THE ANDHRA PETROCHEMICALS LIMITED
Regd. Office :
VENKATARAYAPURAM
(Tanuku) - 534 215
West Godavari Dist. (A.P.)
Tel : 08819-220975, 224755, 224911 (7 Lines)
Fax : 08819-224168
E-mail : investors@theandhrapetrochemicals.com
CIN : L23209AP1984PLC004635
Website : www.theandhrapetrochemicals.com

NO. APL/SEC/BSE/2026

11 February 2026

The General Manager,
Department of Corporate Services,
The Bombay Stock Exchange Ltd.,
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
MUMBAI 400001

Dear Sir,

Sub: ICRA Rating
Ref: 1. Company's Equity Code: 500012
2. Our Corporate Announcement dt.7.2.2026 (copy enclosed)
3. Announcement Reference ID: 7601B115-049D-4594-A94E-5089A5410B1B

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This has w.r.t. your Email dt. 10.2.2026, advising us to resubmit a fresh Corporate Announcement. In this regard, we would like to respectfully submit that the Credit Rating Agency has down-graded the Long Term Un-utilised limits of Rs.57.18 crores (Project Term Loan completely paid) and Non-utilised Long Term Fund Based Working Capital facilities of Rs.35.00 crores from ICRA A- Negative to ICRA BBB+ (Negative).

The rationale: The rating downgrade factors in a subdued performance of our Company (APL) in 9 months FY 2026 and the weaker-than-expected performance anticipated for FY 2026, driven by weak realizations, resulting in compressed margins. The operating margins declined in FY 2025 and 9 months FY 2026 as the spread between oxo-alcohols and feedstock narrowed owing to a decline in product prices. The pressure on the margins is expected to continue in the near term. The performance was further impacted by the shutdown of the company's sole manufacturing facility from October 29, 2025 to February 03, 2026. While the plant was initially shut for planned maintenance, the shutdown was subsequently prolonged owing to un-remunerative realizations for oxo-alcohols amid a surge in low-priced imports. The ratings remain constrained by the exposure of APL's profitability to the fluctuation in the spread between oxo-alcohols and feedstock. Moreover, APL is exposed to force majeure risk because of its dependence on a single supplier (HPCL) for the key raw material, propylene. However, ICRA notes that in the last three years, in times of requirement and healthy margins, the company procured the raw material from BPCL-Kochi and Gas Authority of India Limited (GAIL)-Pata, though at a higher cost, which provides some diversification.

In view of the above observation of the credit rating agency, it is to inform that the Company is a debt-free Company (Project Term Loan of Rs.5.18 crores was fully paid) and not utilizing the Working Capital Limits. The Working Capital limits were fully securitized by hypothecating the Plant & Machinery, Stocks & Stores, Book Debts of Rs.300.00 crores above and given a lien on Fixed Deposits, for the same working capital limit of Rs.35.00 crores. The Company is having Rs.239.36 crores Fixed Deposits with the working capital Lending Banks, even then, the Credit Rating Agency has downgraded. Further, the Company is having a debt mutual funds of Rs.81.68 crores with DP (i.e., SBI) which is one of the consortium banker for working capital limits.

Thanking you,

Yours faithfully,
for **THE ANDHRA PETROCHEMICALS LIMITED**

(G. Adinarayana)
Chief Financial Officer & Company Secretary

G ADINARAYANA

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The General Manager,
Department of Corporate Services,
The Bombay Stock Exchange Ltd.,
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
MUMBAI 400001

7 February 2026

Dear Sir,

Sub: ICRA Rating
Ref: **Company's Equity Code: 500012**

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This is w.r.t. the revised ICRA credit rating assigned to our credit facilities:

(1) Long Term Unallocated Limits of Rs.57.18 crores – [ICRA]BBB+ (Negative); Downgraded from [ICRA]A- (Negative)

(2) Long term – Fund based-Working Capital Facilities – Rs.35.00 crores – [ICRA]BBB+(Negative); Downgraded from [ICRA]A- (Negative)

(3) Short term – Non-fund based – Working Capital Facilities Rs.2.00 crores – [ICRA]A2+; Reaffirmed

Total Rs.94.18 crores.

This is for your kind information and record.

Thanking you,

Yours faithfully,
for **THE ANDHRA PETROCHEMICALS LIMITED**

G ADINARAYANA

(G. Adinarayana)
Chief Financial Officer & Company Secretary