

CHAIRMAN'S SPEECH IN 54TH ANNUAL GENERAL MEETING

Dear Shareholders, a very Good Morning to all of you!

It gives me immense pleasure in welcoming you all to this 54th Annual General Meeting of your Company held through Video Conferencing and Other Audio-Visual Means in pursuance to the General Circular no. 9/2024 dated 19th September, 2024 of Ministry of Corporate Affairs, Government of India. I would have been happy to meet you personally in physical meeting but virtual meeting enables greater participation of the shareholders from any geographical locations also saves time and cost of attendance. Pursuant to the Section 96 of the Companies Act, 2013 this 54th AGM deemed to have held at the Registered Office of the Company at 5th Floor, Orion Place, Mahapurush Srimanta Sankardev Path, Bhangagarh, Guwahati, Assam.

On behalf of Board of Directors of Assam Petro-Chemicals Limited, I thank each one of you for joining us in this 54th AGM also for your continued trust, encouragement and unequivocal support to the Company as well as management.

The Annual Report of the Company for the financial year ended on 31st March, 2025 containing the Notice of 54th AGM, Directors' Report alongwith its annexures, Audit Report and the Audited Financial Statements of the Company, have already been circulated amongst you and with your kind permission I take them as read.

However, we could not circulate the Supplementary Audit Comments of the Comptroller and Auditor General of India on the Financial Statements of the Company due to delayed receipt. As informed in our Annual Report, we have uploaded the C&AG of India report in the website of the Company immediately after receipt on 24th September, 2025. I also consider them as received and read.

Dear Shareholders, Financial Performance of the Company is not good during the Financial Year 2024-25. Your Company earned Rs. 413.28 Crore revenue from operations during the financial year 2024-25 against Rs. 87.81 Crore in the previous year. The product wise revenue from marketing of Methanol and Formalin during the Financial Year 2024-25 were Rs. 335.42 Crore and Rs.77.85 Crore respectively. The total expense of the Company under various heads was Rs. 719.12 Crore in FY 2024-25 compared to Rs. 89.50 Crore in the previous year.

I am happy to inform you that the Board of Directors of your company declared Commercial Operation of newly commissioned 500 TPD Methanol plant w.e.f. 15th May, 2024. The revenue generated from sale of methanol produced in the 500 TPD Methanol plant and the feedstock and other operating expenses of the new Methanol plant were booked as revenue account w.e.f. that date. Hence, there has been a significant jump of the revenue and expenses amounts in the Financial Year 2024-25 compared to the previous year.

Price of natural gas for production of Methanol was the main cost incurred by the Company in Methanol production. The feedstock cost includes cost of chemicals required for operation of the plants and natural gas transmission charges in the FY 2024-25 was Rs. 440.64 Crore against Rs. 91.24 Crore during the previous year. The feedstock cost accounts about 60.85% of the total expense and 105.14% of the revenue earned from operations during the FY 2024-25. The average cost of methanol in production of per MT has slightly improved on commissioning of the new 500 TPD Methanol plant. Your Company purchased natural gas from Oil India Limited at the price fixed by Petroleum Planning & Analysis Cell (PPAC) of Ministry of Petroleum and Natural Gas, Govt. of India. During the Financial Year 2024-25, Oil India Limited supplied 90.14% of Natural Gas at APM price of 6.5 USD/MMBTU and balance 9.86% Natural Gas at average Non APM price of 7.27 USD/MMBTU.

Dear Shareholders, methanol price in the country was remained lower in the country throughout the year due to its low import parity price. Due to the higher feedstock, finance and depreciation cost and lower methanol price in the country, your Company incurred net loss of Rs. 304.47 Crore in the financial year 2024-25 compared to loss of Rs. 78.63 Crore in the previous year.

India is a methanol importer country imports about 96% of its total demand from the Arabian countries. Remaining 4% methanol of country's demand is filled by Assam Petro Chemicals Ltd. Existing methanol manufacturers of the country other than APL suspended their methanol production due to higher feedstock cost. The Methanol price in India depends on imported methanol price.

You are aware that methanol is the main product that the Company produced in its two Methanol Plants located at Namrup and Formalin is a downstream product of Methanol. The Company produced 1,67,859 MT of Methanol during the Financial Year 2024-25 against 1,22,240 MT in the previous year. The 100 TPD Methanol plant is about 36 years old but still producing close to 100 % of its installed capacity. Your company unable to operate the 500 TPD Methanol plant at the rated capacity during the Financial Year 2024-25 due to certain technical reasons. We are in constant touch with the LEPCM contract Engineers India Ltd., Original Equipment Suppliers and Haldor and Topsoe, the technology supplier of the 500 TPD Methanol plant. We are hopeful that we will be able to operate the plant at 100% capacity.

Dear Shareholders, formalin is the downstream value-added product of methanol and same is produced in its plants located at Namrup and Raninagar, West Bengal. The Company operated these two plants at 106% and 84% respectively during the FY 2024-25. The Company produced total 50,816 MT formalin during the FY 2024-25.

Dear Shareholders, your Company has been marketing its both the products in the North Eastern region, West Bengal, Bihar, Jharkhand, Odisha, Uttar Pradesh, and several other North Indian states also

exporting to our three neighbouring countries viz., Bangladesh, Nepal and Bhutan. The Company has also started marketing Methanol to solvent and pharmaceutical industries located in the Western and Southern India region at a premium price.

The Company sold 1,44,668 MT methanol during the FY 2024-25 compared to 94,569 MT in the previous Financial Year. The quantity of methanol sold during the FY 2024-25 was significantly higher due to production of additional quantity in the 500 TPD Methanol plant.

Dear Shareholders, the Company was implementing a greenfield 200 TPD Formalin project at Boitamari, Bongaigaon on Lump Sum Turn Key basis for last few years. This project has just been completed and commissioned successfully on 3rd September, 2025. However, this newly commissioned 200 TPD Formalin plant is presently going through stabilization phase. We hope that the plant will produce its rated capacity soon.

After successfully commissioned the plant, we met Hon'ble Chief Minister Dr. Himanta Biswa Sarma sir and Hon'ble Minister for Industries, Commerce and PE Department Shri Bimal Bora to apprise them. We also requested our Hon'ble Chief Minister to dedicate the newly commissioned 200 TPD Formalin plant for the service of the state and the nation. The Company has also been implementing a Transshipment Facility works project adjacent to the 200 TPD Formalin project at Boitamari. This project is also expected to complete and commission within the current financial year. This project will ease our transportation, sale and distribution of our products.

Assam Petro-Chemicals Limited gives utmost priority to Health, Safety and Environment to maintain a healthy and safe work environment also safeguard its assets and properties as well as its surroundings. The Company is committed for continuous improvement of work condition and maintaining health, safety and wellbeing of the employees. The Company is also committed to protect environment and minimize release of Green House Gas (GHG) from its operations. Your company

has conducted Health Safety and Environment awareness drive among all levels of the employees of the Company and carried out periodic health check-up of the industrial employees. The Company has been working on complete elimination of accidents and reduction of personal injuries in workplace. Your Company has been complying with all the applicable statutory requirements on HSE.

Assam Petro-Chemicals Limited is a responsible public sector organization, spends its CSR budget amount diligently. The Company has been spending CSR fund in pursuance of the objectives set forth in the CSR Policy. The Company's CSR activities are mainly focused on education sector. During the Financial Year 2024-25, the Company made contribution to APL Vasundhara Jatiya Vidyalaya, Namrup.

Dear Shareholders, I am pleased to state that the industrial relations scenario of the Company during Financial Year 2024-25 was harmonious and cordial. All the issues raised by the APL Workers' Union as well as APL Officers' Association were resolved amicably through discussions.

The Board of Directors of the Company unable to recommend any dividend to the shareholders for the Financial Year 2024-25 due to loss incurred by the Company.

Respected Shareholders, growing price of Natural Gas in our country and low methanol price have posed a huge challenge in front of the company. We are taking appropriate steps to reduce cost and increase the revenue realization to remain sustainable. We have also been requesting to the Government to supply us subsidised Natural Gas and exempt VAT on Natural Gas. We are hopeful that the Government will accept our requests.

In order to increase net realization of the product price and to cut transportation cost , we are making best efforts to supply methanol to Bangladesh and Kolkata through waterways.

We are hopeful that we will be able to turn your company around and make it a premier industrial unit of the Company in the years to come.

Pursuant to Section 139(5) of the Companies Act, 2013, the Comptroller and Auditor General of India appointed M/s Parik & Co., Chartered Accountants as independent auditors for FY 2024-25. They have audited the Financial Statements of the Company and the Financial statements alongwith the audit report are placed for your consideration and to adopt in this General Meeting.

At the end, I alongwith my fellow colleagues on the Board would like to convey sincere thanks and gratitude to each one of the Company's employees and their family members

I sincerely extend thanks to each of the members of the Board of Directors of the company who were holding the office of directors during the Financial Year 2024-25 for their valuable contributions.

I would also like to express our sincere and profound gratitude to the Government of Assam, Government of India, Oil India Ltd., Assam Gas Company Ltd. and Assam Industrial Development Corporation Ltd., for helping the company in all possible way during the financial year 2024-25. I also like to thank Assam Power Distribution Company Ltd. for supplying required electricity for continuous operation of its plants.

I would also like to convey our sincere thanks to Power Finance Corporation Ltd., ICICI Bank, Assam Gramin Vikash Bank and Punjab National Bank to provide the Company required finance and extending banking facilities during the Financial Year 2024-25.

I also like to express sincere thanks to each and every shareholder of the company for reposing confidence and extending fullest support to the company's Board and the Management.

At last, but not the least I convey my sincere gratitude to my colleagues on the Board of Directors of the Company for their contributions and sincerity towards the company.

I also like to convey thanks and gratitude to the media personnel and local social organisations for their continuous support and advise given to us.

As I conclude, I sincerely thank each and every one of you, our stakeholders for confidence and trust bestowed upon us. We remain committed to sustain and continuously improve the Company's performance and live up to your expectations.

At the end I wish you all happy and healthy life ahead.

Thank you all for your kind attention.

Date: 26th September, 2025

Place: Registered Office, Guwahati

SD/-
(Bikul Ch. Deka)
Chairman