.
- Foreign exchange fluctuations may impact the cost of imported raw materials and components.
- Increasing competition from domestic and international lubricant manufacturers continues to place pressure on pricing, product innovation and customer service.
- Customers are increasingly demanding environmentally responsible, energy-efficient and technically superior lubricant solutions.

The Indian lubricant market is expected to remain on a stable growth trajectory, supported by increasing vehicle ownership, industrialisation, infrastructure development, mechanisation and expansion of the manufacturing sector. Industry reports also indicate continued growth in India's lubricant market, supported by industrialisation and automotive-sector expansion.

While electrification of transportation may gradually affect the consumption pattern of traditional automotive lubricants over the long term, opportunities are expected to emerge in specialty fluids, thermal-management fluids, industrial lubricants, synthetic products, greases and other value-added applications.

Companies focusing on product innovation, quality, supply-chain agility, customer relationships and technical support are expected to be well positioned to benefit from the evolving market environment.

GROWTH CATALYSTS

Automotive growth - The expanding automotive sector, supported by increasing vehicle ownership, rising personal mobility and growth in commercial transportation, is expected to remain an important driver of lubricant demand in India. Increased usage of two-wheelers, passenger vehicles and commercial vehicles is expected to support demand for automotive lubricants.

Vehicle Ownership Potential - Increasing disposable income, urbanization, improving road infrastructure and expansion of financing facilities are expected to support growth in vehicle ownership. The growing vehicle parc is expected to create sustained demand for engine oils, gear oils, coolants, greases and other automotive fluids.

Strong Prospects from the Rural Economy - Increasing mechanization and automation in agriculture continue to create opportunities for lubricants used in tractors, agricultural equipment, pumps and other machinery. Growth in rural infrastructure and logistics is also expected to support demand for automotive and industrial lubricants.

Advancement of Engine Technology - Increasing emphasis on fuel efficiency, emission control and engine performance is driving technological advancement in automotive engines. The transition towards newer emission-compliant vehicles is expected to support demand for superior-quality lubricants, including lighter-viscosity and synthetic formulations.

India's positioning as a Manufacturing Hub - Government initiatives relating to domestic manufacturing, infrastructure development, Make in India and supply-chain localization continue to strengthen India's position as a global manufacturing hub. Expansion in sectors such as engineering, automobiles, electronics, chemicals, steel, cement and other industries is expected to support demand for industrial lubricants.

Positive Demographic Trends - Urbanization, a growing working population and increasing household incomes are expected to support demand for personal mobility, commercial transportation and consumer products. These trends are expected to contribute to the long-term growth of India's automotive and lubricant markets.

ARABIAN
PETROLEUM LTD.

OUR BUSINESS:

We are in the business of manufacturing wide range of Lubricants including Specialty Oils, Coolants etc used for Industrial and Automotive applications. Our business is categorized into two distinctive product division: (i) Automotive Lubricants – Arzol and (ii) Industrial Lubricants – Daimler Trucks. We are dedicated to consistently providing products that deliver stellar quality and comply with statutory requirements in the Automotive and Industrial Lubricants domain.

Our domestic and international customers are spread across multiple industries, including pharmaceutical, FMCG, chemicals, steel, rubber and tyre, power, civil engineering, electrical appliances, textile, telecommunication, chemical, cables and conductors and automobile industry etc.

Apart from private players, we also derive our revenues under the contracts from the Government sectors (both central and state) and associated entities. We are honoured to be one of the suppliers of lubricants to the Indian Armed Forces and have successfully delivered lubricant products to Border Security Force (BSF), Indian Air Force (IAF) and Indian Navy across various parts of the country.

We have product approval certification from Volvo Group Trucks Technology, Renault Group and MACK Trucks for our product “Milage Synactives 15W-40” engine oil. We have recently received OEM approval from Bharat Earth Movers Limited (Formerly – BEML Limited) for their entire range of products like Engine oil, hydraulic oil etc.

We also manufacture and package lubricants on private label basis for some of the customers for B2B as well as B2C verticals. Some of our clientele include: Varroc Engineering Limited, Mahindra First Choice Services Limited, Greaves Cotton Limited, Gabriel India Limited, Ki Mobility Solutions Private Limited - TVS Group Company, HELLA India Lighting Ltd, Petrel plus Inc, Nand Persaud & Co Ltd, J K Files (India) Limited - a Raymond Group Company, Godrej & Boyce Manufacturing Co. Ltd etc. We also have government clientele including BEML Limited, Bharat Coking Coal Limited, Bharat Electronics Limited, Bharat Heavy Electricals Limited, Hindustan Aeronautics Limited, Indian Air Force, Mazagon Dock Shipbuilders Limited, Indian Navy (Controller of Procurement Material Organisation), Municipal Corporation of Greater Mumbai, Indian Railway, Western Coalfields Limited, South-Eastern Coalfields Limited, Northern Coalfields Limited etc. Furthermore, we are exporting our products to countries like: Guyana, Oman, Qatar, Vietnam, Sri Lanka, Sierre Leone, Zambia, Bangladesh, Chile, Jordan, Seychelles, Maldives, Fiji, Congo, Gautemala, Suriname, Peru, Mauritius, Dubai etc.

OUR COMPETITIVE STRENGTHS

We are one of the few manufacturers in India with comprehensive in-house capabilities of developing and manufacturing various types of Automotive and Industrial Lubricants including Specialty Oils, Coolants etc. Our products cater to multiple industries such as pharmaceutical, FMCG, chemicals, steel, rubber and tyre, power, civil engineering, electrical appliances, textile, telecommunication, cables and conductors and automobile industry etc.

The Company develops and manufactures a wide range of lubricating products with excellent demulsibility, oxidation and high thermal stability, low operational cost, protection against rust and corrosion, improved cleanliness, good water separating capability etc. We have special tailor-made products for onward usage by our customers to ensure efficient and effective functioning of their engines, appliances or machinery, contributing to reduction in wear, noise and vibration levels through proper lubrication. All raw materials procured for manufacturing our products are sourced from trusted vendors and our quality control team applies stringent quality measurements at every manufacturing stage to ensure low rejection rates, such that our finished products conform to the exact requirements of our customers and successfully pass all validations and quality checks. Moreover, our Company has entered into an exclusive agreement with the subsidiary company of Ukraine-based XADO Group for use of its raw materials with revitalizing technology in blending its PROBUZ and REVERTO lubricants.

Owing to the critical end applications of our products and such stringent quality requirements, we believe it becomes difficult for new players to obtain qualification for the products we manufacture. Strengthening our Industrial and Automotive lubricants products portfolio We believe increased focus on Industrial and Automotive lubricants product portfolios will result in consolidating our market position, broadening our offering capabilities in the industry and enhancing our brand visibility.

We propose to strategically move along the production chain and diversify our product offerings beyond the existing range of oils, lubricants and greases currently offered by us. We intend to further diversify our product base and include more value-added products which may yield better margins, such as Specialty Metalworking Fluids, Auto Care range of products, Mechanical Maintenance products and other specialised lubricant solutions.

Going forward, the Company intends to focus on strengthening its product portfolio, expanding its customer base, improving manufacturing capabilities, developing technically advanced products and exploring opportunities in domestic as well as international markets. The Company will continue to focus on quality, innovation, customer satisfaction and operational efficiency while responding to changing market requirements and technological developments in the Automotive and Industrial Lubricants industry.

For ARABIAN PETROLEUM LIMITED

SD/-

HEMANT DALSUKHRAI MEHTA

CHAIRMAN & MANAGING DIRECTOR

DIN: 02507616



The background image is a photograph of a mining operation, overlaid with a semi-transparent blue filter. It shows a large yellow excavator with a bucket full of rocks, positioned behind a yellow dump truck. The truck has the number "183" on its side. The scene is set in a rocky, hilly environment.

STANDALONE INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
ARABIAN PETROLEUM LIMITED
Report on the Audit of Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of ARABIAN PETROLEUM LIMITED, which comprise the Standalone Balance Sheet as at March 31, 2026, the Standalone Statement of Profit & Loss and Standalone Statement of the Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its Profit, Cash flows and Notes to accounts for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge

obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and notes to accounts of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2021. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITY

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of The Companies Act, 2013 is applicable to the company, refer to our separate Report in "Annexure A".

1. 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 purpose of our audit;

b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2021.

e. On the basis of written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g. In our opinion and to the best of our information and according to the explanations given to us the said accounts give the information required by the Companies Act, 2013, in the manner so required and give a true and fair view in, conformity with the accounting principles generally accepted in India.

- In the case of the Statement of Balance Sheet, of the state of affairs of the Company as at 31st March, 2026.
- In the case of the Statement of Profit & Loss, the profit for the year ended 31st March 2026.
- In the case of the Cash Flow Statement, the cash flows for the year ended 31st March 2026.

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

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

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

(iii) There 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, other than as disclosed in notes to accounts, 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 in any other persons(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 Ultimate Beneficiaries

B) The management has represented that, to the best of its knowledge and belief, other than as disclosed in notes to accounts, no funds have been received by the company from any persons(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 Ultimate Beneficiaries

C) On the basis of audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (A) and (B) above, contain any material mis-statement.

(v) Company has not declared and paid any interim dividend during the year

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

2. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors is in accordance with the provision of Section 197 of the Companies Act 2013.

For Viral Jain & Associates
Chartered Accountants
Firm Reg. No.: 135089W

SD/-
CA Rishabh Bhandari
Partner
Membership No.: 190900
UDIN: 26190900JGGCHS7827

Place: Mumbai
Date: 28th May, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF ARABIAN PETROLEUM LIMITED FOR THE YEAR ENDED 31 MARCH 2026

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report to the Members of Arabian Petroleum Limited of even date)

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

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

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

(B) The Company has maintained proper records showing full particulars of intangible assets;

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

(c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date;

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

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

ii. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Inventories. As explained to us, inventories have been physically verified by the management at regular intervals; as informed to us no deviation in excess of 10% were noticed on such verification;

(b) According to the information and explanations given to us and based on the records produced, company has availed working capital limits from banks and financial institutions on the basis of security of current assets. There were no material discrepancies (more than 10%) observed in books of accounts and amounts reported in quarterly statements submitted by the company to banks.

iii. Based on the audit procedures conducted and according to the information and explanations given to us:

(a) (A) As per the information and explanation given to us, the Company has granted loans to its wholly owned subsidiary amounting to Rs 16,26,229.25 and aggregate amount of loan granted to the wholly owned subsidiary outstanding as on March 31, 2026 is Rs 16,26,229.25. The company has not granted any advances or guarantees or security to subsidiaries, joint ventures and associates.

(B) During the year company has provided loans to its employees amounting to Rs.67,00,514 and the aggregate amount of loans provided to employees outstanding as on March 31, 2026 is Rs. 34,26,333.

(b) As per the information and explanations given to us, the investments made and loans provided by the company, are not prejudicial to the company's interest; Company has not given any guarantees, security, and advances in the nature of loans.

(c) In respect of loans granted to employees, the Company has not stipulated any specific schedule for repayment of principal and payment of interest. Accordingly, we are unable to comment on the regularity of repayment of principal and payment of interest in respect of such loans. The Company has not granted any other loans or advances in the nature of loans during the year.

(d) In the absence of a stipulated repayment schedule, we are unable to comment on whether any amount is overdue for more than ninety days in respect of such loans granted to employees.

(e) According to the information and explanations given to us, a loan or advance in the nature of a loan which has fallen due during the year has neither been renewed or extended nor fresh loans granted to settle the overdue of existing loans. Therefore, provisions of clause 3(iii)(e) of the order are not applicable to the company.

(f) According to the information and explanations given to us, company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Therefore, provisions of clause 3(iii)(f) of the order are not applicable to the company.

iv. In our opinion and according to information and explanations given to us and based on the audit procedures performed, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of investments made and guarantees provided.;

v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013. Hence, reporting under clause 3(v) of the Order is not applicable;

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing activities and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same;

vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, GST and other material statutory dues, as applicable, with the appropriate authorities in India, there are certain cases where the payments are made after the statutory due date but the interest is been paid against the same;

(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax and GST which have not been deposited on account of any disputes except the following –

Nature of dues	Forum where the case is pending	Period to which the amount relates	Amount (Including Interest and Penalty)	Amount paid in protest
GST Demand	Joint Commissioner of State Tax (Appeals)	FY 2020-21	Rs. 5,14,210	Rs. 26,840

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

ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;

(b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

(c) As per information provided to us Term loans were applied for the purpose for which the loans were obtained;

(d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company;

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

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company;

x. (a) The Company has not raised money by way of initial public offer and further public offer during the year.

(b) The Company has not made any preferential allotment or private placement of shares, fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company;

xi. (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year;

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures;

xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company;

xiii. According to the information and explanations given to us and based on our examination of records of the Company, the transactions entered with related parties are in compliance with provisions of section 177 and 188 of the Act, where applicable and the details of such transactions are disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

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

(b) We have considered, the internal audit reports issued during the year and till the date of the audit report covering period up to 31st March, 2026

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company;

xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company;

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company;

(d) As represented by the management, the Group does not have more than one Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016;

xvii. The Company has not incurred cash losses in the current year and in the immediately preceding financial year;

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

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

xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year;

(b) There are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year;

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Viral Jain & Associates
Chartered Accountants
Firm Reg. No.: 135089W

SD/-
CA Rishabh Bhandari
Partner
Membership No.: 190900
UDIN: 26190900JGGCHS7827

Place: Mumbai
Date: 28th May, 2026

ARABIAN
PETROLEUM LTD.

ANNEXURE B TO THE INDEPENDENT AUDITORS REPORT

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

[Referred to in Para 12(f) 'Report on Other Legal and Regulatory Requirements' Section of our report to the Members of Arabian Petroleum Limited of even date]

We have audited the internal financial controls over financial reporting of **ARABIAN PETROLEUM LIMITED** as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an appropriate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Overall, the internal financial controls are fairly adequate as aligned with the scale of the company. Considering the global environment and the growth prospects for the company and keeping the interest of various stakeholders into consideration it is further suggested that company should further strengthen and have elaborated written manuals in place.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

For Viral Jain & Associates
Chartered Accountants
Firm Reg. No.: 135089W

SD/-
CA Rishabh Bhandari
Partner
Membership No.: 190900
UDIN: 26190900JGGCHS7827

Place: Mumbai
Date: 28th May, 2026



ARABIAN
PETROLEUM LTD.



STANDALONE BALANCE SHEET AS ON MARCH 31, 2026

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2026

(Rs. in lakhs)

Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.1	1,089.20	1,089.20
(b) Reserves and Surplus	2.2	5,854.57	4,730.94
(2) Non-Current Liabilities			
(a) Long-term borrowings	2.3	4.87	78.84
(b) Other Long term liabilities	2.4	22.10	32.36
(c) Long term provisions	2.5	117.87	89.62
(3) Current Liabilities			
(a) Short-term borrowings	2.6	4,702.06	2,728.78
(b) Trade payables	2.7	3,369.28	1,276.07
(c) Other current liabilities	2.8	462.60	379.72
(d) Short-term provisions	2.9	220.88	261.02
Total		15,843.43	10,666.54
II. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	2.1	1,232.44	1,183.07
(ii) Intangible assets	2.1	1.65	3.30
(iii) Capital work-in-progress	2.1	-	-
(b) Non-current investments	2.11	149.1	85.78
(c) Deferred tax assets (net)	2.12	38.9	28.04
(d) Long term loans and advances	2.13	53.51	37.24
(e) Other non-current assets	2.14	346.22	190.41
(2) Current assets			
(a) Current investments	2	-	-
(a) Inventories	2.15	6,913.42	3,384.11
(b) Trade receivables	2.16	6,209.47	4,641.58
(c) Cash and Cash Equivalents	2.17	261.54	520.11
(d) Short-term loans and advances	2.18	34.26	26.78
(e) Other current assets	2.19	602.91	566.13
Total		15,843.43	10,666.54
Significant Accounting Policies	1		
Notes to Financial Statements	2		

(As per our report of even date)

For **Viral Jain & Associates**

Chartered Accountants

FRN: 135089W

Sd/-

CA Rishabh Bhandari

Partner

Membership No. : 190900

UDIN : 26190900JGGCHS7827

Place : Mumbai

Date : 28-05-2026

For & On Behalf Of Board Of Directors

Sd/-

Hemant Dalsukhrai Mehta

Chairman &

Managing Director

DIN: 02507616

Sd/-

Dharman Manoj Mehta

Whole Time Director

& Chief Financial Officer

DIN: 07821311

Sd/-

Manan Hemant Mehta

Whole Time Director

DIN: 05124747

Sd/-

Vandana Tiwari

Company Secretary

M No. : ACS-77360

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

(Rs. in lakhs)

Particulars	Note No.	2025-26	2024-25
Income			
Revenue from operations	2.2	37,541.64	28,524.66
Other Income	2.21	257.86	102.94
Total Revenue (A)		37,799.50	28,627.60
Expenses			
Cost of materials consumed	2.22	31,052.46	23,147.61
Purchase of Stock-in-Trade			
Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.23	(253.63)	(216.98)
Employee benefit expense	2.24	1,832.58	1,461.13
Finance costs	2.25	349.63	298.35
Depreciation and amortization expense	2.1	144.56	149.86
Other expenses	2.26	3,156.95	2,493.08
Total Expenses (B)		36,282.55	27,333.05
Profit for the year	(A - B)	1,516.95	1,294.55
Prior Period Income/(Expenses)		-	-
Profit before exceptional and extraordinary items and tax		1,516.95	1,294.55
Exceptional items	2.27	-	(74.39)
Profit before extraordinary items and tax		1,516.95	1,220.16
Extraordinary items		-	-
Profit Before Tax		1,516.95	1,220.16
Tax expense:			
(1) Current Tax		(400.00)	(315.00)
(2) Current Tax relating to prior years		(1.62)	(1.22)
(3) Deferred Tax Income / (Expense)		10.86	8.49
Profit/(Loss) for the period		1,126.20	912.43
Earning per equity share:	2.28		
(1) Basic		10.34	9.06
(2) Diluted		10.34	9.06
Significant Accounting policies	1		
Notes to Financial Statements	2		

(As per our report of even date)

For **Viral Jain & Associates**

Chartered Accountants

FRN: 135089W

Sd/-

CA Rishabh Bhandari

Partner

Membership No. : 190900

UDIN : 26190900JGGCHS7827

Place : Mumbai

Date : 28-05-2026

For & On Behalf Of Board Of Directors

Sd/-

Hemant Dalsukhrai Mehta

Chairman &

Managing Director

DIN: 02507616

Sd/-

Dharman Manoj Mehta

Whole Time Director

& Chief Financial Officer

DIN: 07821311

Sd/-

Manan Hemant Mehta

Whole Time Director

DIN: 05124747

Sd/-

Vandana Tiwari

Company Secretary

M No. : ACS-77360

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

(Rs in lakhs)

Particulars	2025-26		2024-25	
A. Cash Flow from Operating Activities				
Net Profit / (Loss) before extraordinary items and tax	1,516.95		1,220.16	
<u>Adjustments for:</u>				
Cash flow hedge reserve	(2.56)		-	
Depreciation and amortisation	144.56		149.86	
Finance costs	349.63		298.35	
Interest income	(6.72)		(5.56)	
Operating Profit Before Working Capital Change	2,001.85		1,662.80	
Change in current Assets & Liabilities				
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Other non-current assets	(155.82)		-	
Inventories	(3,529.32)		(181.79)	
Trade receivables	(1,567.89)		(236.12)	
Short-term loans and advances	(7.48)		4.23	
Long-term loans and advances	-		95.22	
Deferred tax Assets (net)	(10.86)		(8.49)	
Other current assets	(36.79)		(333.83)	
	(5,308.15)		(660.79)	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Other Long term liabilities	(10.26)		-	
Trade payables	2,093.21		212.66	
Other current liabilities	82.88		217.02	
Short-term provisions	(40.14)		92.98	
Long-term provisions	28.25		29.33	
	2,153.95		551.99	
Cash flow from extraordinary items	-		-	
Cash generated from operations	(1,152.36)		1,554.01	
Income Tax Paid/ Refund	(390.75)		(307.72)	
Net Cash inflow/(out flow) from Operating Activities (A)		(1,543.11)		1,246.29
B. Cash Flow from Investment Activities				
Capital expenditure on fixed assets, including capital advances & Capital WIP	(192.28)		(82.92)	
Long-term loans and advances	(16.26)		-	
Purchase of long-term investments				
- Subsidiaries	(1.82)		(11.63)	
- Others	(61.50)		(43.15)	
Net Cash inflow/(out flow) from Investing Activities (B)		(271.86)		(137.70)
C. Cash Flow from Financing Activities				
Repayment of long-term borrowings	(67.22)		(94.62)	
Net increase / (decrease) in working capital borrowings	2,120.19		(370.52)	
Proceeds from other short-term borrowings	40		247	
Repayment of other short-term borrowings	(193.67)		(486.00)	
Interest Income	6.72		5.56	
Finance cost	(349.63)		(298.35)	
Net Cash inflow/(out flow) from Financing Activities (C)		1,556.40		(996.93)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(258.57)		111.65

Particulars	2025-26		2024-25	
Cash and Cash equivalent as at the commencement of the year		520.11		408.46
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		-		-
Cash and Cash equivalent as at the End of the year		261.54		520.11
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet (Refer Note 2.17)		520.11		64.44
Net Increase/ (Decrease) in Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)		(258.57)		111.65
Cash and cash equivalents at the end of the year		261.54		520.11
		(258.57)		111.65

Notes:-

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discontinuing operations.
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.
(iii) Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

(As per our report of even date)

For Viral Jain & Associates

Chartered Accountants

FRN: 135089W

Sd/-

CA Rishabh Bhandari

Partner

Membership No. : 190900

UDIN : 26190900JGGCHS7827

Place : Mumbai

Date : 28-05-2026

For & On Behalf Of Board Of Directors

Sd/-

Hemant Dalsukhrai Mehta

Chairman &

Managing Director

DIN: 02507616

Sd/-

Dharman Manoj Mehta

Whole Time Director

& Chief Financial Officer

DIN: 07821311

Sd/-

Manan Hemant Mehta

Whole Time Director

DIN: 05124747

Sd/-

Vandana Tiwari

Company Secretary

M No. : ACS-77360

ARABIAN
PETROLEUM LTD.

1. SIGNIFICANT ACCOUNTING POLICIES:

a. Accounting Convention

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Practices (GAAP) under the historical cost convention, on an accrual basis and in accordance with the applicable Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The accounting policies have been consistently applied and are consistent with those used in the previous year.

b. Use of Estimates

The preparation of financial statements requires the management estimates and assumptions to be made that affect the reported amount of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Difference between the actual results and estimates are recognised in the period in which the results are known or materialised.

c. Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of raw material, packing materials, stores and spares are determined on weighted average basis.

d. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

e. Taxes on Income

i. Provision for current tax is determined on the basis of taxable income for the period as per the provisions of Income Tax Act, 1961.

ii. Deferred tax for the year is recognized, on timing differences, being difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

f. Revenue Recognition

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude goods and service tax and other Indirect Taxes.

Other Incomes

Other incomes are accounted for on accrual basis except when the recovery is uncertain, it is accounted for on receipt basis.

g. Property, Plant & Equipment

Property, Plant and Equipment (PPE) are initially recognised at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition. PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using Written Down Value ("WDV").

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

(Revaluation when applicable)

The Company revalued all its fixed assets that existed on 1 April, 200X. The revalued assets are carried at the revalued amounts less accumulated depreciation and impairment losses, if any. Increase in the net book value on such revaluation is credited to "Revaluation reserve account" except to the extent such increase is related to and not greater than a decrease arising from a revaluation / impairment that was previously recognised in the Statement of Profit and Loss, in which case such amount is credited to the Statement of Profit and Loss. Decrease in book value on revaluation is charged to the Statement of Profit and Loss except where such decrease relates to a previously recognised increase that was credited to the Revaluation reserve, in which case the decrease is charged to the Revaluation reserve to the extent the reserve has not been subsequently reversed / utilised.

h. Valuation of Capital WIP

Capital WIP is valued at cost or Net Realisable Value whichever is less. Cost includes all direct and indirect costs (including Borrowing Cost) incurred for the Capital WIP. Cost incurred/items purchased specifically for asset are taken as consumed as and when incurred/received.

i. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit and Loss.

j. Provisions and Contingencies:

A provision is recognized when the company has legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate the amount of the obligation. A contingent liability is disclosed when the company has possible or present obligation where it is not certain that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.

k. Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

l. Employee Benefits

i. Short-term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss in the year in which the related service is rendered.

ii. Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.

m. Foreign Currency Transactions

i. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

ii. Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.

iii. Non monetary foreign currency items are carried at cost.

iv. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the statement of Profit and Loss except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

n. Investments

Long-term Investments are stated at cost after deducting provision, if any, for other than temporary diminution in the value of investments. Current Investments are stated at lower of cost and market / fair value.

Notes on Financial Statements for the year ended 31st March, 2026
2.1 SHARE CAPITAL

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Authorised Capital		
1,10,00,000 (1,10,00,000) Equity shares of Rs.10/- each	1,100.00	1,100.00
	1,100.00	1,100.00
Issued, Subscribed and Paid-Up		
1,08,92,000 (1,08,92,000) Equity shares of Rs.10/- each	1,089.20	1,089.20
	1,089.20	1,089.20

Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Equity Shares	As at 31st March, 2026	As at 31st March, 2025
Number of shares at the beginning	10,892,000	10,892,000
Add: Bonus Share Issued	-	-
Add: Fresh Issue of shares	-	-
Number of shares at the end	10,892,000	10,892,000

Equity Shareholders holding more than 5 % of the shares

Particulars	As at 31/03/2026		As at 31/03/2025	
	No. of Shares	% held	No. of Shares	% held
Mrs. Darshana Hemant Mehta	3,011,440	27.65%	3,011,440	27.65%
Mr. Manan Hemant Mehta	2,067,360	18.98%	2,067,360	18.98%
Mr. Hemant Dalsukhrai Mehta	1,826,200	16.77%	1,826,200	16.77%

Terms/Rights Attached to Equity Shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share and ranks pari passu.

Shares held by promoters & promoter group at the end of the year

Particulars	As at 31/03/2026		% Change
	No. of Shares	% held	
A) PROMOTERS			
Mr. Hemant Dalsukhrai Mehta	1,826,200	16.77%	-
Mr. Manan Hemant Mehta	2,067,360	18.98%	-
Total (A)	3,893,560	35.75%	-
B) PROMOTER GROUP			
Mrs. Darshana Hemant Mehta	3,011,440	27.65%	-
Mr. Dharman Manoj Mehta	540,000	4.96%	-
Mr. Vandan Manoj Mehta	540,000	4.96%	-
Mr. Nitin Dalsukhrai Mehta	10,000	0.09%	-
Mrs. Nita Nitin Mehta	5,000	0.05%	-
Total (B)	4,106,440	37.70%	-
Total (A + B)	8,000,000	73.45%	-

2.2 RESERVES & SURPLUS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a) Securities Premium		
Opening balance	1,748.70	1,748.70
Add : Premium on shares issued during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing Balance (A)	1,748.70	1,748.70
(b) Surplus in the Statement of Profit and Loss		
Balance as per last Financial Statements	2,982.24	2,069.80
Add : Profit for the year	1,126.20	912.43
Net Surplus in the Statement of Profit and Loss (B)	4,108.43	2,982.24
(c) Cash Flow Hedge Reserve		
Balance as per last Financial Statements	-	-
Add : Reserve made/utilized for the year	(2.56)	-
Net Cash Flow Reserve (C)	(2.56)	-
Total (A + B + C)	5,854.57	4,730.94

2.3 LONG TERM BORROWINGS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured		
a. Term Loans		
- From Banks	4.87	78.84
	4.87	78.84

Nature of Security and Terms of Repayments for Secured Borrowings:

Refer Note 2.3.1 for Term of Borrowing for details pertaining to Nature of Security and Terms of Repayments.

2.4 OTHER LONG-TERM LIABILITIES

Particulars	As at 31st March, 2026	As at 31st March, 2025
Deposits Received from CFA	22.1	32.36
	22.1	32.36

2.5 LONG TERM PROVISIONS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for Employee Benefits		
a. Provision for Gratuity (Long Term)	117.87	89.62
	117.87	89.62

2.6 SHORT TERM BORROWINGS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured*		
a. Current maturities of long term debt	72.91	66.15
b. Working Capital Loans repayable on demand from banks	1,600.00	-
c. Cash Credit from Bank	2,550.67	2,409.09
d. Post-shipment Finance (in Foreign Currency)	378.62	-
Unsecured*		
a. Loans and Advances from related parties	99.86	253.53
	4,702.06	2,728.78

*Refer Note 2.3.1 for Term of Borrowing for details pertaining to Nature of Security and Terms of Repayments.

2.7 TRADE PAYABLES

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade Payable		
a. Total Outstanding Dues of Micro & Small Enterprises	588.56	339.16
b. Total Outstanding Dues of Creditors other than Micro Enterprises & Small Enterprises	2,780.72	936.9
	3,369.28	1,276.07

Details of the dues to Micro, Small and Medium Enterprises (MSME), as defined in the Micro, Small and Medium Enterprises Development Act, 2006, based on available information with the Company are as under:

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
a. Principal amount remaining unpaid to any supplier under MSMED	588.56	339.16
b. Interest due on principal amount remaining unpaid to any supplier under MSMED	-	-
c. Interest paid by the buyer in terms of section 16 of the MSMED Act 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e. Interest accrued and remaining unpaid	-	-
f. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-
	588.56	339.16

2.8 OTHER CURRENT LIABILITIES

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Other payables		
a. Advances Received from Customers	436.96	352.86
b. Statutory Dues	25.64	26.86
	462.6	379.72

2.9 SHORT-TERM PROVISIONS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for Employee Benefits		
a. Provision for Salaries	104.90	107.99
b. Provision for Gratuity (Short Term)	27.97	26.90
Other Provisions		
a. Provision for Income Tax	17.54	13.11
b. Provision for Others Expenses	70.47	113.02
	220.88	261.02

2.11 NON CURRENT INVESTMENT

Particulars	As at 31st March, 2026	As at 31st March, 2025
Quoted Investment		
a. Other Investments		
Investments in Mutual Funds	135.65	74.15
Unquoted Investment		
a. Other Investments		
Investments in Subsidiary*		
- Arzol Trading FZE	11.63	11.63
- Lavisa Technologies Private Limited	1.82	-
	149.10	85.78

Note:

1. During the year, the Company incorporated a subsidiary in India under the name of Lavisa Technologies Private Limited. The company has subscribed to 18,200 equity shares, amounting to an investment of Rs. 1,82,000, thereby holding 91% ownership in the subsidiary.

2. In FY 2024-25, the Company incorporated a wholly-owned subsidiary in the Jebel Ali Free Zone (JAFZA) of the United Arab Emirates under the name **Arzol Petroleum Trading FZE**. The Company has subscribed to 5,000 equity shares, amounting to an investment of AED 50,000, thereby holding 100% ownership in the subsidiary.

As the bank account of the subsidiary was in the process of being opened as on 31st March 2025, the payment of the amount has been processed in FY 2025-26.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Aggregate amount of quoted investments	135.65	74.15
Market Value of quoted investments	130.06	80.51
Aggregate provision for diminution in value of investments	-	-

2.12 DEFERRED TAX ASSETS (NET)

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Assets		
Provisions	40.94	29.61
Others	6.94	3.48
(A)	47.88	33.09
Deferred Tax Liabilities		
Depreciation	(8.98)	(5.05)
(B)	(8.98)	(5.05)
(A - B)	38.90	28.04

2.12 LONG TERM LOANS AND ADVANCES

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unsecured, considered good (unless otherwise stated)		
a. Capital Advances	37.24	37.24
b. Loans & Advances to related parties		
- Loan to Wholly-owned Subsidiaries	16.26	-
	53.51	37.24

The company had paid Rs. 44.76 lakhs EMD for acquisition of land for expansion purposes in FY 2020-21. However, the same was forfeited by MIDC due to non payment of balance amount within the prescribed time limit as per the order issued by MIDC. The company is in the process to resolve the matter with MIDC and the management is reasonably assured to complete the land acquisition at the agreed consideration. During FY 2024-25, the company received a refund of Rs. 7.52 lakhs which was paid as a deposit to MIDC for resolving the said matter.

2.14 OTHER NON-CURRENT ASSETS

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unsecured (unless otherwise stated)		
a. Security Deposits	176.04	64.70
b. Bank Deposit having maturity of more than 12 months	170.18	125.70
	346.22	190.41

2.15 INVENTORIES

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
a. Raw materials#	5,129.48	1,853.78
b. Work in progress	301.59	319.06
c. Finished goods	1,482.36	1,211.26
	6,913.42	3,384.11

*Raw Materials include Goods in Transit as on 31st March, 2026 amounting to Rs. 31.59 lakhs.

Raw Materials include Goods in Transit as on 31st March, 2025 amounting to Rs. 357.64 lakhs.

2.16 TRADE RECEIVABLES

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unsecured, Considered good		
a. Outstanding for a period exceeding six months from the date it is due	479.77	408.72
b. Others	5,683.10	4,065.32
Doubtful		
a. Outstanding for a period exceeding six months from the date it is due	62.58	167.53
b. Others	-	-
Less: Provision for Doubtful Debts	(15.98)	-
	6,209.47	4,641.58

2.17 CASH & CASH EQUIVALENTS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
a. Balances with banks	211.38	471.33
b. Cash on hand	13.03	12.31
c. Bank Deposit having maturity of less than 3 months	37.13	36.47
	261.54	520.11

2.18 SHORT TERM LOANS & ADVANCES

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(Unsecured, Considered good unless otherwise specified)		
a. Loans & Advances to employees	34.26	26.78
	34.26	26.78

2.19 OTHER CURRENT ASSETS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(Unsecured, Considered good unless otherwise specified)		
a. Balances with Revenue authorities (GST / VAT)	550.21	321.55
b. Prepaid Expenses	33.91	42.77
c. Others	18.79	201.81
	602.91	566.13

2.20 REVENUE FROM OPERATIONS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Sale of product	37,541.64	28,524.66
	37,541.64	28,524.66

2.21 OTHER INCOME

(Rs. in lakhs)

Particulars	2025-26	2024-25
Interest income (Other than finance company)	6.72	5.56
Foreign Exchange Gain / (Loss)	219.08	72.94
Export Drawback	19.46	15.43
Rent Income	3.47	8.76
Insurance Claim received	9.12	-
Other non-operating income (net of expenses directly attributable to such income)	-	0.25
	257.86	102.94

2.22 COST OF MATERIAL CONSUMED

(Rs. in lakhs)

Particulars	2025-26	2024-25
Opening Inventory	1,853.78	1,888.97
Add : Purchases during the year	34,328.15	23,344.72
Less : Inventory lost due to fire (Refer Note 2.27)	-	232.30
Less : Closing Inventory	5,129.48	1,853.78
Cost of Raw Materials consumed during the year	31,052.46	23,147.61

2.23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE.

(Rs. in lakhs)

Particulars	2025-26	2024-25
Changes in Inventories of Finished Goods		
Opening Stock of Finished Goods	1,211.26	1,063.67
Less : Closing Stock of Finished Goods	1,482.36	1,211.26
(INCREASE)/DECREASE IN STOCK	(271.10)	(147.59)
Changes in Inventories of WIP		
Opening Stock of WIP	319.06	249.67
Less : Closing Stock of WIP	301.59	319.06
(INCREASE)/DECREASE IN STOCK	17.47	(69.39)
Total	(253.63)	(216.98)

2.24 EMPLOYEE BENEFITS EXPENSE

(Rs. in lakhs)

Particulars	2025-26	2024-25
Salaries and Wages	1,500.56	1,183.13
Contribution to Provident and Other Funds	79.06	62.70
Staff Welfare Expenses	66.35	40.15
Director's Remuneration	156.00	142.14
Provision for Gratuity	30.62	33.00
	1,832.58	1,461.13

2.25 FINANCE COSTS

(Rs. in lakhs)

Particulars	2025-26	2024-25
Interest Expense	268.92	240.46
Bank Charges	80.71	57.89
	349.63	298.35

2.26 OTHER EXPENSES

(Rs. in lakhs)		
Particulars	2025-26	2024-25
Administration Expenses	51.48	55.90
CFA Charges	149.85	119.98
Commission Expense	220.89	190.35
Consulting Charges	1.14	0.56
Conveyance Expenses	7.22	7.70
CSR Expenditure	23.15	10.76
Discount	57.73	25.92
Electricity Charges	42.28	43.42
Factory Expenses	53.80	19.85
Insurance	95.02	70.15
Interest on TDS/TCS	0.99	-
Interest on GST/Custom Duty	4.40	-
Lab Testing Material	14.56	7.28
Liquidated Damages paid to Customers	-	51.60
Job Work Charges	23.56	12.32
Packing Expenses	29.53	13.23
Professional fees		
a. Auditor	9.90	6.75
b. Others	225.50	189.25
Power & Fuel	14.26	11.49
Provision for Doubtful Debts	15.98	-
Rates & Taxes	6.34	0.08
Repairs & Maintenance	8.51	7.56
Rent	168.14	88.31
Repairs to Machinery	28.84	17.13
Royalty Paid	7.17	10.55
Selling & Distribution Expenses	83.31	107.54
Security Charges	38.50	35.49
Software Expenses	18.37	13.20
Spares & Consumables	21.38	7.53
Transport Charges	1,552.78	1,222.34
Travelling Expenses	144.40	118.64
GST / CST / VAT Penalty	0.01	1.17
Other Expenses	37.96	27.01
	3,156.95	2,493.08

PAYMENT TO AUDITORS AS :

(Rs. in lakhs)		
Particulars	2025-26	2024-25
a. Statutory Audit Fees	3.50	3.25
b. Taxation matters	6.40	3.50
	9.90	6.75

2.27 EXCEPTIONAL ITEMS :

(Rs. in lakhs)		
Particulars	2025-26	2024-25
Loss by Fire	-	74.39
	-	74.39

Note:

1. During FY 2024-25, a fire incident occurred on 5th October, 2024 at the Company's godown located in Bhiwandi, resulting in the loss of inventory valued at Rs. 232.30 lakhs. The inventory was adequately insured, and the Company lodged a claim with the insurance provider. The insurance claim was approved on 2nd May, 2025 for an amount of Rs. 199.72 lakhs, which was subsequently received on 8th May, 2025.

Further, in compliance with the provisions of Section 17(5) of the Central Goods and Services Tax (CGST) Act, 2017, the Company has reversed the Input Tax Credit (ITC) pertaining to the destroyed inventory. The ITC reversal amounts to Rs. 41.81 lakhs.

Having regard to the nature and incidence of such loss by fire, the management is of the opinion that the net loss arising from the incident, amounting to Rs. 74.39 lakhs is to be disclosed separately to explain the performance of the company for the period.

2.28 COMPUTATION OF PROFIT/LOSS FOR EARNINGS PER SHARE

Particulars	(Rs. in lakhs, except EPS)	
	2025-26	2024-25
Profit after tax as per statement of profit and loss	1,126.20	912.43
Less: Preference Share Dividend and tax thereon	-	-
Profit including exceptional items attributable to Equity Shares	1,126.20	912.43
Less : Exceptional items	-	(74.39)
Profit excluding exceptional items attributable to Equity Shares	1,126.20	986.83
Weighted average number of equity shares for basic EPS (in No.)	1,08,92,000*	1,08,92,000*
Weighted average number of equity shares for diluted EPS (in No.)	1,08,92,000*	1,08,92,000*
Face value of equity shares (in `)	10	10
Earnings per share Basic (in `)	10.34	9.06
Earnings per share Diluted (in `)	10.34	9.06

*(i) As per the requirements of 'AS 20 - Earnings per share' the weighted average number of equity shares at the end of March 31, 2026 and March 31, 2025 for the purpose of calculation of EPS is 1,08,92,000 equity shares [1,08,92,000*12/12]

3.1.1 ANNEXURE FOR TERMS OF BORROWINGS:

Name of Lender	Nature of Security	Account Number	Repayment Terms	Sanction (₹ In Lakhs)	Rate of Interest	Tenure (Months)	Installment (₹ in lakhs)	Outstanding as on March 31, 2026 (₹ In Lakhs)	Outstanding as on March 31, 2025 (₹ In Lakhs)
Secured									
1. Working Capital Demand Loan									
Kotak Mahindra Bank	WCDL (Refer notes 1 (a), 2(a), 2(c), 3 for Security details)	1352DL0100000123	Upto 90 days	400	7.75%	3	NA	400	-
Kotak Mahindra Bank	WCDL (Refer notes 1 (a), 2(a), 2(c), 3 for Security details)	1352DL0100000122	Upto 90 days	200	7.75%	3	NA	200	-
Kotak Mahindra Bank	WCDL Foreign Currency (Refer notes 1 (a), 2(a), 2(c), 3 for Security details)	1352DL0100000121	Upto 90 days	600	8.00%	3	NA	600	-
2. Cash Credit									
Kotak Mahindra Bank	Cash Credit (Refer notes 1 (a), 2(a), 2(c), 3 for Security details)	7712056011	Repayable on demand from Bank	NA	Repo Rate + 2.75%	NA	NA	1,058.42	1,778.51
Standard Chartered Bank	Cash Credit (Refer notes 4, 5 for Security details)	22506209624	Repayable on demand from Bank	NA	3 month MIOBR + 2.51%	NA	NA	1,477.01	680.59
ICICI Bank	Cash Credit (Refer notes 6, 7 for Security details)	577151000001	Repayable on demand from Bank	NA	Repo Rate + 2.65%	NA	NA	3.23	-
3. Working Capital Term Loan									
Kotak Mahindra Bank	Working Capital Term Loan Under ECLG Scheme (Refer notes 1 (b), 2(a), 2(c), 3 for Security details)	1352CL0100000009	60 Installments	149	8.70%	60	Variable	60.63	109.14
4. Term Loan									
Kotak Mahindra Bank	Term Loan (Refer notes 1 (a), 2(a), 2(c), 3 for Security details)	1352TL0100000054	60 Installments	92.33	Repo Rate + 3%	60	Variable	17.15	36.19
Unsecured									
1. Buyer's Credit									
Kotak Mahindra Bank	Buyer's Credit	0642BCR261134374	Upto 90 days	373	3 Months SOFR + 1.3%	2.63	NA	378.62	-
2. Temporary Overdraft									
Standard Chartered Bank	Temporary Overdraft	7256294	Upto 90 days	200	9.83%	2.33	NA	200	-
Standard Chartered Bank	Temporary Overdraft	7256276	Upto 90 days	200	9.83%	2.17	NA	200	-
Loan from related party									
Manan Mehta	Unsecured	NA	Repayable on Demand		NA	NA	NA	5.57	70.19
Hemant Mehta	Unsecured	NA	Repayable on Demand		NA	NA	NA	55.52	122.02
Darshana Mehta	Unsecured	NA	Repayable on Demand		NA	NA	NA	49.3	61.33
Total								4,705.44	2,857.96
Aggregate amount of Loan Guaranteed by directors and others								3,755.81	2,495.28

Notes:
Note 1 (a)

Term Loan, Cash Credit, Working Capital Demand Loan, and Financial/Performance Bank Guarantee facilities are secured by way of primary security, being a first pari passu charge by way of hypothecation over all existing and future current assets and movable fixed assets of the Company, jointly with Standard Chartered Bank.

Note 1 (b)

Working Capital Term Loan availed under the ECLGS Scheme of National Credit Guarantee Trustee Company Limited is secured by way of primary security, being a second charge by way of hypothecation over all existing and future current assets and movable fixed assets of the Company, along with Standard Chartered Bank.

Note 2 (a)

Term Loan, Working Capital Term Loan under the ECLG Scheme of NCGTC, Cash Credit, Working Capital Demand Loan, and Bank Guarantee – Financial / Performance are secured by way of collateral security, being mortgage (1st pari passu charge) over the industrial property comprising Industrial Building situated at Plot No. 14B/1, in the Ambernath area of MIDC, within the limits of Village Morivali, near Hamilton Cycle Company & Ladi Naka, off Kalyan Badlapur Road, Ambernath (West), Taluka Ambernath, District Thane – 421505, Maharashtra. The mortgage property provides a security cover of 0.38 times. Further, the Working Capital Term Loan is additionally secured by way of second charge.

Note 2 (b)

Bank Guarantee- Financial Performance are covered by way of Collateral Security namely, Lien (Exclusive) on Fixed Deposits

Note 2(c)

Term Loan, Working Capital Term Loan under the ECLG Scheme of NCGTC, Cash Credit, Working Capital Demand Loan, and Bank Guarantee – Financial / Performance are secured by way of collateral security, being mortgage (1st pari passu charge) over the industrial property comprising Industrial Building situated at Plot No. 14-B, in the Ambernath area of MIDC, within the limits of Village Morivali, near Hamilton Cycle Company & Ladi Naka, off Kalyan Badlapur Road, Ambernath (West), Taluka Ambernath, District Thane – 421505, Maharashtra. The mortgage property provides a security cover of 0.38 times. Further, the Working Capital Term Loan is additionally secured by way of second charge.

Note 3

Term Loan, Cash Credit, Working Capital Demand Loan, Bank Guarantees - Financial / Performance have been secured by personal guarantees of Darshana Hemant Mehta, Manan Hemant Mehta, Hemant Dalsukhrai Mehta

Note 4:

Cash Credit no. 22506209624 is secured with Pari Passu charge with Kotak Mahindra Bank Limited on existing & future current assets and moveable fixed assets of the company. Share of Kotak Mahindra Bank Limited 60.2%, Standard Chartered Bank 39.8%. Pari Passu charge with Kotak on land and building situated at Plot 14-B & 14-B/1, Morivali M.I.D.C., Opposite Positive Packaging, Ambernath (W), Thane-421505 valued at 166.2 Mio. SCB share is INR 63.3 mn. Property is owned by Arabian Petroleum Private limited.

Note 5

Cash Credit no. 22506209624 has Personal Guarantee of Mr Hemant Mehta, Mrs Darshana Mehta & Mr Manan Mehta

Note 6

Security Details	FACILITY	Nature of Charge
Current Assets	Cash Credit	First Paripassu charge
Immovable Fixed Assets	Cash Credit	First Paripassu charge
Immovable Fixed Assets	Cash Credit	First Paripassu charge

Note 7

Cash credit facilities provided by the Bank have been secured by personal guarantees of Darshana Hemant Mehta, Manan Hemant Mehta, Dharman Manoj Mehta, Hemant Dalsukhrai Mehta

2.10 (a) Property, Plant and Equipment
Tangible Assets

(Rs. in lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	Cost as on 1/4/2025	Additions in the year	Adjustments in the Year	Balance 31/3/2026	Opening 1/4/2025	For the Year	Adjustments in the Year	Balance 31/3/2026	As on 31/3/2026	As on 31/3/2025
Land	108.87	-	-	108.87	-	-	-	-	108.87	108.87
Building	766.38	16.61	-	782.99	139.78	31.03	-	170.81	612.18	626.6
Plant & Machinery	955.38	56.11	-	1,011.48	632.2	60.69	-	692.89	318.59	323.17
Furniture & Fixtures	173.74	8.14	-	181.88	130.84	16.93	-	147.76	34.11	42.9
Labotary Equipments	75.68	79.87	-	155.55	52.02	13.86	-	65.87	89.67	23.66
Vehicles	16.02	-	-	16.02	12.99	0.8	-	13.79	2.23	3.02
Office Equipment	150.25	19.85	-	170.1	103.1	12.92	-	116.02	54.08	47.15
Computer	51.09	11.7	-	62.79	43.4	6.68	-	50.09	12.71	7.69
Total	2,297.40	192.28	-	2,489.68	1,114.33	142.91	-	1,257.24	1,232.44	1,183.07
Previous Year	2,215.43	81.97	-	2,297.40	969.6	144.73	-	1,114.33	1,183.07	1,245.83

Intangible Assets

Particulars	Gross Block				Depreciation				Net Block	
	Cost as on 01-04-25	Additions in the year	Adjustments in the Year	Balance 31-03-26	Opening 01-04-25	For the Year	Adjustments in the Year	Balance 31-03-26	As on 31-03-26	As on 31-03-25
Computer Software	23.72	-	-	23.72	20.42	1.65	-	22.07	1.65	3.30
Total	23.72	-	-	23.72	20.42	1.65	-	22.07	1.65	3.30
Previous Year	22.77	0.95	-	23.72	15.29	5.13	-	20.42	3.30	7.48

Capital WIP

Particulars	Gross Block				Depreciation				Net Block	
	Cost as on 01-04-25	Additions in the year	Adjustments in the Year	Balance 31-03-26	Opening 01-04-25	For the Year	Adjustments in the Year	Balance 31-03-26	As on 31-03-26	As on 31-03-25
Capital WIP	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	-	-	-	-

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2.27 AS 18 - RELATED PARTIES

As per Accounting Standard (AS-18) on Related Party Disclosures issued by the Companies (Accounting Standards) Rules, 2006, the disclosures of transactions with the related party as defined in the Accounting Standard are given below:

2.27.1 Details of Related Parties

Description Of Relationship	Sr. No	Names of related parties
(a) Wholly-Owned Subsidiaries	i	Arzol Petroleum Trading FZE
(b) Subsidiary	i	Lavisa Technologies Private Limited
(c) Key Management Personnel	i	Hemant Dalsukhrai Mehta
	ii	Darshana Hemant Mehta
	iii	Manan Hemant Mehta
	iv	Dharman Manoj Mehta
	v	Dinesh Babulal Panchal
	vi	Milan Mohanlal Paleja
	vii	Rekha Rani Narniwal (Company Secretary till 6th October, 2025)
	viii	Vandana Tiwari (Company Secretary from 7th October, 2025)
(d) Enterprises over which Key Management Personnel has significant control	i	Hemant Mehta HUF - M/s Arabian Petroleum
	ii	Manan Mehta HUF - Eastern India Co. (M)
	iii	Hemant Dalsukhrai Mehta (Proprietorship) - Eastern India Co. (H)
(e) Relative of Key Management Personnel	i	Vandan Manoj Mehta
	ii	Atman Mehta
	iii	Viram Manoj Mehta
	iv	Rajvi Mehta
(f) Enterprises over which relative of Key Management has significant control	i	Arabian Technologies LLP

2.27.2 Details of related party transactions during the year ended and balances outstanding as at :

(Rs. in lakhs)

Particulars	Key Management Personnel	Enterprise over which KMP has significant control	Relative of KMP	Enterprise over which relative of KMP has significant control	Subsidiary
Incomes					
a) Sales	-	-	-	-	41.27
Expenditure	-	(2.95)	-	(0.08)	-
a) Purchases	-	-	-	61.85	212.65
	-	(0.19)	-	-	-
b) Remuneration	158.4	-	40.79	-	-
	(151.74)	-	(38.78)	-	-
Finance					
a) Loans & Advance -Taken	40	-	-	-	15.42
	(247.00)	-	-	-	-
b) Loans & Advances - Repaid	183.15	-	-	-	-
	(486.00)	-	-	-	-
Outstandings					
a) Payable Loan	110.38	-	-	-	-
	(253.53)	-	-	-	-
b) Debtors	-	4.33	-	-	-
	-	(4.33)	-	-	-
c) Creditors	-	16.38	-	-	-
	-	(16.38)	-	-	-

2.30 Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

The Company has integrated its organization structure with respect to its automotive and non-automotive business considering that the synergies, risks and returns associated with business operations are not predominantly distinct. The Company has aligned its internal financial reporting system in line with the new organization structure. As a result the Company's reportable business segment consists of a single segment of "Lubricants" in terms of AS 17. The Managing Director (Chief Operating Decision Maker) is accountable for leading the growth agenda for an integrated Automotive and Industrial business.

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown below:

Particulars	(Rs. in lakhs)	
	2025-26	2024-25
India	32,979.45	24,751.74
Rest of the World	4,562.19	3,772.92
	37,541.64	28,524.66

All non-current assets of the Company excluding Deferred Tax Assets (Net) and Financial Assets are located in India.

2.31 Other Disclosures as per Schedule-III of the Companies Act, 2013

2.31.1 Restated Contingent Liabilities & Commitments

Particulars	(Rs. in lakhs)	
	As at 31st March, 2026	As at 31st March, 2025
<u>Contingent liabilities in respect of:</u>		
(a) Claims against the company not acknowledged as debts (Indirect Tax Matters)	5.14	5.14
(b) Bank Guarantees given by the Company	462.36	204.08
Total (a+b)	467.5	209.22

2.31.2 Value of imports calculated by the company during the financial year in respect of :

Particulars	(Rs. in lakhs)	
	As at 31st March, 2026	As at 31st March, 2025
(a) <u>Raw materials/ Traded Goods</u>	11,204.30	5,017.80
	11,204.30	5,017.80

2.31.3 Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters;

Particulars	(Rs. in lakhs)	
	As at 31st March, 2026	As at 31st March, 2025
(a) <u>Royalty Expenses</u>	7.17	10.55

2.31.4 Earnings in foreign exchange

Particulars	(Rs. in lakhs)	
	As at 31st March, 2026	As at 31st March, 2025
(a) <u>Export of goods</u>	4,562.19	3,772.92

2.31.5 Title deeds of Immovable Property not held in name of the Company:

The company has no such immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) which is not held in the name of the company.

2.31.6 Details of Benami Property held:

No proceedings have been Initialed on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988(45 of 1988) and Rules made thereunder.

2.31.7 Relationships with struck off companies:

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

2.31.8 Compliance with number of layers of companies:

The Company has complied with the number or layers prescribed under the Companies Act, 2013.

2.31.9 Willful defaulter:

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

2.31.10 Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

2.31.11 Valuation of Property, plant and equipment, Intangible asset and Investment property

The Company has not revalued its property, plant and equipment or Intangible assets during the current or previous year.

2.31.12 Details of crypto currency or Virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

2.31.13 Undisclosed Income

There is no Income surrendered or disclosed as Income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

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2.32 Disclosures under Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. (as amended)

2.32.1 Director's Remuneration

Particulars	(Rs. in lakhs)	
	2025-26	2024-25
Mr. Hemant Mehta	49.63	43.20
Mr. Manan Mehta	49.63	43.20
Mr. Dharman Mehta	42.35	30.77
Mrs. Darshana Mehta	14.40	24.98
	156.00	142.14

2.32.2 Corporate Social Responsibility Expenses

As per Section 135 of the Companies Act, 2013, the company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

Particulars	2025-26	2024-25
Amount required to be spent by the company during the year	22.4	10.6
Amount of expenditure incurred	22.4	10.6
Amount of CSR expenditure over-spent (eligible for utilisation in subsequent years)	-	-
Shortfall at the balance sheet date	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	During the year, the company has spent the CSR amount by donating to Central Chinmaya Mission Trust and Just for Good Foundation.	During the year, the company has spent the CSR amount by donating to Central Chinmaya Mission Trust.
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	NA	NA
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

2.32.3 Disclosures under Accounting Standard - 15 (Employee Benefits)

Accounting Standard 15 on 'Employee Benefits' as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

(a) Defined Contribution Plans:

The Company makes Provident Fund and Superannuation Fund, contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The company has recognized the following amounts in the Statement of Profit and Loss for the year.

Particulars	(Rs. in lakhs)	
	2025-26	2024-25
Contribution to Provident Fund	68.47	64.72
Contribution to ESIC	3.86	10.41

(b) Defined Benefit Plans:

The Company has policy of giving gratuity to its employees who complete period of qualifying service which is 5 years.

The company's plan assets in respect of Gratuity are funded through the Group Scheme of Life Insurance Corporation of India. The scheme provides for payment to vested employees as under:

- i) On normal retirement / early retirement / withdrawal / resignation: As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- ii) On death in service: As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

Valuation Method :	Projected Unit Credit (PUC) method
Discount Rate :	6.73% (Previous Year 7.20%)
Salary Escalation :	7% (Previous Year 7%)
Mortality Rate :	Indian Assured Lives Mortality (2012-14) Table
Withdrawal Rate :	10% (Previous Year 10%)

Funded status of the plan

(Rs. in lakhs)

Particulars	2025-26	2024-25
Present value of funded obligations	306.46	143.21
Fair value of plan assets	(49.91)	(26.68)
Net Liability (Asset)	256.55	116.52

Profit and loss account for the period

(Rs. in lakhs)

Particulars	2025-26	2024-25
Current service cost	27.16	24.71
Interest on obligation	8.28	7.31
Expected return on plan assets	(1.63)	(1.56)
Net actuarial loss/(gain)	(3.19)	2.54
Total included in 'Employee Benefit Expense'	30.62	33.00

(Rs. in lakhs)

Particulars	2025-26	2024-25
Loss/(gain) on obligation	(5.21)	2.62
Loss/(gain) on assets	2.02	(0.08)
Net actuarial loss/(gain)	(3.19)	2.54

Reconciliation of defined benefit obligation

(Rs in lakhs)

Particulars	2025-26	2024-25
Opening Defined Benefit Obligation	280.19	113.37
Transfer in/(out) obligation	-	-
Current service cost	27.16	24.71
Interest cost	8.28	7.31
Actuarial loss / (gain)	(5.21)	2.62
Benefit paid from fund	(3.96)	(4.80)
Closing Defined Benefit Obligation	306.46	143.21

Reconciliation of plan assets

(Rs in lakhs)

Particulars	2025-26	2024-25
Opening value of plan assets	52.96	55.87
Transfer in/(out) obligation	-	-
Expected return (Interest income of assets)	1.63	1.56
Actuarial gain/(loss)	(2.02)	0.08
Contributions by employer	1.30	0.41
Benefits paid	(3.96)	(4.80)
Closing value of plan assets	49.91	53.10

Composition of the plan assets

(Rs. in lakhs)

Particulars	2025-26	2024-25
Assets Under Insurance Schemes	100%	100%

Reconciliation of net defined benefit liability

(Rs. in lakhs)

Particulars	2025-26	2024-25
Net opening provision in books of accounts	116.52	83.92
Employee Benefit Expense	30.62	33.00
Contributions to plan assets	(1.30)	(0.41)
Closing provision in books of accounts	145.84	116.52

Principle actuarial assumptions

Particulars	2025-26	2024-25
Discount Rate	7.15%	6.73%
Expected Return on Plan Assets	7.15%	6.73%
Salary Growth Rate	7.00%	7.00%
Withdrawal Rates	10.00%	10.00%

Table of experience adjustments

(Rs in lakhs)

Particulars	2025-26	2024-25
Defined Benefit Obligation	306.46	143.21
Plan Assets	49.91	53.10
Surplus/(Deficit)	(256.55)	(90.10)
Experience adjustments on plan liabilities	(0.39)	(1.58)
Actuarial loss/(gain) due to change in financial assumptions	(4.83)	4.19
Actuarial loss/ (gain) due to change in demographic assumption	-	-
Experience adjustments on plan assets	2.02	(0.08)
Net actuarial loss/ (gain) for the year	(3.19)	2.54

Other Long term benefits:

The company's long term benefits includes leave encashment at the time of retirement subject to policy of maximum leave accumulation of company. The scheme is not funded. The company has made provision based on actual liability.

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2.33 Other Disclosures

2.33.1 Trade Payable Ageing summary

(Rs in lakhs)

SN	Particulars	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at 31 March 2026						
(i)	MSME	588.56	-	-	-	588.56
(ii)	Others	2,717.54	29.34	29.13	4.71	2,780.72
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-
As at 31 March 2025						
(i)	MSME	339.16	-	-	-	339.16
(ii)	Others	823.76	108.44	-	4.71	936.9
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-

2.33.2 Trade Receivable Ageing summary

(Rs in lakhs)

SN	Particulars	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at 31 March 2026							
(i)	Undisputed Trade Receivable - Considered Good	5,667.12	101.72	68.3	309.74	-	6,146.89
(ii)	Undisputed Trade Receivable - Considered doubtful	-	-	-	-	62.58	62.58
(iii)	Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
(iv)	Disputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
As at 31 March 2025							
(i)	Undisputed Trade Receivable - Considered Good	4,065.32	37.28	355.57	15.87	-	4,474.04
(ii)	Undisputed Trade Receivable - Considered doubtful	-	-	-	-	167.53	167.53
(iii)	Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
(iv)	Disputed Trade Receivable - Considered doubtful	-	-	-	-	-	-

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2.34 Accounting Ratios

SN	Particulars	Numerator	Denominator	2025-26	2024-25
1	Current Ratio	Current Assets	Current Liabilities	1.6	1.97
2	Debt-Equity Ratio(a)	Total Debt	Shareholder's Equity	0.68	0.48
3	Debt Service Coverage Ratio(b)	EBITDA + Other Non-Cash Items	Interest & Lease Payments + Principal Repayments	3.16	1.93
4	Return on Equity Ratio	NPAT	Shareholder's Equity or Average Shareholder's Equity	17.65%	17.01%
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	5.98	6.96
6	Trade Receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	6.92	6.31
7	Trade payables turnover ratio(c)	Net Credit Purchases	Average Trade Payables	16.14	22.2
8	Net capital turnover ratio	Net Sales	Average Working Capital	7.69	7.01
9	Net profit ratio	Net Profit (After Tax)	Net Sales	3.00%	3.20%
10	Return on Capital employed	EBIT	Capital Employed	15.33%	17.79%
11	Return on investment	Net profit	Cost of Investment	N.A.	N.A.

Notes:

- (a) The Debt-Equity Ratio indicates a moderate increase in leverage while maintaining a stable capital structure.
(b) The Debt Service Coverage Ratio indicates a stronger capacity to meet debt servicing obligations.
(c) The Trade Payables Turnover Ratio reflects efficient management of supplier payments and healthy working capital practices.

2.35 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

2.36 During the financial year ended 31st March 2026, the Company has implemented an audit trail feature in its accounting software, in compliance with the requirements set forth by the Ministry of Corporate Affairs (MCA) under the Companies (Accounts) Amendment Rules, 2021. This feature was activated on 01st April 2023 and is fully operational.

Purpose and Functionality

The audit trail feature is designed to enhance transparency and accountability in financial reporting. It ensures that all changes made to the books of account are automatically recorded with the following details:

- Date and Time: The exact timestamp when the modification was made.
- User Identification: The identity of the user who made the modification.
- Description of Change: A brief description of the modification made, capturing the nature of the change.

Impact on Internal Controls

The introduction of the audit trail feature significantly strengthens the Company's internal controls over financial reporting. It provides a secure and traceable record of all transactions and adjustments, thereby reducing the risk of errors or unauthorized changes in the financial records. The Company has put in place appropriate policies to review and monitor the audit trail regularly.

Compliance and Future Reporting

The implementation of the audit trail feature aligns with the Company's commitment to maintaining robust financial controls and ensuring compliance with all applicable regulations. The Company will continue to evaluate and enhance its accounting systems and controls as needed to meet regulatory requirements and best practices.

(As per our report of even date)

For Viral Jain & Associates

Chartered Accountants

FRN: 135089W

Sd/-

CA Rishabh Bhandari

Partner

Membership No. : 190900

UDIN : 26190900JGGCHS7827

Place : Mumbai

Date : 28-05-2026

For & On Behalf Of Board Of Directors

Sd/-

Hemant Dalsukhrai Mehta

Chairman &

Managing Director

DIN: 02507616

Sd/-

Dharman Manoj Mehta

Whole Time Director

& Chief Financial Officer

DIN: 07821311

Sd/-

Manan Hemant Mehta

Whole Time Director

DIN: 05124747

Sd/-

Vandana Tiwari

Company Secretary

M No. : ACS-77360



A large offshore oil rig is visible in the background, situated in the middle of the ocean. The rig has two tall derrick structures and a complex network of pipes and platforms. The ocean is a deep blue, and the sky is a lighter blue. In the foreground, a small boat is moving across the water, leaving a white wake.

CONSOLIDATED INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
ARABIAN PETROLEUM LIMITED
Report on the Audit of the Consolidated Financial
Statement

OPINION

We have audited the Consolidated Financial Statements of Arabian Petroleum Limited ("the Company"), (hereinafter referred to as "the Holding Company"), and its subsidiaries (collectively referred to as "the Company" or "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2026, the Consolidated Statement of Profit and Loss for the year then ended, the Consolidated Statement of Cash Flow and notes to financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2026, and consolidated profit for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Our responsibilities under those Standards are further described in the Auditor's 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of Companies Act, 2013 and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of 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. There are no Key Audit Matters Reportable as per SA 701 issued by ICAI.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

Our opinion on the Consolidated 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 Consolidated financial statements, our responsibility is to read the information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated 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 if there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

RESPONSIBILITY OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position and the financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those board of directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

(a) Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(II) of the Act, we give in "Annexure A", a statement on the matter specified in the paragraph 3 and 4 of the Order.

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 purpose of our audit;

(b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, and the Statement of Profit and Loss 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of written representations received from the directors as on March 31, 2026, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026, from being appointed as a director in terms of sub-section (2) of section 164 of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls, referred to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting

(g) In our opinion and to the best of our information and according to the explanations given to us the said accounts give the information required by the Companies Act, 2013, in the manner so required and give a true and fair view in, conformity with the accounting principles generally accepted in India.

- In the case of the Statement of Balance Sheet, of the state of affairs of the Company as at 31st March, 2026.
- In the case of the Statement of Profit & Loss, the profit for the year ended 31st March 2026.
- In the case of the Cash Flow Statement, the cash flows for the year ended 31st March 2026.

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

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

ii. The Group 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 Group.

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 persons or entities, 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 persons or entities, 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; and

(c) Based on the audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Group has not declared or paid dividend during the year.

3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For Viral Jain & Associates
Chartered Accountants
Firm Reg. No.: 135089W

CA Rishabh Bhandari
Partner
Membership No.: 190900
UDIN: 26190900TOFNQ04551

Place: Mumbai
Date: 28th May, 2026

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Arabian Petroleum Limited for the year ended 31 March 2026

In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under:

In our opinion and according to the information and explanation given to us, the companies (Auditor Report) Order 2020 of the holding company did not include any unfavourable answers or qualifications or adverse remarks for following subsidiary.

Name of entity	Country Of Incorporation	Relation
Arzol Petroleum Trading FZE	United Arab Emirates	Wholly-Owned Subsidiary
Lavisa Technologies Private Limited	India	Subsidiary

For Viral Jain & Associates
Chartered Accountants
Firm Reg. No.: 135089W

CA Rishabh Bhandari
Partner
Membership No.: 190900
UDIN: 26190900TOFNQ04551

Place: Mumbai
Date: 28th May, 2026



ANNEXURE B TO THE INDEPENDENT AUDITORS REPORT

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

[Referred to in Para 12(f) 'Report on Other Legal and Regulatory Requirements' Section of our report to the Members of Arabian Petroleum Limited of even date]

We have audited the internal financial controls over consolidated financial reporting of **ARABIAN PETROLEUM LIMITED** ('the Company') and its subsidiary companies **ARZOL PETROLEUM TRADING FZE & LAVISA TECHNOLOGIES PRIVATE LIMITED** as of March 31, 2026 in conjunction with our audit of the consolidated financial statements of the Company and its subsidiary for the year ended on that date.

In our opinion, the Group has, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March, 2026 based on the internal controls over financial reporting criteria established by the Group 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 ("the Guidance Note").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to consolidated financial statement of the company and its subsidiary company

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control with reference to consolidated financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over consolidated financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statement.



INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

For Viral Jain & Associates
Chartered Accountants
Firm Reg. No.: 135089W

CA Rishabh Bhandari
Partner
Membership No.: 190900
UDIN: 26190900TOFNQ04551

Place: Mumbai
Date: 28th May, 2025



ARABIAN
PETROLEUM LTD.





CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2026

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2026

(Rs. in lakhs)

Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.1	1,089.20	1,089.20
(b) Reserves and Surplus	2.2	5,842.25	4,726.94
(2) Minority Interest	2.3	(0.51)	-
(2) Non-Current Liabilities			
(a) Long-term borrowings	2.4	4.87	78.84
(b) Other Long term liabilities	2.5	22.10	32.36
(c) Long term provisions	2.6	120.28	89.62
(3) Current Liabilities			
(a) Short-term borrowings	2.7	4,766.17	2,728.78
(b) Trade payables	2.8	3,786.13	1,264.44
(c) Other current liabilities	2.9	1,339.93	383.71
(d) Short-term provisions	2.10	230.49	261.02
Total		17,200.91	10,654.91
II. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	2.11	1,232.69	1,183.07
(ii) Intangible assets	2.11	50.83	3.30
(iii) Capital work-in-progress	2.11	-	-
(b) Non-current investments	2.12	135.65	74.15
(c) Deferred tax assets (net)	2.13	37.77	28.04
(d) Long term loans and advances	2.14	37.24	37.24
(e) Other non-current assets	2.15	346.22	190.41
(2) Current assets			
(a) Inventories	2.16	7,030.53	3,384.11
(b) Trade receivables	2.17	7,379.66	4,641.58
(c) Cash and Cash Equivalents	2.18	304.24	520.11
(d) Short-term loans and advances	2.19	36.59	26.78
(e) Other current assets	2.20	609.48	566.13
Total		17,200.91	10,654.91
Significant Accounting Policies	1		
Notes to Financial Statements	2		

(As per our report of even date)

For **Viral Jain & Associates**

Chartered Accountants

FRN: 135089W

Sd/-

CA Rishabh Bhandari

Partner

Membership No. : 190900

UDIN : 26190900TOFNQ04551

Place : Mumbai

Date : 28-05-2026

For & On Behalf Of Board Of Directors

Sd/-

Hemant Dalsukhrai Mehta

Chairman &

Managing Director

DIN: 02507616

Sd/-

Dharman Manoj Mehta

Whole Time Director

& Chief Financial Officer

DIN: 07821311

Sd/-

Manan Hemant Mehta

Whole Time Director

DIN: 05124747

Sd/-

Vandana Tiwari

Company Secretary

M No. : ACS-77360

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

(Rs. in lakhs)			
Particulars	Note No.	2025-26	2024-25
Income			
Revenue from operations	2.21	41,327.37	28,524.66
Other Income	2.22	254.31	102.94
Total Revenue (A)		41,581.68	28,627.60
Expenses			
Cost of materials consumed	2.22	34,871.32	23,147.61
Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.24	(370.73)	(216.98)
Employee benefit expense	2.25	1,880.72	1,461.13
Finance costs	2.26	350.73	298.35
Depreciation and amortization expense	2.11	146.39	149.86
Other expenses	2.27	3,189.70	2,493.08
Total Expenses (B)		40,068.13	27,333.05
Profit for the year	(A - B)	1,513.55	1,290.55
Prior Period Income/(Expenses)		-	-
Profit before exceptional and extraordinary items and tax		1,513.55	1,290.55
Exceptional items	2.28	-	(74.39)
Profit before extraordinary items and tax		1,513.55	1,216.16
Extraordinary items		-	-
Profit Before Tax		1,513.55	1,216.16
Tax expense:			
(1) Current Tax		(400.00)	(315.00)
(2) Current Tax relating to prior years		(1.62)	(1.22)
(3) Deferred Tax Income / (Expense)		9.73	8.49
Profit/(Loss) for the period		1,121.67	908.44
Less: Minority Interest in Subsidiary's Profit/Loss		(0.69)	-
Profit Attributable to Owners of the Parent Company		1,122.36	908.44
Earning per equity share:	2.29		
(1) Basic		10.30	9.02
(2) Diluted		10.30	9.02
Significant Accounting policies	1		
Notes to Financial Statements	2		

(As per our report of even date)

For **Viral Jain & Associates**

Chartered Accountants

FRN: 135089W

Sd/-

CA Rishabh Bhandari

Partner

Membership No. : 190900

UDIN : 26190900TOFNQ04551

Place : Mumbai

Date : 28-05-2026

For & On Behalf Of Board Of Directors

Sd/-

Hemant Dalsukhrai Mehta

Chairman &

Managing Director

DIN: 02507616

Sd/-

Dharman Manoj Mehta

Whole Time Director

& Chief Financial Officer

DIN: 07821311

Sd/-

Manan Hemant Mehta

Whole Time Director

DIN: 05124747

Sd/-

Vandana Tiwari

Company Secretary

M No. : ACS-77360

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2026

(Rs in lakhs)

Particulars	2025-26	2024-25
A. Cash Flow from Operating Activities		
Net Profit / (Loss) before extraordinary items and tax	1,513.55	1,216.16
<u>Adjustments for:</u>		
Cash flow hedge reserve	(2.56)	-
Foreign Currency Translation Reserve	(4.49)	-
Minority Interest Share Capital	0.18	-
Depreciation and amortisation	146.39	149.86
Finance costs	350.73	298.35
Interest income	(6.72)	(5.56)
Operating Profit Before Working Capital Change	1,997.08	1,658.80
<u>Change in current Assets & Liabilities</u>		
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Other non-current assets	(155.82)	-
Inventories	(3,646.42)	(181.79)
Trade receivables	(2,738.08)	(236.12)
Short-term loans and advances	(9.81)	4.23
Long-term loans and advances	-	95.22
Deferred tax Assets (net)	(9.73)	(8.49)
Other current assets	(43.35)	(333.83)
	(6,603.21)	(660.79)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Other Long term liabilities	(10.26)	-
Trade payables	2,521.69	212.66
Other current liabilities	956.22	209.39
Short-term provisions	(30.53)	92.98
Long-term provisions	30.66	29.33
	3,467.78	544.36
Cash flow from extraordinary items	-	-
Cash generated from operations	(1,138.35)	1,542.38
Income Tax Paid/ Refund	(391.89)	(307.72)
Net Cash inflow/(out flow) from Operating Activities (A)	(1,530.24)	1,234.66
B. Cash Flow from Investment Activities		
Capital expenditure on fixed assets, including capital advances & Capital WIP	(243.54)	(82.92)
Proceeds from sale of fixed assets	-	-
Purchase of long-term investments	-	-
- Subsidiaries	-	-
- Others	(61.50)	(43.15)
Net Cash inflow/(out flow) from Investing Activities (B)	(305.04)	(126.07)
C. Cash Flow from Financing Activities		
Proceeds from issue of equity shares	-	-
Proceeds from long-term borrowings	-	-
Repayment of long-term borrowings	(67.22)	(94.62)
Net increase / (decrease) in working capital borrowings	2,120.19	(370.52)
Proceeds from other short-term borrowings	104.12	247
Repayment of other short-term borrowings	(193.67)	(486.00)
Interest Income	6.72	5.56
Finance cost	(350.73)	(298.35)
Net Cash inflow/(out flow) from Financing Activities (C)	1,619.41	(996.93)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(215.87)	111.65

Particulars	2025-26		2024-25	
Cash and Cash equivalent as at the commencement of the year		520.11		408.46
Effect of exchange differences on restatement of foreign currency		-		-
Cash and cash equivalents		304.24		520.11
Cash and Cash equivalent as at the End of the year				
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet (Refer Note 2.18)		520.11		408.46
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)		(215.87)		111.65
Cash and cash equivalents at the end of the year		304.24		520.11
		(215.87)		111.65

Notes:-

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discontinuing operations.
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.
(iii) Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

(As per our report of even date)

For Viral Jain & Associates

Chartered Accountants

FRN: 135089W

Sd/-

CA Rishabh Bhandari

Partner

Membership No. : 190900

UDIN : 26190900TOFNQ04551

Place : Mumbai

Date : 28-05-2026

For & On Behalf Of Board Of Directors

Sd/-

Hemant Dalsukhrai Mehta

Chairman &

Managing Director

DIN: 02507616

Sd/-

Dharman Manoj Mehta

Whole Time Director

& Chief Financial Officer

DIN: 07821311

Sd/-

Manan Hemant Mehta

Whole Time Director

DIN: 05124747

Sd/-

Vandana Tiwari

Company Secretary

M No. : ACS-77360

ARABIAN
PETROLEUM LTD.

1. SIGNIFICANT ACCOUNTING POLICIES:

a. Accounting Convention

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Practices (GAAP) under the historical cost convention, on an accrual basis and in accordance with the applicable Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The accounting policies have been consistently applied and are consistent with those used in the previous year.

b. Use of Estimates

The preparation of financial statements requires the management estimates and assumptions to be made that affect the reported amount of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Difference between the actual results and estimates are recognised in the period in which the results are known or materialised.

c. Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of raw material, packing materials, stores and spares are determined on weighted average basis.

d. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

e. Taxes on Income

i. Provision for current tax is determined on the basis of taxable income for the period as per the provisions of Income Tax Act, 1961.

ii. Deferred tax for the year is recognized, on timing differences, being difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

f. Revenue Recognition

Sale of goods: Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude goods and service tax and other Indirect Taxes.

Other Incomes: Other incomes are accounted for on accrual basis except when the recovery is uncertain, it is accounted for on receipt basis.

g. Property, Plant & Equipment

Property, Plant and Equipment (PPE) are initially recognised at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition. PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using Written Down Value ("WDV"). The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

h. Valuation of Capital WIP

Capital WIP is valued at cost or Net Realisable Value whichever is less. Cost includes all direct and indirect costs (including Borrowing Cost) incurred for the Capital WIP. Cost incurred/items purchased specifically for asset are taken as consumed as and when incurred/received.

i. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit and Loss.

j. Provisions and Contingencies:

A provision is recognized when the company has legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate the amount of the obligation. A contingent liability is disclosed when the company has possible or present obligation where it is not certain that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.

k. Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been as change in the estimate of recoverable amount.

l. Employee Benefits

i. Short-term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss in the year in which the related service is rendered.

ii. Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.

m. Foreign Currency Transactions

i. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

ii. Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.

iii. Non monetary foreign currency items are carried at cost.

iv. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the statement of Profit and Loss except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

n. Investments

Long-term Investments are stated at cost after deducting provision, if any, for other than temporary diminution in the value of investments. Current Investments are stated at lower of cost and market / fair value.

o. Basis of Consolidation

i. Combine Like items of assets, Liabilities, Equity, income, expense and cash flow of the parent with its subsidiary.

ii. Offset (Eliminate), the carrying amount of the parent parent's investment in each subsidiary, and the parents, portion, of equity of subsidiary.

iii. Eliminate full intragroup assets and liabilities, equity, income, expenses, and cash, flows, relating to transactions between entities of the group.

iv. Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary.

Notes on Financial Statements for the year ended 31st March, 2026

2.1 SHARE CAPITAL

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Authorised Capital		
1,10,00,000 (1,10,00,000) Equity shares of Rs.10/- each	1,100.00	1,100.00
	1,100.00	1,100.00
Issued, Subscribed and Paid-Up		
1,08,92,000 (1,08,92,000) Equity shares of Rs.10/- each	1,089.20	1,089.20
	1,089.20	1,089.20

Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Equity Shares	As at 31st March, 2026	As at 31st March, 2025
Number of shares at the beginning	1,08,92,000	1,08,92,000
Add: Bonus Share Issued	-	-
Add: Fresh Issue of shares	-	-
Number of shares at the end	1,08,92,000	1,08,92,000

Equity Shareholders holding more than 5 % of the shares

Particulars	As at 31/03/2026		As at 31/03/2025	
	No. of Shares	% held	No. of Shares	% held
Mrs. Darshana Hemant Mehta	30,11,440	27.65%	30,11,440	27.65%
Mr. Manan Hemant Mehta	20,67,360	18.98%	20,67,360	18.98%
Mr. Hemant Dalsukhrai Mehta	18,26,200	16.77%	18,26,200	16.77%

Terms/Rights Attached to Equity Shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share and ranks pari passu.

Shares held by promoters & promoter group at the end of the year

Particulars	As at 31/03/2026		% Change
	No. of Shares	% held	
A) PROMOTERS			
Mr. Hemant Dalsukhrai Mehta	18,26,200	16.77%	0.00%
Mr. Manan Hemant Mehta	20,67,360	18.98%	0.00%
Total (A)	38,93,560	35.75%	0.00%
B) PROMOTER GROUP			
Mrs. Darshana Hemant Mehta	30,11,440	27.65%	0.00%
Mr. Dharman Manoj Mehta	5,40,000	4.96%	0.00%
Mr. Vandan Manoj Mehta	5,40,000	4.96%	0.00%
Mr. Nitin Dalsukhrai Mehta	10,000	0.09%	0.00%
Mrs. Nita Nitin Mehta	5,000	0.05%	0.00%
Total (B)	41,06,440	37.70%	0.00%
Total (A + B)	80,00,000	73.45%	0.00%

2.2 RESERVES & SURPLUS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a) Securities Premium		
Opening balance	1,748.70	1,748.70
Add : Premium on shares issued during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing Balance (A)	1,748.70	1,748.70
(b) Surplus in the Statement of Profit and Loss		
Balance as per last Financial Statements	2,982.24	2,069.80
Add : Profit for the year	1,126.20	912.43
Net Surplus in the Statement of Profit and Loss (B)	4,108.43	2,982.24
(c) Cash Flow Hedge Reserve		
Balance as per last Financial Statements	-	-
Add : Reserve made/utilized for the year	(2.56)	-
Net Cash Flow Reserve (C)	(2.56)	-
(d) Foreign Currency Translation Reserve		
Balance as per last Financial Statements	-	-
Add : Reserve made for the year	(4.49)	-
Net Foreign Currency Translation Reserve (D)	(4.49)	-
Total (A + B + C)	5,854.57	4,730.94

2.3 MINORITY INTEREST

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Arzol Trading FZE		
*Share Capital of Minority Interest	-	-
Add: Opening Share of Reserves	-	-
Add/Less: Current Share of Reserves	-	-
Lavisa Technologies Private Limited		
*Share Capital of Minority Interest	0.18	-
Add: Opening Share of Reserves	-	-
Add/Less: Current Share of Reserves	(0.69)	-
	(0.51)	-
	(0.51)	-

*Minority Interest represents the portion of profit or loss and net assets of subsidiaries attributable to equity shareholders other than the Holding Company.

Composition of Minority Interest in Subsidiary

Name of the Subsidiary	% held by Minority Interest	Minority Interest (Rs. In lakh)
Arzol Trading FZE	0.00%	-
Lavisa Technologies Private Limited	9.00%	(0.51)

2.4 LONG TERM BORROWINGS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured		
a. Term Loans		
- From Banks	4.87	78.84
	4.87	78.84

Nature of Security and Terms of Repayments for Secured Borrowings:

Refer Note 2.3.1 for Term of Borrowing for details pertaining to Nature of Security and Terms of Repayments.

2.5 OTHER LONG-TERM LIABILITIES

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Deposits Received from CFA	22.10	32.36
	22.10	32.36

2.6 LONG TERM PROVISIONS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for Employee Benefits		
a. Provision for Gratuity (Long Term)	120.28	89.62
	120.28	89.62

2.7 SHORT TERM BORROWINGS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured*		
a. Current maturities of long term debt	72.91	66.15
b. Working Capital Loans repayable on demand from banks	1,600.00	-
c. Cash Credit from Bank	2,550.67	2,409.09
d. Post-shipment Finance (in Foreign Currency)	378.62	-
Unsecured*		
a. Loans and Advances from related parties	163.98	253.53
	4,766.17	2,728.78

*Refer Note 2.3.1 for Term of Borrowing for details pertaining to Nature of Security and Terms of Repayments.

2.8 TRADE PAYABLES

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade Payable		
a. Total Outstanding Dues of Micro & Small Enterprises	588.56	339.16
b. Total Outstanding Dues of Creditors other than Micro Enterprises & Small Enterprises	3,197.58	925.27
	3,786.13	1,264.44

Details of the dues to Micro, Small and Medium Enterprises (MSME), as defined in the Micro, Small and Medium Enterprises Development Act, 2006, based on available information with the Company are as under:

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
a. Principal amount remaining unpaid to any supplier under MSMED	588.56	339.16
b. Interest due on principal amount remaining unpaid to any supplier under MSMED	-	-
c. interest paid by the buyer in terms of section 16 of the MSMED Act 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e Interest accrued and remaining unpaid	-	-
f. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-
	588.56	339.16

2.9 OTHER CURRENT LIABILITIES

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
<u>Other payables</u>		
a. Advances Received from Customers	1,315.13	352.86
b. Employees related	-	-
b. Statutory Dues	24.80	26.86
c. Other Current Liabilities	-	4.00
	1,339.93	383.71

2.10 SHORT-TERM PROVISIONS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
<u>Provision for Employee Benefits</u>		
a. Provision for Salaries	113.23	107.99
b. Provision for Gratuity (Short Term)	27.97	26.90
<u>Other Provisions</u>		
a. Provision for Income Tax	17.54	13.11
b. Provision for Others Expenses	71.75	113.02
	230.49	261.02

2.12 NON CURRENT INVESTMENT

Particulars	As at 31st March, 2026	As at 31st March, 2025
<u>Quoted Investment</u>		
a. Other Investments		
Investments in Mutual Funds	135.65	74.15
	135.65	74.15

Particulars	As at 31st March, 2026	As at 31st March, 2025
Aggregate amount of quoted investments	135.65	74.15
Market Value of quoted investments	130.06	80.51
Aggregate amount of unquoted investments	-	-
Aggregate provision for diminution in value of investments	-	-

2.13 DEFERRED TAX ASSETS (NET)

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Assets		
Provisions	40.94	29.61
Others	6.94	3.48
(A)	47.88	33.09
Deferred Tax Liabilities		
Depreciation	(10.11)	(5.05)
(B)	(10.11)	(5.05)
(A - B)	37.77	28.04

2.14 LONG TERM LOANS AND ADVANCES

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unsecured, considered good (unless otherwise stated)		
a. Capital Advances	37.24	37.24
	37.24	37.24

The company had paid Rs. 44.76 lakhs EMD for acquisition of land for expansion purposes in FY 2020-21. However, the same was forfeited by MIDC due to non payment of balance amount within the prescribed time limit as per the order issued by MIDC. The company is in the process to resolve the matter with MIDC and the management is reasonably assured to complete the land acquisition at the agreed consideration. During FY 2024-25, the company received a refund of Rs. 7.52 lakhs which was paid as a deposit to MIDC for resolving the said matter.

2.15 OTHER NON-CURRENT ASSETS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unsecured (unless otherwise stated)		
a. Security Deposits	176.04	64.70
b. Bank Deposit having maturity of more than 12 months	170.18	125.70
	346.22	190.41

2.16 INVENTORIES

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
a. Raw materials#	5,129.48	1,853.78
b. Work in progress	301.59	319.06
c. Finished goods	1,482.36	1,211.26
	6,913.42	3,384.11

#Raw Materials include Goods in Transit as on 31st March, 2026 amounting to Rs. 31.59 lakhs.

#Raw Materials include Goods in Transit as on 31st March, 2025 amounting to Rs. 357.64 lakhs.

2.17 TRADE RECEIVABLES

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unsecured, Considered good		
a. Outstanding for a period exceeding six months from the date it is due	479.77	408.72
b. Others	6,853.30	4,065.32
Doubtful		
a. Outstanding for a period exceeding six months from the date it is due	62.58	167.53
b. Others	-	-
Less: Provision for Doubtful Debts	(15.98)	-
	7,379.66	4,641.58

2.18 CASH & CASH EQUIVALENTS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Cash and Cash Equivalents		
a. Balances with banks	236.05	471.33
b. Cash on hand	31.06	12.31
c. Bank Deposit having maturity of less than 3 months	37.13	36.47
	304.24	520.11

2.19 SHORT TERM LOANS & ADVANCES

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(Unsecured, Considered good unless otherwise specified)		
a. Loans & Advances to employees	36.59	26.78
	36.59	26.78

2.20 OTHER CURRENT ASSETS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(Unsecured, Considered good unless otherwise specified)		
Interest accrued on investments		
a. Balances with Revenue authorities (GST / VAT)	548.79	321.55
b. Prepaid Expenses	41.90	42.77
c. Others	18.79	201.81
	609.48	566.13

2.21 REVENUE FROM OPERATIONS

(Rs. in lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Sale of product	41,327.37	28,524.66
	41,327.37	28,524.66

2.22 OTHER INCOME

(Rs. in lakhs)

Particulars	2025-26	2024-25
Interest income (Other than finance company)	6.72	5.56
Foreign Exchange Gain / (Loss)	215.54	72.94
Export Drawback	19.46	15.43
Rent Income	3.47	8.76
Insurance Claim received	9.12	-
Other non-operating income (net of expenses directly attributable to such income)	-	0.25
	254.31	102.94

2.23 COST OF MATERIAL CONSUMED

(Rs. in lakhs)

Particulars	2025-26	2024-25
Opening Inventory	1,853.78	1,888.97
Add : Purchases during the year	38,147.01	23,344.72
Less : Inventory lost due to fire (Refer Note 2.27)	-	232.30
Less : Closing Inventory	5,129.48	1,853.78
Cost of Raw Materials consumed during the year	34,871.32	23,147.61

2.24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE.

(Rs. in lakhs)

Particulars	2025-26	2024-25
<u>Changes in Inventories of Finished Goods</u>		
Opening Stock of Finished Goods	1,211.26	1,063.67
Less : Closing Stock of Finished Goods	1,599.46	1,211.26
(INCREASE)/DECREASE IN STOCK	(388.20)	(147.59)
<u>Changes in Inventories of WIP</u>		
Opening Stock of WIP	319.06	249.67
Less : Closing Stock of WIP	301.59	319.06
(INCREASE)/DECREASE IN STOCK	17.47	(69.39)
Total	(370.73)	(216.98)

2.25 EMPLOYEE BENEFITS EXPENSE

(Rs. in lakhs)

Particulars	2025-26	2024-25
Salaries and Wages	1,545.31	1,183.13
Contribution to Provident and Other Funds	79.06	62.70
Staff Welfare Expenses	66.35	40.15
Director's Remuneration	157.00	142.14
Provision for Gratuity	32.91	33.00
	1,880.72	1,461.13

2.26 FINANCE COSTS

(Rs. in lakhs)

Particulars	2025-26	2024-25
Interest Expense	268.92	240.46
Bank Charges	81.82	57.89
	350.73	298.35

2.27 OTHER EXPENSES

(Rs. in lakhs)

Particulars	2025-26	2024-25
Administration Expenses	51.64	55.90
CFA Charges	149.85	119.98
Commission Expense	220.89	190.35
Consulting Charges	1.14	0.56
Conveyance Expenses	7.22	7.70
CSR Expenditure	23.15	10.76
Discount	57.73	25.92
Electricity Charges	42.28	43.42
Factory Expenses	53.80	19.85
Insurance	95.18	70.15
Interest on TDS/TCS	0.99	-
Interest on GST/Custom Duty	4.40	-
Lab Testing Material	15.66	7.28
Liquidated Damages paid to Customers	-	51.60
Job Work Charges	23.56	12.32
Packing Expenses	29.53	13.23
Professional fees		
a. Auditor	11.13	6.75
b. Others	226.30	189.25
Power & Fuel	14.26	11.49
Provision for Doubtful Debts	15.98	-
Rates & Taxes	6.34	0.08
Repairs & Maintenance	8.51	7.56
Rent	170.61	88.31
Repairs to Machinery	28.84	17.13
Royalty Paid	7.17	10.55
Selling & Distribution Expenses	83.31	107.54
Security Charges	38.50	35.49
Software Expenses	19.01	13.20
Spares & Consumables	21.38	7.53
Transport Charges	1,552.38	1,222.34
Travelling Expenses	149.16	118.64
GST / CST / VAT Penalty	0.01	1.17
Other Expenses	56.21	31.01
	3,189.70	2,497.08

PAYMENT TO AUDITORS AS :

Particulars	(Rs. in lakhs)	
	2025-26	2024-25
a. Statutory Audit Fees	3.75	3.25
b. Taxation matters	6.40	3.50
	10.15	6.75

2.28 EXCEPTIONAL ITEMS :

Particulars	(Rs. in lakhs)	
	2025-26	2024-25
Loss by Fire	-	74.39
	-	74.39

Note:

1. During FY 2024-25, a fire incident occurred on 5th October, 2024 at the Company's godown located in Bhiwandi, resulting in the loss of inventory valued at Rs. 232.30 lakhs. The inventory was adequately insured, and the Company lodged a claim with the insurance provider. The insurance claim was approved on 2nd May, 2025 for an amount of Rs. 199.72 lakhs, which was subsequently received on 8th May, 2025.

Further, in compliance with the provisions of Section 17(5) of the Central Goods and Services Tax (CGST) Act, 2017, the Company has reversed the Input Tax Credit (ITC) pertaining to the destroyed inventory. The ITC reversal amounts to Rs. 41.81 lakhs.

Having regard to the nature and incidence of such loss by fire, the management is of the opinion that the net loss arising from the incident, amounting to Rs. 74.39 lakhs is to be disclosed separately to explain the performance of the company for the period.

ADDITIONAL NOTES TO ACCOUNTS – INFORMATIVE
2.29 COMPUTATION OF PROFIT/LOSS FOR EARNINGS PER SHARE

Particulars	(Rs. in lakhs, except EPS)	
	2025-26	2024-25
Profit after tax as per statement of profit and loss	1,122.36	908.44
Less: Preference Share Dividend and tax thereon	-	-
Profit including exceptional items attributable to Equity Shares	1,122.36	908.44
Less : Exceptional items	-	(74.39)
Profit excluding exceptional items attributable to Equity Shares	1,122.36	982.83
Weighted average number of equity shares for basic EPS (in No.)	1,08,92,000*	1,08,92,000*
Weighted average number of equity shares for diluted EPS (in No.)	1,08,92,000*	1,08,92,000*
Face value of equity shares (in `)	10	10
Earnings per share Basic (in `)	10.30	9.02
Earnings per share Diluted (in `)	10.30	9.02

*(i) As per the requirements of 'AS 20 - Earnings per share' the weighted average number of equity shares at the end of March 31, 2026 and March 31, 2025 for the purpose of calculation of EPS is 1,08,92,000 equity shares [1,08,92,000*12/12]

PETROLEUM LTD.

3.1.1 ANNEXURE FOR TERMS OF BORROWINGS:

Name of Lender	Nature of Security	Account Number	Repayment Terms	Sanction (₹ In Lakhs)	Rate of Interest	Tenure Months	Installment (₹ in lakhs)	Outstanding as on March 31, 2026 (₹ In Lakhs)	Outstanding as on March 31, 2025 (₹ In Lakhs)
Secured									
1. Working Capital Demand Loan									
Kotak Mahindra Bank	WCDL (Refer notes 1 (a), 2(a), 2(c), 3 for Security details)	1352DL0100000123	Upto 90 days	400	7.75%	3	NA	400	-
Kotak Mahindra Bank	WCDL (Refer notes 1 (a), 2(a), 2(c), 3 for Security details)	1352DL0100000122	Upto 90 days	200	7.75%	3	NA	200	-
Kotak Mahindra Bank	WCDL Foreign Currency (Refer notes 1 (a), 2(a), 2(c), 3 for Security details)	1352DL0100000121	Upto 90 days	600	8.00%	3	NA	600	-
2. Cash Credit									
Kotak Mahindra Bank	Cash Credit (Refer notes 1 (a), 2(a), 2(c), 3 for Security details)	7712056011	Repayable on demand from Bank	NA	Repo Rate + 2.75%	NA	NA	1,058.42	1,778.51
Standard Chartered Bank	Cash Credit (Refer notes 4, 5 for Security details)	22506209624	Repayable on demand from Bank	NA	3 month MIOBR + 2.51%	NA	NA	1,477.01	680.59
ICICI Bank	Cash Credit (Refer notes 6, 7 for Security details)	577151000001	Repayable on demand from Bank	NA	Repo Rate + 2.65%	NA	NA	3.23	-
3. Working Capital Term Loan									
Kotak Mahindra Bank	Working Capital Term Loan Under ECLG Scheme (Refer notes 1 (b), 2(a), 2(c), 3 for Security details)	1352CL0100000009	60 Installments	149	8.70%	60	Variable	60.63	109.14
4. Term Loan									
Kotak Mahindra Bank	Term Loan (Refer notes 1 (a), 2(a), 2(c), 3 for Security details)	1352TL0100000054	60 Installments	92.33	Repo Rate + 3%	60	Variable	17.15	36.19
Unsecured									
1. Buyer's Credit									
Kotak Mahindra Bank	Buyer's Credit	0642BCR261134374	Upto 90 days	373	3 Months SOFR + 1.3%	2.63	NA	378.62	-
2. Temporary Overdraft									
Standard Chartered Bank	Temporary Overdraft	7256294	Upto 90 days	200	9.83%	2.33	NA	200	-
Standard Chartered Bank	Temporary Overdraft	7256276	Upto 90 days	200	9.83%	2.17	NA	200	-
Loan from related party									
Manan Mehta - APL	Unsecured	NA	Repayable on Demand	NA	NA	NA	NA	5.57	70.19
Hemant Mehta - APL	Unsecured	NA	Repayable on Demand	NA	NA	NA	NA	55.52	122.02
Darshana Mehta - APL	Unsecured	NA	Repayable on Demand	NA	NA	NA	NA	49.30	61.33
Manan Mehta - Lavisa	Unsecured	NA	Repayable on Demand	42.62	NA	NA	NA	42.62	-
Hemant Mehta - Lavisa	Unsecured	NA	Repayable on Demand	21.50	NA	NA	NA	21.50	-
Total								4,769.56	2,857.96
Aggregate amount of Loan Guaranteed by directors and others								3,755.81	2,495.28

Notes:
Note 1 (a)

Term Loan, Cash Credit, Working Capital Demand Loan, and Financial/Performance Bank Guarantee facilities are secured by way of primary security, being a first pari passu charge by way of hypothecation over all existing and future current assets and movable fixed assets of the Company, jointly with Standard Chartered Bank.

Note 1 (b)

Working Capital Term Loan availed under the ECLGS Scheme of National Credit Guarantee Trustee Company Limited is secured by way of primary security, being a second charge by way of hypothecation over all existing and future current assets and movable fixed assets of the Company, along with Standard Chartered Bank.

Note 2 (a)

Term Loan, Working Capital Term Loan under the ECLG Scheme of NCGTC, Cash Credit, Working Capital Demand Loan, and Bank Guarantee – Financial / Performance are secured by way of collateral security, being mortgage (1st pari passu charge) over the industrial property comprising Industrial Building situated at Plot No. 14B/1, in the Ambernath area of MIDC, within the limits of Village Morivali, near Hamilton Cycle Company & Ladi Naka, off Kalyan Badlapur Road, Ambernath (West), Taluka Ambernath, District Thane – 421505, Maharashtra. The mortgage property provides a security cover of 0.38 times. Further, the Working Capital Term Loan is additionally secured by way of second charge.

Note 2 (b)

Bank Guarantee- Financial Performance are covered by way of Collateral Security namely, Lien (Exclusive) on Fixed Deposits

Note 2(c)

Term Loan, Working Capital Term Loan under the ECLG Scheme of NCGTC, Cash Credit, Working Capital Demand Loan, and Bank Guarantee – Financial / Performance are secured by way of collateral security, being mortgage (1st pari passu charge) over the industrial property comprising Industrial Building situated at Plot No. 14-B, in the Ambernath area of MIDC, within the limits of Village Morivali, near Hamilton Cycle Company & Ladi Naka, off Kalyan Badlapur Road, Ambernath (West), Taluka Ambernath, District Thane – 421505, Maharashtra. The mortgage property provides a security cover of 0.38 times. Further, the Working Capital Term Loan is additionally secured by way of second charge.

Note 3

Term Loan, Cash Credit, Working Capital Demand Loan, Bank Guarantees - Financial / Performance have been secured by personal guarantees of Darshana Hemant Mehta, Manan Hemant Mehta, Hemant Dalsukhrai Mehta

Note 4

Cash Credit no. 22506209624 is secured with Pari Passu charge with Kotak Mahindra Bank Limited on existing & future current assets and moveable fixed assets of the company. Share of Kotak Mahindra Bank Limited 60.2%, Standard Chartered Bank 39.8%. Pari Passu charge with Kotak on land and building situated at Plot 14-B & 14-B/1, Morivali M.I.D.C., Opposite Positive Packaging, Ambernath (W), Thane-421505 valued at 166.2 Mio. SCB share is INR 63.3 mn. Property is owned by Arabian Petroleum Private limited.

Note 5

Cash Credit no. 22506209624 has Personal Guarantee of Mr Hemant Mehta, Mrs Darshana Mehta & Mr Manan Mehta

Note 6

Security Details	FACILITY	Nature of Charge
Current Assets	Cash Credit	First Paripassu charge
Immovable Fixed Assets	Cash Credit	First Paripassu charge
Immovable Fixed Assets	Cash Credit	First Paripassu charge

Note 7

Cash credit facilities provided by the Bank have been secured by personal guarantees of Darshana Hemant Mehta, Manan Hemant Mehta, Dharman Manoj Mehta, Hemant Dalsukhrai Mehta

2.11 (A) PROPERTY, PLANT AND EQUIPMENT
Tangible Assets

(Rs. in lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	Cost as on 1/4/2025	Additions in the year	Adjustments in the Year	Balance 31/3/2026	Opening 1/4/2025	For the Year	Adjustments in the Year	Balance 31/3/2026	As on 31/3/2026	As on 31/3/2025
Land	108.87	-	-	108.87	-	-	-	-	108.87	108.87
Building	766.38	16.61	-	782.99	139.78	31.03	-	170.81	612.18	626.6
Plant & Machinery	955.38	56.11	-	1,011.48	632.2	60.69	-	692.89	318.59	323.17
Furniture & Fixtures	173.74	8.14	-	181.88	130.84	16.93	-	147.76	34.11	42.9
Labotary Equipments	75.68	79.87	-	155.55	52.02	13.86	-	65.87	89.67	23.66
Vehicles	16.02	-	-	16.02	12.99	0.80	-	13.79	2.23	3.02
Office Equipment	150.25	19.85	-	170.10	103.1	12.92	-	116.02	54.08	47.15
Computer	51.09	12.14	-	63.23	43.4	6.87	-	50.09	12.96	7.69
Total	2,297.40	192.72	-	2,490.12	1,114.33	143.10	-	1,257.24	1,232.69	1,183.07
Previous Year	2,215.43	81.97	-	2,297.40	969.60	144.73	-	1,114.33	1,183.07	1,245.83

Intangible Assets

Particulars	Gross Block				Depreciation				Net Block	
	Cost as on 01-04-25	Additions in the year	Adjustments in the Year	Balance 31-03-26	Opening 01-04-25	For the Year	Adjustments in the Year	Balance 31-03-26	As on 31-03-26	As on 31-03-25
Computer Software	23.72	-	-	23.72	20.42	1.65	-	22.07	1.65	3.30
Technical Know-how	-	48.63	-	48.63	-	1.59	-	1.59	47.05	-
Trademark	-	2.19	-	2.19	-	0.06	-	0.06	2.13	-
Total	23.72	50.82	-	74.55	20.42	3.29	-	23.72	50.83	3.30
Previous Year	22.77	0.95	-	23.72	15.29	5.13	-	20.42	3.30	7.48

Capital WIP

Particulars	Gross Block				Depreciation				Net Block	
	Cost as on 01-04-25	Additions in the year	Adjustments in the Year	Balance 31-03-26	Opening 01-04-25	For the Year	Adjustments in the Year	Balance 31-03-26	As on 31-03-26	As on 31-03-25
Capital WIP	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	-	-	-	-

2.30 AS 18 - RELATED PARTIES

As per Accounting Standard (AS-18) on Related Party Disclosures issued by the Companies (Accounting Standards) Rules, 2006, the disclosures of transactions with the related party as defined in the Accounting Standard are given below:

2.30.1 DETAILS OF RELATED PARTIES

Description Of Relationship	Sr. No	Names of related parties
(a) Wholly-Owned Subsidiaries	i	Arzol Petroleum Trading FZE
(b) Subsidiary	i	Lavisa Technologies Private Limited
(c) Key Management Personnel	i	Hemant Dalsukhrai Mehta
	ii	Darshana Hemant Mehta
	iii	Manan Hemant Mehta
	iv	Dharman Manoj Mehta
	v	Dinesh Babulal Panchal
	vi	Milan Mohanlal Paleja
	vii	Rekha Rani Narniwal (Company Secretary till 6th October, 2025)
	viii	Vandana Tiwari (Company Secretary from 7th October, 2025)
	ix	Abhijeet Bhosale (KMP of Subsidiary)
	x	Anup Paraswar (KMP of Subsidiary)
(d) Enterprises over which Key Management Personnel has significant control	i	Hemant Mehta HUF - M/s Arabian Petroleum
	ii	Manan Mehta HUF - Eastern India Co. (M)
	iii	Hemant Dalsukhrai Mehta (Proprietorship) - Eastern India Co. (H)
(e) Relative of Key Management Personnel	i	Vandan Manoj Mehta
	ii	Atman Mehta
	iii	Viram Manoj Mehta
	iv	Rajvi Mehta
(f) Enterprises over which relative of Key Management has significant control	i	Arabian Technologies LLP

2.30.2 DETAILS OF RELATED PARTY TRANSACTIONS DURING THE YEAR ENDED 31ST MARCH, 2026 AND BALANCES OUTSTANDING AS AT 31ST MARCH, 2026 :

(Rs. in lakhs)

Particulars	Key Management Personnel	Enterprise over which KMP has significant control	Relative of KMP	Enterprise over which relative of KMP has significant control	Enterprise over which Subsidiary's KMP has significant control
Incomes					
a) Sales	-	-	-	-	0.10
	-	(2.95)	-	(0.08)	-
Expenditure					
a) Purchases	4.61	-	2.48	61.85	212.65
	-	(0.19)	-	-	-
b) Remuneration	184.19	-	43.79	-	-
	(144.54)	-	(38.78)	-	-
Finance					
a) Loans & Advance –Taken	104.12	-	-	-	15.42
	(247.00)	-	-	-	-
b) Loans & Advances - Repaid	183.15	-	-	-	-
	(486.00)	-	-	-	-
Outstandings					
a) Payable Loan	99.86	-	-	-	-
	(253.53)	-	-	-	-
b) Debtors	-	4.33	-	-	-
	-	(4.33)	-	-	-
c) Creditors	-	15.09	-	2.97	(5.05)
	-	(16.38)	-	-	-
Intangible Asset Purchased	-	-	-	-	48.63
	-	-	-	-	-

2.31 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

The Company has integrated its organization structure with respect to its automotive and non-automotive business considering that the synergies, risks and returns associated with business operations are not predominantly distinct. The Company has aligned its internal financial reporting system in line with the new organization structure. As a result the Company's reportable business segment consists of a single segment of "Lubricants" in terms of AS 17. The Managing Director (Chief Operating Decision Maker) is accountable for leading the growth agenda for an integrated Automotive and Industrial business.

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown below:

Particulars	(Rs. in lakhs)	
	2025-26	2024-25
India	36,744.23	24,751.74
Rest of the World	4,583.14	3,772.92
	41,327.37	28,524.66

All non-current assets of the Company excluding Deferred Tax Assets (Net) and Financial Assets are located in India.

2.32 OTHER DISCLOSURES AS PER SCHEDULE-III OF THE COMPANIES ACT, 2013

2.32.1 RESTATED CONTINGENT LIABILITIES & COMMITMENTS

Particulars	(Rs. in lakhs)	
	As at 31st March, 2026	As at 31st March, 2025
<u>Contingent liabilities in respect of:</u>		
(a) Claims against the company not acknowledged as debts (Indirect Tax Matters)	5.14	5.14
(b) Bank Guarantees given by the Company	462.36	204.08
Total (a+b)	467.50	209.22

2.32.2 VALUE OF IMPORTS CALCULATED ON F.O.B BASIS BY THE COMPANY DURING THE FINANCIAL YEAR IN RESPECT OF :

Particulars	(Rs. in lakhs)	
	As at 31st March, 2026	As at 31st March, 2025
(a) <u>Raw materials/ Traded Goods</u>	12,868.68	5,017.80
	12,868.68	5,017.80

2.32.3 EXPENDITURE IN FOREIGN CURRENCY DURING THE FINANCIAL YEAR ON ACCOUNT OF ROYALTY, KNOW-HOW, PROFESSIONAL AND CONSULTATION FEES, INTEREST, AND OTHER MATTERS;

Particulars	(Rs. in lakhs)	
	As at 31st March, 2026	As at 31st March, 2025
(a) <u>Royalty Expenses</u>	7.17	10.55

2.32.4 EARNINGS IN FOREIGN EXCHANGE

Particulars	(Rs. in lakhs)	
	As at 31st March, 2026	As at 31st March, 2025
(a) <u>Export of goods calculated on FOB basis</u>	4,562.19	3,772.92

2.32.5 TITLE DEEDS OF IMMOVABLE PROPERTY NOT HELD IN NAME OF THE COMPANY:

The company has no such immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) which is not held in the name of the company.

2.32.6 DETAILS OF BENAMI PROPERTY HELD:

No proceedings have been Initialed on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988(45 of 1988) and Rules made thereunder.

2.32.7 RELATIONSHIPS WITH STRUCK OFF COMPANIES:

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

2.32.8 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES:

The Company has complied with the number or layers prescribed under the Companies Act, 2013.

2.32.9 WILLFUL DEFAULTER:

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

2.32.10 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

2.32.11 VALUATION OF PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSET AND INVESTMENT PROPERTY

The Company has not revalued its property, plant and equipment or Intangible assets during the current or previous year.

2.32.12 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

2.32.13 Undisclosed Income

There is no Income surrendered or disclosed as Income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

2.33 DISCLOSURES UNDER ACCOUNTING STANDARDS AS PRESCRIBED UNDER SECTION 133 OF THE COMPANIES ACT, 2013 READ WITH RULE 7 OF THE COMPANIES (ACCOUNTS) RULES, 2014. (AS AMENDED)

2.33.1 DIRECTOR'S REMUNERATION

Particulars	(Rs. in lakhs)	
	2025-26	2024-25
Mr. Hemant Mehta	49.63	43.20
Mr. Manan Mehta	49.63	43.20
Mr. Dharman Mehta	42.35	30.77
Mrs. Darshana Mehta	14.40	24.98
Mr. Abhijeet Bhosale	1.00	-
	157.00	142.14

2.33.2 DISCLOSURES UNDER ACCOUNTING STANDARD - 15 (EMPLOYEE BENEFITS)

Accounting Standard 15 on 'Employee Benefits' as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

(a) Defined Contribution Plans:

The Company makes Provident Fund and Superannuation Fund, contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The company has recognized the following amounts in the Statement of Profit and Loss for the year.

Particulars	(Rs. in lakhs)	
	2025-26	2024-25
Contribution to Provident Fund	68.47	64.72
Contribution to ESIC	3.86	4.27

(b) Defined Benefit Plans:

The Company has policy of giving gratuity to its employees who complete period of qualifying service which is 5 years.

The company's plan assets in respect of Gratuity are funded through the Group Scheme of Life Insurance Corporation of India. The scheme provides for payment to vested employees as under:

- On normal retirement / early retirement / withdrawal / resignation: As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- On death in service: As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

Valuation Method :	Projected Unit Credit (PUC) method
Discount Rate :	6.73% (Previous Year 7.20%)
Salary Escalation :	7% (Previous Year 7%)
Mortality Rate :	Indian Assured Lives
Withdrawal Rate :	10% (Previous Year 10%)

Funded status of the plan (Rs. in lakhs)

Particulars	2025-26	2024-25
Present value of funded obligations	306.46	143.21
Fair value of plan assets	(49.91)	(26.68)
Net Liability (Asset)	256.55	116.52

Profit and loss account for the period

Particulars	(Rs. in lakhs)	
	2025-26	2024-25
Current service cost	29.57	24.71
Interest on obligation	8.28	7.31
Expected return on plan assets	(1.63)	(1.56)
Net actuarial loss/(gain)	(3.19)	2.54
Total included in 'Employee Benefit Expense'	33.03	33.00

(Rs. in lakhs)

Particulars	2025-26	2024-25
Loss/(gain) on obligation	(5.21)	2.62
Loss/(gain) on assets	2.02	(0.08)
Net actuarial loss/(gain)	(3.19)	2.54

Reconciliation of defined benefit obligation

(Rs in lakhs)

Particulars	2025-26	2024-25
Opening Defined Benefit Obligation	280.19	113.37
Transfer in/(out) obligation	-	-
Current service cost	29.57	24.71
Interest cost	8.28	7.31
Actuarial loss / (gain)	(5.21)	2.62
Benefit paid from fund	(3.96)	(4.80)
Closing Defined Benefit Obligation	308.87	143.21

Reconciliation of plan assets

(Rs in lakhs)

Particulars	2025-26	2024-25
Opening value of plan assets	52.96	55.87
Transfer in/(out) obligation	-	-
Expected return (Interest income of assets)	1.63	1.56
Actuarial gain/(loss)	(2.02)	0.08
Contributions by employer	1.30	0.41
Benefits paid	(3.96)	(4.80)
Closing value of plan assets	49.91	53.10

Composition of the plan assets

(Rs. in lakhs)

Particulars	2025-26	2024-25
Assets Under Insurance Schemes	100%	100%

Reconciliation of net defined benefit liability

(Rs. in lakhs)

Particulars	2025-26	2024-25
Net opening provision in books of accounts	227.23	83.92
Employee Benefit Expense	33.03	33.00
Contributions to plan assets	(1.30)	(0.41)
Closing provision in books of accounts	258.96	116.52

Principle actuarial assumptions

Particulars	2025-26	2024-25
Discount Rate	7.15%	6.73%
Expected Return on Plan Assets	7.15%	6.73%
Salary Growth Rate	7.00%	7.00%
Withdrawal Rates	10.00%	10.00%

Table of experience adjustments

(Rs in lakhs)

Particulars	2025-26	2024-25
Defined Benefit Obligation	308.87	143.21
Plan Assets	49.91	53.10
Surplus/(Deficit)	(258.96)	(90.10)
Experience adjustments on plan liabilities	(0.39)	(1.58)
Actuarial loss/(gain) due to change in financial assumptions	(4.83)	4.19
Actuarial loss/ (gain) due to change in demographic assumption	-	-
Experience adjustments on plan assets	2.02	(0.08)
Net actuarial loss/ (gain) for the year	(3.20)	2.54

Other Long term benefits:

The company's long term benefits includes leave encashment at the time of retirement subject to policy of maximum leave accumulation of company. The scheme is not funded. The company has made provision based on actual liability.



2.34 OTHER DISCLOSURES

2.34.1 TRADE PAYABLE AGEING SUMMARY

(Rs in lakhs)

SN	Particulars	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at 31 March 2026						
(i)	MSME	588.56	-	-	-	588.56
(ii)	Others	3,134.39	29.34	29.13	4.71	3,197.58
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-
As at 31 March 2025						
(i)	MSME	339.16	-	-	-	339.16
(ii)	Others	812.13	108.44	-	4.71	925.27
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-

(Rs in lakhs)

2.34.2 TRADE RECEIVABLE AGEING SUMMARY

SN	Particulars	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at 31 March 2026							
(i)	Undisputed Trade Receivable - Considered Good	6,837.32	101.72	68.3	309.74	-	7,317.09
(ii)	Undisputed Trade Receivable - Considered doubtful	-	-	-	-	62.58	62.58
(iii)	Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
(iv)	Disputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
As at 31 March 2025							
(i)	Undisputed Trade Receivable - Considered Good	4,065.32	37.28	355.57	15.87	-	4,474.04
(ii)	Undisputed Trade Receivable - Considered doubtful	-	-	-	-	167.53	167.53
(iii)	Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
(iv)	Disputed Trade Receivable - Considered doubtful	-	-	-	-	-	-

ARABIAN
PETROLEUM LTD.

2.35 ACCOUNTING RATIOS

SN	Particulars	Numerator	Denominator	2025-26	2024-25
1	Current Ratio	Current Assets	Current Liabilities	1.52	1.97
2	Debt-Equity Ratio(a)	Total Debt	Shareholder's Equity	0.69	0.48
3	Debt Service Coverage Ratio(b)	EBITDA + Other Non-Cash Items	Interest & Lease Payments + Principal Repayments	3.16	1.92
4	Return on Equity Ratio	NPAT	Shareholder's Equity or Average Shareholder's Equity	17.60%	16.94%
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	6.63	6.96
6	Trade Receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	6.88	6.31
7	Trade payables turnover ratio(c)	Net Credit Purchases	Average Trade Payables	15.12	20.16
8	Net capital turnover ratio	Net Sales	Average Working Capital	8.49	7.00
9	Net profit ratio	Net Profit (After Tax)	Net Sales	2.71%	3.18%
10	Return on Capital employed	EBIT	Capital Employed	15.23%	17.75%
11	Return on investment	Net profit	Cost of Investment	N.A.	N.A.

Notes:

- (a) The Debt-Equity Ratio indicates a moderate increase in leverage while maintaining a stable capital structure.
(b) The Debt Service Coverage Ratio indicates a stronger capacity to meet debt servicing obligations.
(c) The Trade Payables Turnover Ratio reflects efficient management of supplier payments and healthy working capital practices.

2.36 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

2.37 During the financial year ended 31st March 2026, the Company has implemented an audit trail feature in its accounting software, in compliance with the requirements set forth by the Ministry of Corporate Affairs (MCA) under the Companies (Accounts) Amendment Rules, 2021. This feature was activated on 01st April 2023 and is fully operational.

Purpose and Functionality

The audit trail feature is designed to enhance transparency and accountability in financial reporting. It ensures that all changes made to the books of account are automatically recorded with the following details:

- Date and Time: The exact timestamp when the modification was made.
- User Identification: The identity of the user who made the modification.
- Description of Change: A brief description of the modification made, capturing the nature of the change.

Impact on Internal Controls

The introduction of the audit trail feature significantly strengthens the Company's internal controls over financial reporting. It provides a secure and traceable record of all transactions and adjustments, thereby reducing the risk of errors or unauthorized changes in the financial records. The Company has put in place appropriate policies to review and monitor the audit trail regularly.

(As per our report of even date)

For **Viral Jain & Associates**

Chartered Accountants

FRN: 135089W

Sd/-

CA Rishabh Bhandari

Partner

Membership No. : 190900

UDIN : 26190900TOFNQ04551

Place : Mumbai

Date : 28-05-2026

For & On Behalf Of Board Of Directors

Sd/-

Hemant Dalsukhrai Mehta

Chairman &

Managing Director

DIN: 02507616

Sd/-

Dharman Manoj Mehta

Whole Time Director

& Chief Financial Officer

DIN: 07821311

Sd/-

Manan Hemant Mehta

Whole Time Director

DIN: 05124747

Sd/-

Vandana Tiwari

Company Secretary

M No. : ACS-77360

