birlanu

Ref: BIRLANU/SE/2026-27/22

July 10, 2026

To
BSE Limited
P.J. Towers, Dalal Street
Mumbai – 400 001
Scrip Code: 509675
Through: BSE Listing Centre

To
National Stock Exchange of India Limited
5th Floor, Exchange Plaza, Bandra (E),
Mumbai – 400 051
Scrip Symbol: BIRLANU
Through: NEAPS

Sub: Notice of 79th Annual General Meeting and Annual Report for FY2025-26
Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Please find enclosed herewith the Notice of 79th Annual General Meeting along with the Annual Report of the Company for the financial year 2025-26 and the same can be accessed on the website of the Company.

Notice of 79th AGM - https://cms.birlanu.com/public/media/2026/06/25/notice-of-79th-agm.pdf;

Annual Report: https://cms.birlanu.com/public/media/2026/06/19/annual-report-fy-2025-26.pdf

In compliance with the MCA Circulars and SEBI Listing Regulations, the Notice of the 79th AGM along with the Annual Report for the financial year 2025-26 is being sent only through electronic mode on July 10, 2026 to those Members whose email addresses are registered with the Company/ Depository Participants/ Registrar and Share Transfer Agent of the Company as on June 26, 2026. Further, pursuant to Regulation 36(1)(b) of the Listing Regulations, 2015, a letter containing the web-link to the Annual Report is also being sent to those members who email addresses are not registered with the Company/DPs, providing weblink to access the annual report on the website of the Company.

It is further informed that the Company has fixed Thursday, July 30, 2026, as the Cut-off Date for the purpose of determining the Members who would be entitled to attend the AGM through VC/OAVM and vote on resolutions set out in the Notice of AGM through e-voting before and during the AGM. The Company has engaged National Securities Depository Limited for providing facility for remote e-Voting, participation in the AGM through VC/OAVM and e-Voting during the AGM. The remote e-Voting period commences on Monday, August 3, 2026 at 9:00 am IST and ends on Wednesday, August 5, 2026 at 5:00 pm IST.

A copy of this intimation is available on the website of the Company at www.birlanu.com.

Yours faithfully,
For **BirlaNu Limited**
(formerly HIL Limited)

NIDHI BISARIA
Digitally signed by NIDHI BISARIA
Date: 2026.07.10 10:54:00 +05'30'

Nidhi Bisaria
Company Secretary & Compliance Officer
Membership No. F5634

Encl. as stated

CKA Birla Group

birlanu

Build Your World

Inspiring Innovation | Executing at Scale

Annual Report 2025-26

Contents

Scan for BRSR

Scan for Annual Report

Spaces do not merely exist; they speak, inspire, and breathe. They are the living expressions of the people who inhabit them.

Rooted in creativity, sustainability, and enduring design, "Build Your World" is a philosophy that honours the human stories at the centre of every square foot.

This year, our philosophy takes on a greater ambition. Constructing a world worthy of human aspirations demands more than vision. It requires the courage to innovate relentlessly and the industrial resolve to execute at an unprecedented scale; transforming individual dreams into a legacy for communities, cities, and generations.

At BirlaNu, innovation is our discipline. Execution is our promise. Together, we help you

Build Your World.

About the CKA Birla Group

Creating long-term value through pioneering ideas and building trust for over 170 years.

From our origins in manufacturing, we have evolved into a services led enterprise with technology as a core business. This is deeply integrated into how we serve our customers and strengthen our global competitiveness. It also reflects a deep commitment to empowering our people, recognising their diverse talents and leadership as pivotal to our continued success.

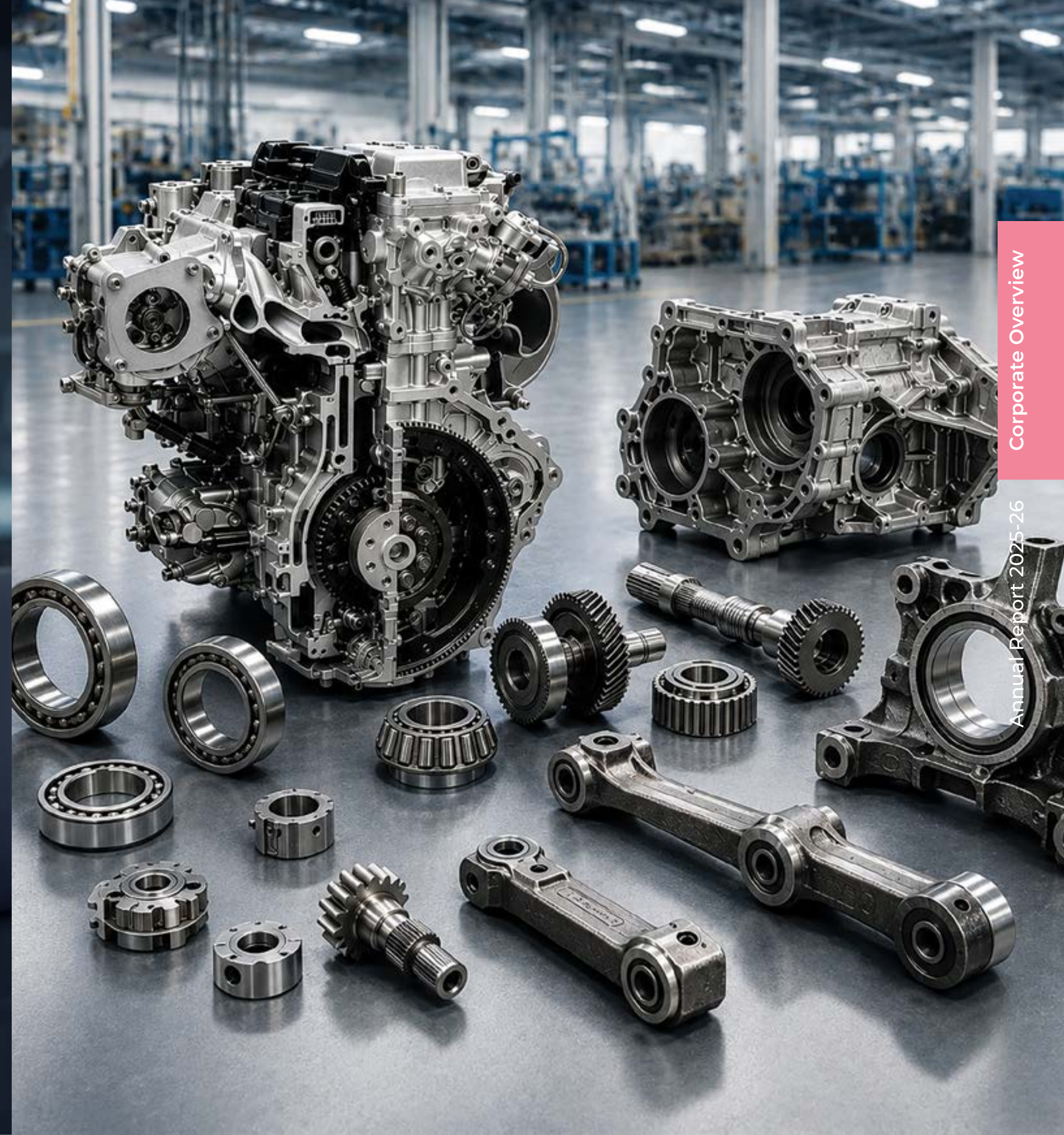
The Group's diverse portfolio includes Birlasoft, GMMCO, National Engineering Industries (makers of NBC Bearings), BirlaNu (formerly HIL), Orient Electric, CK Birla Healthcare (CK Birla Hospitals and Birla Fertility & IVF), Orient Paper, AVTEC and Neosym. Each of these businesses is guided by a shared purpose to serve customers, partners and communities while building enduring value through trust-based relationships.

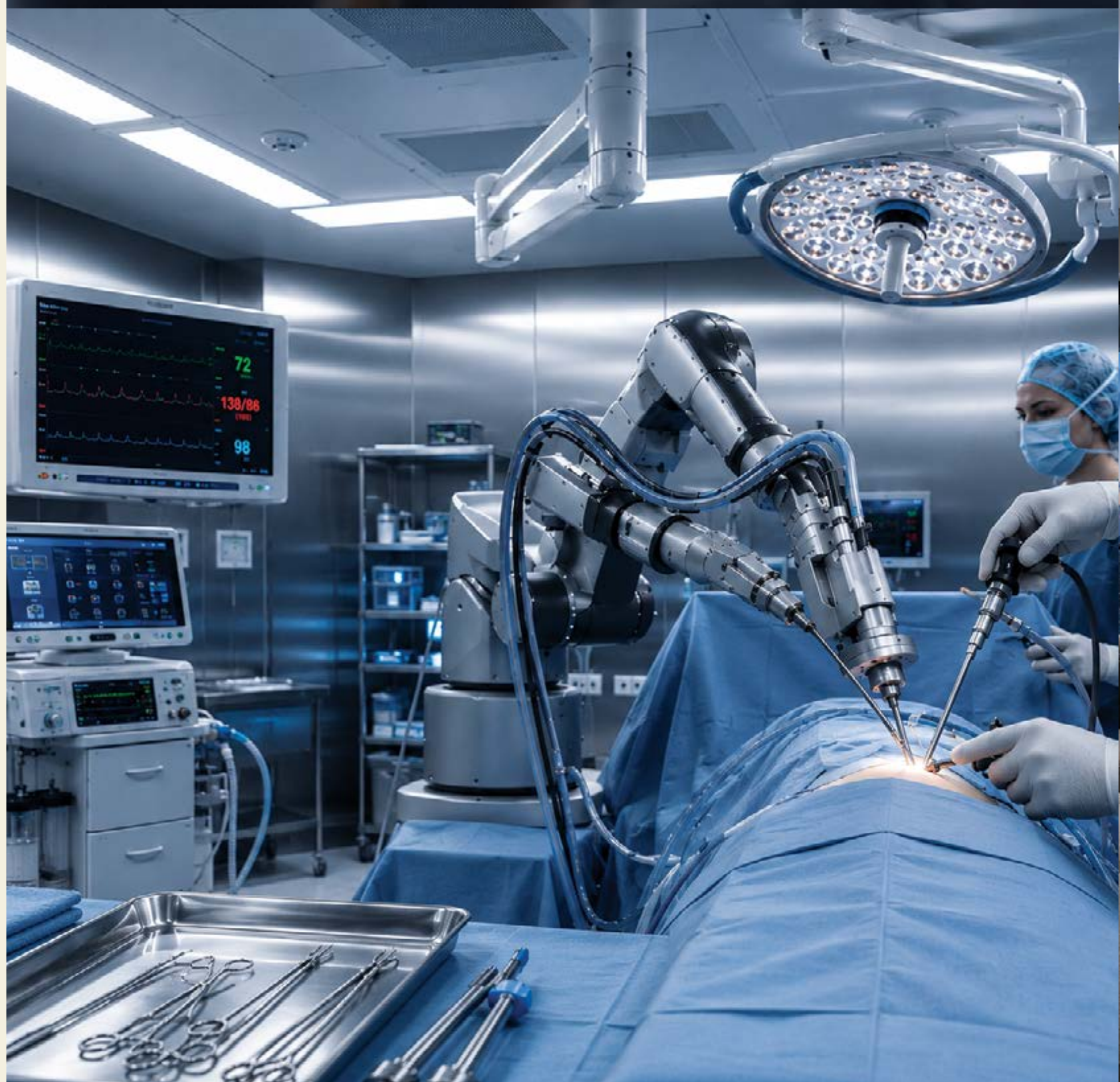
Community Impact & Engagement

The Group has a longstanding legacy of nation-building and community development. Its contributions include educational and research institutions such as BIT Mesra, Modern High Schools, BM Birla Science Centre, and healthcare institutions under the CMRI Trust Hospitals all of which continue to serve millions and nurture generations of talent.

Together we are building the future.

We are the CKA Birla Group





About BirlaNu

BirlaNu (formerly HIL Limited), part of the multi-billion-dollar CKA Birla Group, is a home and building products and services company. We serve homeowners, builders and designers with sustainable, innovative solutions across pipes, construction chemicals, putty, roofs, walls and floors, featuring brands like BirlaNu Leakproof Pipes, BirlaNu Construction Chemicals, BirlaNu TruColour Putty, Charminar, BirlaNu Aerocon, Clean Coats and Parador.

With 33 manufacturing facilities in India, Germany, and Austria, innovation centers in India and Germany, and a market presence in over 80 countries, we have established a strong global footprint. We adhere to the highest global quality standards, holding certifications such as GreenPro, IGBC, PEFC, Blue Angel, and EPD. Our products are integral to commercial, healthcare, hospitality, residential, and infrastructure projects worldwide.

Powered by nearly 7000 employees and a strong partner ecosystem, BirlaNu has consistently been recognised as one of India's best companies to work for (Great Place to Work) and has received INEX Brand of the Year 2025 and Realty+ Iconic Brand 2025 awards.

Our Vision

To be a leading global provider of innovative, sustainable Home & Building solutions.

Our Mission

BirlaNu's mission is to empower homeowners, builders and designers to bring their vision to life – a promise to be the trusted partner in building their future.

Our passion for creating sustainable and innovative products, guides us in shaping spaces where life happens.

We inspire timeless, beautiful design with our customers at the core of every decision we make.

We are powered by a modern, technology led, inclusive and safe work culture.

Our Values

Customers at the heart of everything we do.

I own, I am responsible.

Trust, respect and help each other.

Make it simple, act fast.

Challenge the status quo, raise the bar.

Our Journey

1946-1984

- Setting up of Hyderabad Asbestos Cement Products Ltd.
- Launched brand Charminar
- Inaugurated Hyderabad Innovation Centre

1985-2000

- Name changed to Hyderabad Industries Limited
- Listed on BSE and NSE
- Pioneered AAC Blocks
- DSIR National Innovation Award for Aerocon

2001-2020

- Installed windmills
- Name changed to HIL Ltd.
- Launched PVC pipes
- Started dry-mix production
- Acquired Parador
- Listed as a Fortune India 500 company
- Recognised first time as a Great Place to Work
- Good Design Award for Parador

2021-2024

- Started putty production
- Launched construction chemicals
- Acquired FastBuild AAC Blocks
- Acquired Crestia Polytech PVC pipes
- Good Green Design Award for Parador

2025-2026

- HIL re-branded as BirlaNu
- Acquired Clean Coats Private Limited
- Commercialised state-of-the-art brownfield blocks capacity at Chennai
- Commenced work at new greenfield boards plant in AP
- Recognised among India’s Most Trusted Brands 2026
- Flooring Innovation Award – UK for Parador
- Parador wins German Sustainability Award Companies 2026

Our Strengths

Consistent track record of value delivery

- Over 170 years legacy of the CKA Birla Group
- 80 years of BirlaNu

Extensive Portfolio

- Comprehensive solutions across pipes, construction chemicals, putty, roofs, walls and floors

Global market presence

- 80+ countries
- 30,000+ retail touch points worldwide
- 21,000+ channel partner network globally
- 60%+ tehsil penetration in India

Manufacturing excellence

- 33 state-of-the-art manufacturing facilities across India, Germany and Austria.

Innovation

- 3 innovation hubs in India and Germany

Sustainability

- Green product credentials in 60+ countries

Leading brands

- BirlaNu Leakproof Pipes, Topline
- BirlaNu Construction Chemicals
- BirlaNu TruColour Putty
- Charminar - # 1 roofing solutions brand
- BirlaNu Aerocon - # 1 AAC blocks brand
- Parador – renowned global flooring brand
- BirlaNu Clean Coats

People

- 7,000+ workforce
- 30+ nationalities and across 160+ towns

Chairman's Message

“

The transition to BirlaNu represents more than a new identity; it reflects our ambition to shape the future of home and building solutions through innovation and purposeful growth.

Dear Shareholders,

At the CKA Birla Group we are building a diversified, globally oriented enterprise focused on long-term value creation. We pursue disciplined growth and operational excellence while strengthening our international presence.

Our approach balances commercial success with responsible stewardship and sustainable impact and we remain committed to expanding access to education, improving healthcare outcomes and fostering innovation.

Through enduring institutions and responsible leadership, we seek to contribute to long-term economic and social progress.

For BirlaNu, 2025-26 was a year of significant inflection in our strategic journey. We have now fully transitioned from HIL to BirlaNu, bringing together the entire breadth of our offerings across Pipes, Construction Chemicals, Putty, Roofs, Walls and Floors under one name and one identity. This transformation reflects our collective ambition to be a leading global provider of innovative and sustainable Home & Building solutions.

The acquisition of Clean Coats was another significant milestone this year. This is a strategic step to strengthen BirlaNu's portfolio in specialty construction chemicals and high-performance coatings and brings together Clean Coats' technical expertise, proven formulations, and export capability with BirlaNu's strong brand presence, market reach, institutional relationships, and execution scale.

The acquisition is a step forward in our commitment to double our portfolio over the next few years and marked continued progress in reshaping our portfolio towards more value-added and differentiated offerings. For our shareholders, this transaction offers significant long-term value creation through deeper participation in the fast-growing high-value segment of specialised Construction Chemicals.

As we embraced our new name and purpose, we also built meaningful momentum on both growth and profitability despite operating in a challenging macroeconomic and geopolitical environment. We delivered a consolidated revenue of ₹3,730 crores, growing by 3% over last year. On a standalone basis (India business), we clocked revenue of ₹2,427 crores during the year and delivered a 39% growth in EBITDA to ₹146 crores.

The Walls business delivered solid performance recording a growth of 14% over the previous year. Construction Chemicals continued its strong momentum, growing 45% year on year. In the Roofs segment, where we continue to be the market leader, we further strengthened our leadership position while sustaining a clear premium in both pricing and profitability over the broader market and competition. The Pipes segment operated in a challenging and volatile environment during the year, impacted by subdued demand conditions and sharp volatility in resin prices. Despite these headwinds, the business witnessed strong growth and profitability momentum in H2, supported by decisive cost actions, improved realisations and stronger execution.

At Parador, the business navigated weak European demand, pricing pressure and input cost inflation due to which profitability was under pressure for most of the year. However, the business enters FY27 with improving momentum driven by deeper European retail penetration, expansion into growth markets such as the US and India, targeted pricing moves and gains from cost-optimisation initiatives implemented in FY26.

Our brands continue to be recognised for their equity of trust and quality. Charminar and BirlaNu Aerocon were recognised as Superbrands, while BirlaNu Aerocon AAC Blocks received the INEX Award as an Iconic Brand Leader. BirlaNu Leakproof Pipes was recognised amongst India's Most Trusted Brands and amongst the Best Plastics and Polymers Brands by ET Now. Parador's excellence in design, quality and customer service was acknowledged through the FX Design Awards and the Toom Supplier of the Year recognition.

We also continued to advance our sustainability agenda, with certifications such as GreenPro, GRIHA etc. across most of our product categories in India and prestigious recognitions for Parador, including the German Sustainability Award and EcoVadis Gold certification. Together, these achievements reaffirm our commitment to building trusted brands anchored in innovation, sustainability and long-term value creation.

At BirlaNu, we believed that growth must be anchored in responsibility - towards our customers, communities and our people. During the year, our social initiatives positively impacted over 20,000 beneficiaries from underserved communities, reflecting our commitment to inclusive and meaningful progress.

We also continued to invest in strengthening organisational capabilities, building future-ready leadership and nurturing a culture rooted in agility, collaboration and continuous learning. We believe our people remain our greatest strength and a key driver of long-term sustainable growth.

Digital technology, driven by AI, is fundamentally reshaping the way businesses operate and engage with stakeholders. This year, we advanced our AI-led digital initiatives across sales, manufacturing and supply chain operations to improve productivity, responsiveness and decision-making. We revamped our loyalty programs, with several industry-firsts, to deepen channel engagement and enhance customer connectivity.

We remain deeply committed to creating long-term value for all our stakeholders. On behalf of the Board of Directors, I thank you for your continued trust and support. As we enter this year, we do so with confidence, guided by what has always defined us; trust, innovation, agility, responsibility and purposeful growth.

Warmly,

CK Birla
Chairman

MD & CEO's Message

> Our focus remains clear; rebalance the portfolio towards high-growth, high-margin categories and build a business that is resilient, scalable and future-ready.

Dear Shareholders,

In FY26, we successfully transitioned to BirlaNu. Our focus remained resolute: strengthening execution, driving deep integration across Pipes, Construction Chemicals, Putty, Roofs, Walls, and Floors, and delivering a unified global value proposition. This repivot has unlocked seamless collaboration, sharpened market engagement, and elevated the customer experience, providing a robust platform to scale and deliver sustainable value.

Navigating Headwinds with Agility

The year was shaped by macroeconomic headwinds, commencing with weak domestic demand and compressed realisations, and closing amidst the unfolding Middle East crisis.

Lacking external tailwinds, we executed two sharp priorities:

1. **Agile Cost Management:** Launched structural value-enhancement exercises across key product segments, lifting H2 FY26 margin performance
2. **Strategic Portfolio Rebalancing:** Pivoting towards high-growth, higher-margin categories, as demonstrated by the Clean Coats acquisition and the project commencement of our new **Andhra Pradesh Boards plant**

Financial and Operational Performance

Disciplined execution and deeper market penetration delivered steady operational improvements despite severe market headwinds:

- **Consolidated Revenue:** ₹3,730 crores, anchored by robust volume growth across most segments
- **Standalone Revenue:** ₹2,427 crores
- **Profitability Turnaround:** Standalone EBITDA grew 39% YoY to ₹146 crores, marking significant margin expansion

Segment Review

We enter FY27 with strong operational momentum, supported by accelerated H2 performance in India:

- **Walls:** Grew by nearly 14%, propelled by robust volume expansion in Boards and Panels
- **Construction Chemicals:** Our youngest vertical delivered 45% full-year growth. Integrating Clean Coats significantly expands our comprehensive, value-added solution suite
- **Roofs:** Reinforced undisputed leadership, closing at ₹1,139 crores backed by a strong H2 sales bounce-back, strict pricing discipline, and continuous innovation
- **Pipes:** Navigated delayed government spending, slower execution, and plunging resin prices via a targeted sales acceleration program and rigorous operational efficiencies, yielding a nearly 1,300 bps expansion in EBITDA margins YoY
- **Parador:** Weak demand and cost inflation compressed profitability despite stable Euro revenues. Heading into FY27, momentum is returning via deeper European retail penetration, U.S. market expansion, targeted pricing corrections, and the full annualised benefits of FY26 cost optimisations

The Road Ahead

As we look ahead, our focus is on building a larger, more profitable, and highly differentiated Home & Building solutions company. The larger goal of Strategic Portfolio Rebalancing is being driven by pursuits under seven pillars; these give immense confidence for our future trajectory:

- **Growth in Construction Chemicals:** Continuing our aggressive scale-up; Clean Coats is the first of multiple initiatives
- **Pipes Acceleration:** Unlocking volume pathways through sales acceleration and multi-segment portfolio expansion
- **Walls Premiumisation:** Expanding capacities and shifting mix toward premium tiers, anchored by our green-field investment in Nellore
- **Parador Scale-up:** Driving geographic and channel expansion across Europe and the U.S. to harvest international investments
- **Structural Profitability:** Embedding margin resilience across the company; the full fiscal benefits of our Optimus value-enhancement program will be fully visible in FY27
- **Innovation-led Premiumisation:** Upgrading our mix through key FY26 rollouts, including OPVC and OBS lines in Pipes and next-generation Construction Chemical formulations
- **Unified Brand Proposition:** Leveraging digital and traditional marketing to embed the BirlaNu position across consumer, channel, and influencer networks

Future-Proofing Through Innovation, Digital and People

Technology, digital and AI remain core to our long-term competitive advantage. We are steadily embedding advanced digital capabilities across our manufacturing facilities, supply chain, and customer touchpoints. These investments are converting operational data into actionable intelligence, building the organisational agility required to win in a rapidly changing landscape.

Simultaneously, our product innovation pipeline remains highly robust. We are excited to introduce next-generation solutions to the market in the coming quarters.

At the core of BirlaNu's resilience is our People. Our transformation is entirely a reflection of their dedication, capability, and unwavering alignment with our vision. We continue to invest deeply in their development, wellness, and safety.

Outlook: Measured Optimism

Looking ahead to FY27, we maintain a stance of measured optimism. Geopolitical and macroeconomic challenges persist, but the strength of the BirlaNu brand, our structural portfolio diversity, and our execution agility give us immense confidence. We remain financially disciplined, highly responsive, and firmly focused on driving long-term stakeholder value.

Regards,

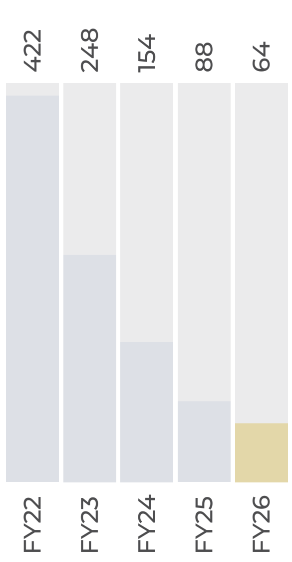
Akshat Seth
MD & CEO

Financial Highlights

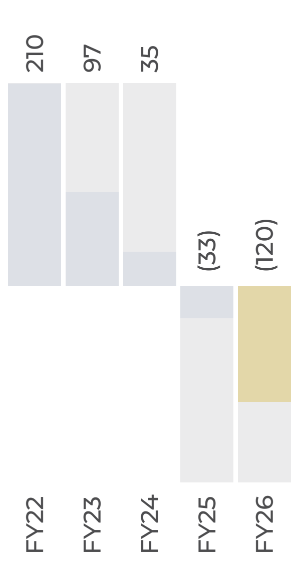
Consolidated

Revenue
(₹ in crore)

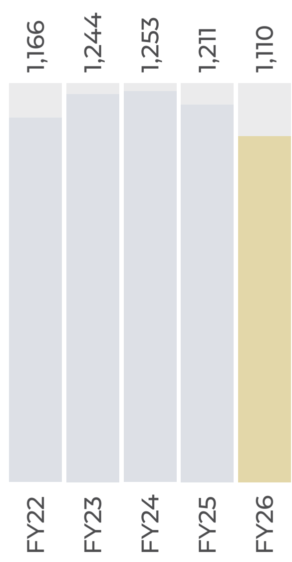
EBITDA
(₹ in crore)



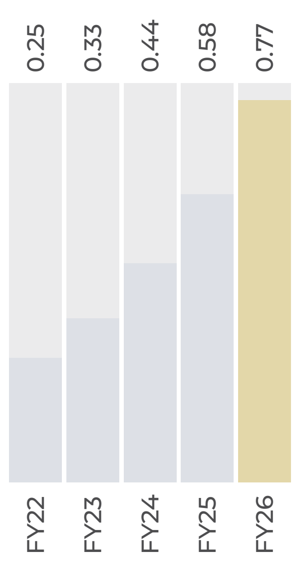
Profit After Tax (PAT)
(₹ in crore)*



Net Worth
(₹ in crore)



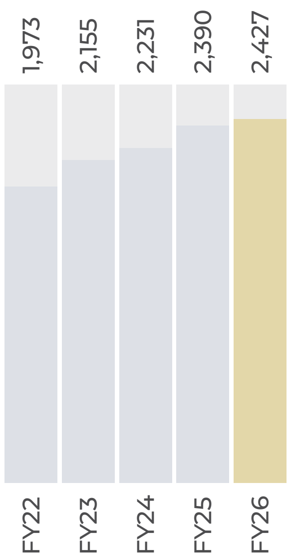
Debt Equity Ratio
(times)



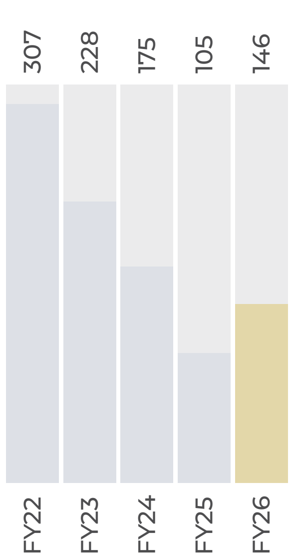
* PAT includes non-operating income (net of tax) of ₹ 40 crore in FY26 and ₹ 71 crore in FY25 on account of sale of assets.

Standalone

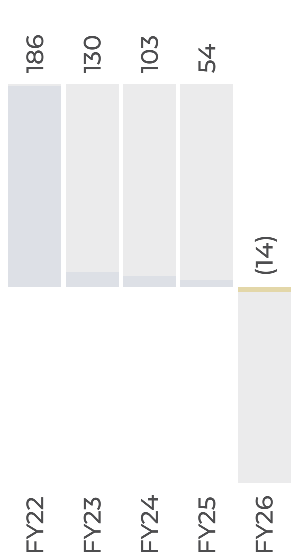
Revenue
(₹ in crore)



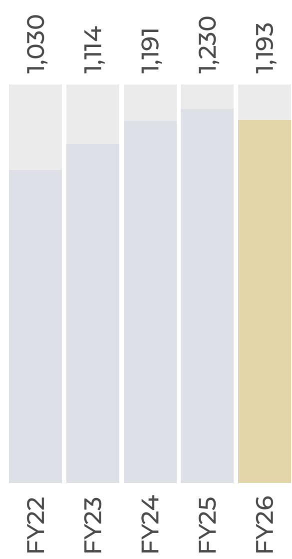
EBITDA
(₹ in crore)



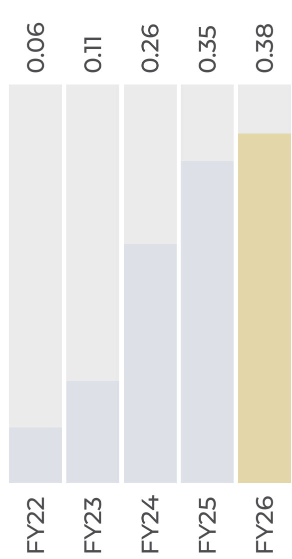
Profit After Tax (PAT)
(₹ in crore)#



Net Worth
(₹ in crore)



Debt Equity Ratio
(times)



#PAT includes non-operating items (net of tax) in FY26, comprising a gain of ₹ 40 crore on account of sale of assets, dividend income of ₹ 22 crore from Clean Coats (subsidiary) and a provision of ₹ 74 crore towards diminution in the value of Investment in BirlaNu International GmBH (subsidiary). FY25 PAT includes non-operating income (net of tax) of ₹ 71 crore on account of sale of assets.

Solutions That Shape Smarter Spaces

BirlaNu brings to life a world of possibilities, offering a comprehensive range of home and building solutions, from pipes and construction chemicals to putty, roofs, walls, and floors. Crafted with care and precision, our products are designed to endure, evolve, and elevate every space.

Pipes

At BirlaNu, we provide advanced water management solutions through our trusted brands, BirlaNu Leakproof Pipes and Topline. With a portfolio of 20+ products, our offerings include CPVC, uPVC, SWR, Silent, UGD, Foamcore, Pressure, Column, Casing, PPR, HDPE, MDPE, Gas Pipes, Electrofusion Fittings, FHTC Fittings, and Water Tanks, supported by expertly engineered fittings and solvents.

At the core of our portfolio is TruFiT Technology, which ensures precise tolerances for easy, leakproof assembly, complemented by in-house CPVC compounding for superior quality and consistency. The introduction of technologically advanced PVC-O pipes further strengthens our portfolio with enhanced strength, hydraulic efficiency and sustainability, addressing the evolving needs of modern water infrastructure.

Product Range

- Pipes
- Water Tanks
- Fittings

BirlaNu Advantage

- Comprehensive Range
- Leakproof Assurance
- Innovative and Sustainable Solutions

Construction Chemicals

BirlaNu Construction Chemicals portfolio is designed to deliver effective solutions for modern construction needs. The integration of Clean Coats has enhanced our product offerings and technical capabilities, creating a more comprehensive platform across structural protection, repair, tile adhesives, waterproofing, flooring and finishing solutions to serve a wide range of residential, commercial and industrial applications.

Product Range

- Elastomeric PU Coatings
- Food Grade Epoxy Coatings
- High Performance Coatings
- Epoxy & PU Flooring
- Speciality Construction Chemicals
- Tile Adhesives
- Grouts
- Plasters
- Surface Cleaners
- Waterproofing
- Accessories

BirlaNu Advantage

- Optimised Performance
- TruBond Technology & Flexibility
- Comprehensive Solutions
- Effortless Application
- Innovative Solutions

Putty

BirlaNu TruColour Putty is the trusted solution for creating stunning vibrant walls. Engineered with innovative TruColour Technology our advance range of putty products ensures your chosen paint shade not only shines through brilliantly but also ensures the exact colour you envisioned with flawless precision.

Our recent launch, BirlaNu CoverMax Putty - a revolutionary white cement-based wall putty crafted for exceptional coverage and unmatched smoothness. Its advanced formulation ensures durable, flawless walls that stand the test of time.

Product Range

- CoverMax Putty
- Putty Plus
- Waterproof Putty
- Coarse Putty
- Texture

BirlaNu Advantage

- Truest White Putty
- Quick, Easy Application
- Perfect Bonding
- Ultra Smooth Finish
- Water Resistance
- TruColour Technology

Roofs

Charminar BirlaNu offers a comprehensive range of roofing and cladding solutions designed for residential, commercial and industrial applications. Combining durability, aesthetics and performance, the portfolio delivers superior weather protection, thermal insulation and fire resistance. Through several innovative offerings, the brand continues to address evolving customer needs with solutions that enhance comfort, energy efficiency and sustainability.

Product Range

- Fiber Cement Roofs
- Fortune Fiber Cement Roofs
- Coloured Fiber Cement Roofs
- UltraCool Fiber Cement Roofs
- UltraPremium Fiber Cement Roofs

BirlaNu Advantage

- Unmatched Durability
- Thermal & Sound Insulation
- Best-in-class Load Bearing Strength

Walls

birlanu AEROCON

BirlaNu Aerocon offers a comprehensive range of innovative walling solutions that combine strength, efficiency and sustainability. Designed to enable faster construction and superior building performance, the portfolio delivers enhanced thermal and sound insulation, durability and design flexibility. By providing a smarter alternative to conventional building materials, BirlaNu Aerocon helps create high-quality spaces with greater speed, efficiency and environmental responsibility.

Product Range

- AAC Blocks
- Panels
- Fiber Cement Boards
- Designer Boards & Planks

BirlaNu Advantage

- Faster, Efficient Construction
- Durability & Performance
- Thermal & Sound Insulation
- Design Flexibility
- Innovative Solutions

Floors

PARADOR birlanu

Parador is a global interiors brand renowned for its craftsmanship, innovative design and engineering excellence. Our portfolio spans engineered wood, laminate, vinyl and resilient flooring solutions, combining aesthetics, durability and functionality to create inspiring living and working spaces. Precision-manufactured in Germany and Austria using responsibly sourced materials, Parador's products reflect a commitment to quality, sustainability, and timeless design.

Product Range

- Engineered Wood
- Eco-Flooring
- Vinyl
- Laminates

BirlaNu Advantage

- European Legacy
- Design Leadership
- Sustainable Material
- Innovation-led Products

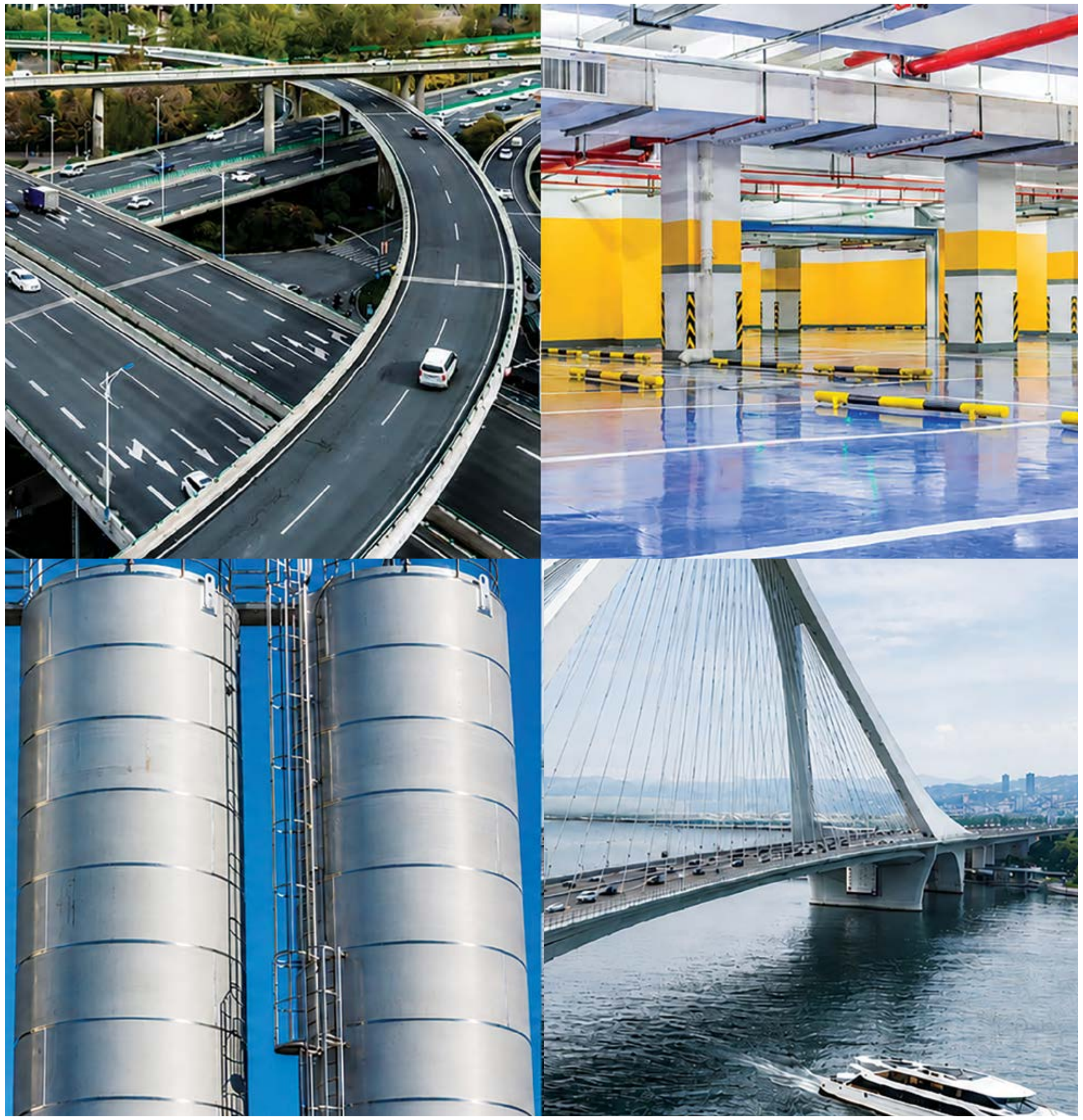
Acquisition of Clean Coats

birlanu
CLEAN COATS

In November 2025, we successfully acquired Clean Coats Private Limited, a leading Indian manufacturer of high-performance coatings and specialised construction chemicals. The strategic move underscores BirlaNu's commitment to scaling its construction chemicals business.

Established in 1999, Clean Coats is a pioneer in specialty coatings with a comprehensive portfolio that includes epoxy and polyurethane coatings, anti-corrosion linings, flooring systems, waterproofing, and food-grade protective coatings. The company serves some of the most demanding industrial, oil & gas, and water management projects across India and in more than 27 countries globally.

This acquisition is a strategic step in strengthening BirlaNu's portfolio in specialty construction chemicals and high-performance coatings and brings together Clean Coats' technical expertise, proven formulations, and export capability with BirlaNu's strong brand presence, market reach, institutional relationships, and execution scale.



Product Range

- Epoxy Coatings
- Polyurethane Coatings
- Anti-corrosion Linings
- Flooring Systems
- Waterproofing Solutions
- Food-grade Protective Coatings

BirlaNu Advantage

- Innovative Solutions
- Technical Expertise
- Export Capability
- On-ground Application Expertise

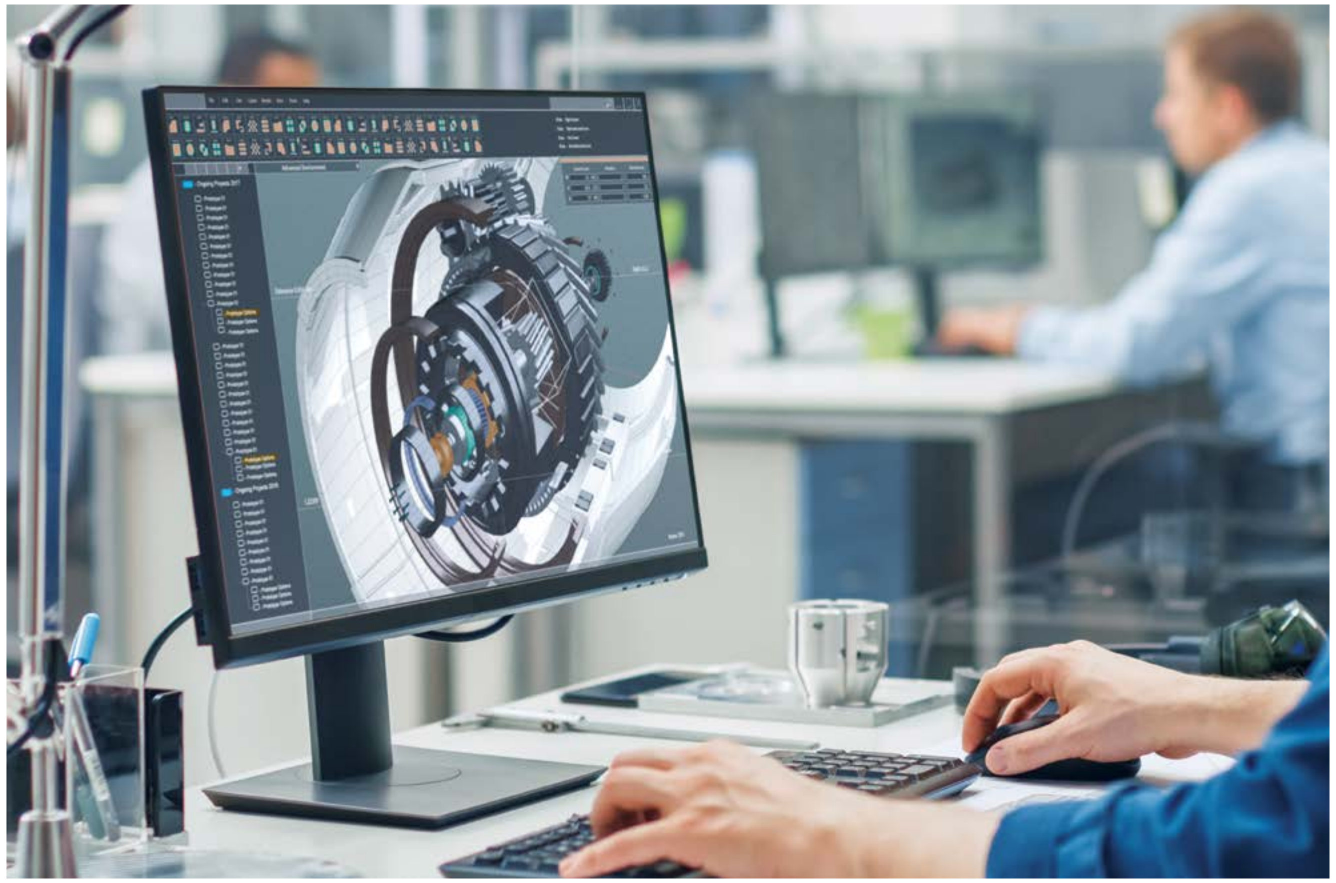
Intentional Innovation

At BirlaNu, innovation begins with intent. It is guided by a clear purpose; to create solutions that address evolving customer needs, advance sustainability and strengthen the built environment.

We believe meaningful innovation is about focusing on ideas that create lasting value. Whether through new products, improved materials, smarter processes or enhanced customer experiences, our approach is rooted in solving real-world challenges and anticipating future needs.

Supported by strong research, engineering and design capabilities, we continuously reimagine how buildings are constructed, protected and enhanced. From improving performance and durability to reducing environmental impact and enabling greater efficiency, innovation remains central to how we create differentiation across our portfolio.

By combining curiosity with discipline and ambition with purpose, we are building a culture where innovation is intentional, impactful and aligned with our vision of shaping better spaces for future generations.



New Product Launches (2025-26)

Pipes
- OPVC
- OBS

Construction Chemicals
- TA1+ Tiles Adhesive
- Sparkles
- Multifix Bonder
- Instaplug

Putty
- CoverMax Putty

Roofs
- UltraPremium Fiber Cement Roofs

Walls
- Elements Collection (Designer Boards)
- 6X AAC Blocks

Parador
- Harmonia Collection
- Taterra Floors

Technology & Digital

Technology is reshaping the way businesses operate, compete and create value.

From strengthening our digital core and data ecosystem to advancing smart manufacturing and customer engagement platforms, technology is helping us drive efficiency, enhance visibility and respond faster to evolving business needs. The intersection of automation, advanced analytics, Industry 4.0 technologies and Artificial Intelligence is enabling deeper insights, smarter decisions and more seamless experiences across the value chain.

By combining technology with business purpose, we are creating a future-ready organisation that is more resilient, responsive and customer-centric.

Digital Enterprise and Data Capabilities

- Expanded data lakes for consistent dashboarding and reporting
- Implemented AI-backed analytics to support demand planning, operations and customer engagement

Technology-driven Operations and Innovation

- Increased adoption of digital tools and Industry 4.0 technologies across manufacturing operations
- AI-enabled platforms in R&D and product development to accelerate innovation cycles, improve formulation accuracy and reduce development timelines

Best-in-class Sales & Loyalty Platforms

- Scaled customer engagement by integrating AI-enabled WhatsApp and voice solutions to sales platforms
- Expanded loyalty platforms to increase partner engagement and wallet share

Robust Security and Compliance Platforms

- Modernised security platforms to improve security posture and safeguard systems and data
- Improved Information Security Management practices; recertified on ISO / IEC 27001:2022 standards framework

Brand and Marketing

Brands become meaningful when they move beyond visibility to create belief. Guided by our philosophy of helping people Build their World, our brand and marketing initiatives focused on strengthening trust, enhancing relevance, and fostering deeper consumer connections.

Through campaigns that blended product innovation with human-centred storytelling, we reinforced our position as a trusted partner in creating inspiring and enduring spaces. Supported by an integrated media strategy across television, OTT, digital, and social platforms, we expanded our reach and strengthened engagement across key markets.

Strengthening Consumer Connect

During the year, we strengthened our outreach through impactful campaigns such as 'Kucch Leak Nahi Hoga' and 'Every Home is a Castle'. These campaigns highlight product reliability and emotional value associated with safe and secure living spaces, helping deepen consumer connection.

80 Mn+
OTT campaign views

30 Mn+
YouTube campaign views

50 Mn+
Social Media impressions

30 Mn+
Website visitors

Leakproof Pipes TVC - "Kucch Leak Nahi Hoga"

Corporate Brand TVC - "Every Home is a Castle"

Engagement with Influencers & Channel Partners

Building stronger connections across the plumbing, retail and design ecosystem through focused outreach initiatives and industry platforms.

Stakeholder engagement highlights

2500+
Plumber meets & workshops conducted pan-India

50K+
Plumbers engaged via such meets & workshops

2100+
Retailers engaged via retailer meets

400+
Architects and interior designers engaged through Parador-led exhibitions and design events

Our brands strengthened industry engagement and visibility through participation in marquee platforms such as **Plumbex, Plast India, MEP Conclave, Cosmo Expo** and **FOAID**.

Shaping a Future-Ready, Responsible Enterprise

As we deliver innovative solutions to Build Your World, our purpose extends to Building a Better World. This commitment is also reflected in our focus on environmental stewardship, community empowerment and uncompromising integrity, with ESG principles firmly embedded in our operating philosophy and long-term direction.

Sustainability

The future of construction will be defined not only by what we build, but by how we build it. At BirlaNu, sustainability is a guiding principle that influences our products, operations and long-term strategy. Our approach combines responsible manufacturing with product innovation.

We continue to advance resource efficiency through the increased use of alternative materials, waste reduction initiatives, energy-efficient, circularity practices and the progressive adoption of renewable energy. At the same time, we are expanding our portfolio of green building solutions, including products certified under recognised standards such as GreenPro, GRIHA and IGBC, enabling more sustainable construction outcomes.

Innovation also plays a critical role in our sustainability journey. From technologies such as OBS-based uPVC pipes, Eco-Flooring and resource-efficient building materials to products designed to improve energy efficiency, durability and environmental performance, we are continuously reimagining how buildings can be constructed more responsibly.

By integrating sustainability into every aspect of our businesses, we are building a stronger foundation for a greener and more resilient future.

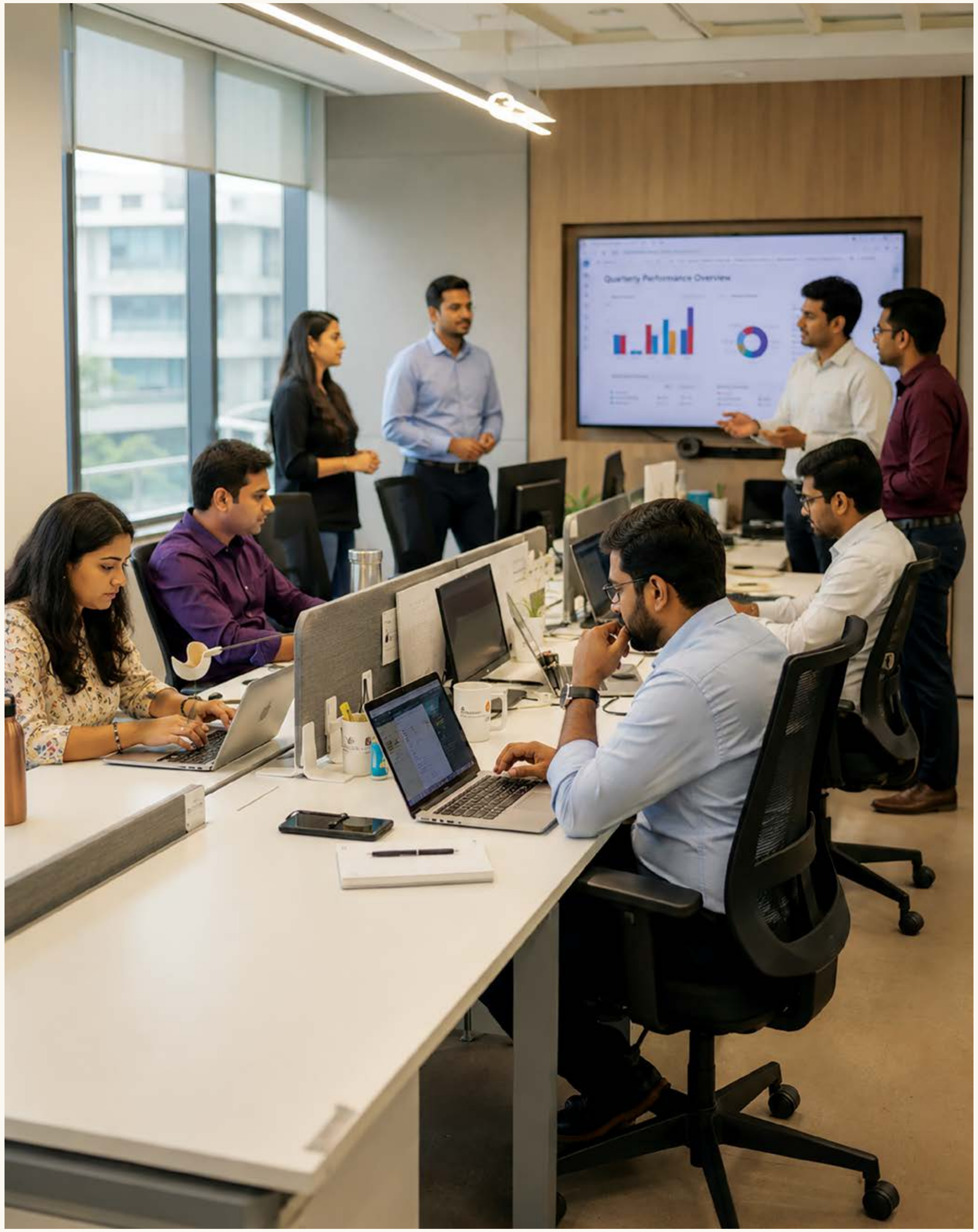
Accomplishments

- Increased share of renewable and alternative energy in operations
- Energy efficiency improvements across manufacturing processes
- Circularity through waste reuse and material optimisation
- Expansion of eco-friendly product innovations
- Strengthened water recycling and conservation systems
- Responsible sourcing aligned with certified supply chains
- Continued adherence to sustainability standards and ESG frameworks

Governance

At BirlaNu, governance is more than a framework; it is a responsibility. It guides how we make decisions, manage risks and create sustainable value for all stakeholders.

Our approach is anchored in accountability, transparency, ethical conduct and responsible leadership. Supported by robust oversight mechanisms, clearly defined policies and a strong culture of integrity, we strive to ensure that our actions remain aligned with stakeholder interests and the highest standards of corporate governance.



Board Committees

The Board is supported by specialised committees that provide focused oversight across key governance areas.

Audit Committee

Oversees financial reporting, internal controls and audit processes to ensure accuracy, transparency and compliance with regulatory requirements

Nomination and Remuneration cum Compensation Committee

Evaluates Board composition, succession planning and remuneration structures, ensuring alignment with performance and long-term business objectives

Stakeholders' Relationship Committee

Addresses shareholder and investor concerns, ensuring timely resolution as well as strengthening stakeholder communication and trust

Corporate Social Responsibility Committee

Guides CSR initiatives and monitors implementation to ensure alignment with statutory requirements and community development priorities

Risk Management Committee

Identifies, assesses and monitors key business risks, ensuring appropriate mitigation strategies and a structured risk management framework

Community

At BirlaNu, our approach to sustainable development goes beyond responsibility; it reflects our commitment to building resilient, self-reliant communities. Our social impact efforts are anchored around the pillars of health and wellness, education and skill-building and community development.

We collaborate with respected partners such as the Live Love Laugh Foundation (LLL), Water Management and Plumbing Skill Council, etc. to amplify the reach and impact of our community efforts.

Through these meaningful partnerships, we are challenging stigmas around mental health and enhancing access to healthcare in rural areas, enabling children to remain in school, and fostering self-reliance and livelihood skill adoption amongst underserved communities. Each initiative is a step toward creating inclusive growth and building a healthier, more equitable future for all.

20,000+
Total Beneficiaries

₹ 2.11 crore
CSR Expenditure

Live Love Laugh – Rural Mental Health Programme

Our rural mental health programme, now in its third year and implemented in partnership with the Live Love Laugh Foundation, continues to expand across Tangi Choudwar (Cuttack, Odisha) and the NTR district (Andhra Pradesh). The initiative focuses on improving awareness, enabling early identification and facilitating access to treatment and rehabilitation for persons with mental illness (PwMI).

During the year, outreach deepened significantly with 2,073 beneficiaries identified in Tangi, Cuttack and 1,752 in the Kondapalli, NTR district (including indirect beneficiaries). By integrating awareness with care and rehabilitation, the initiative is helping reduce stigma, improve mental well-being and enable individuals to participate more actively in their communities, fostering dignity, inclusion and a better quality of life.

3,634
Beneficiaries

Skill Development – Plumbing and Allied Trades

In partnership with the Water Management and Plumbing Skill Council, we implemented a targeted skill development initiative for plumbers, painters and applicators, addressing employability within the construction ecosystem.

During the year, 8,538 plumbers, painters and tile applicators were trained across 25+ urban and rural cities through structured, hands-on modules. This initiative is enhancing technical proficiency, improving livelihood opportunities and contributing to promote entrepreneurship under the Skill India Mission.

8,538
Beneficiaries

Human Capital

The true strength of BirlaNu are its People. Their passion, expertise and commitment shape our culture, drive performance and inspire our ambitions for the future.

We are committed to creating an environment where talent thrives through continuous learning, capability building, leadership development and recognition of excellence. By fostering collaboration, inclusion and mutual respect, we bring diverse perspectives together to drive innovation and build a more agile, high-performing and future-ready organisation.

7000+
Total workforce

5+ Years
Average tenure

38 Years
Employee's average age

16000+
Learning hours completed

94
GPTW Trust Index Score*

12th
GPTW India ranking*

*From FY 2024-25

Enhancing talent capabilities

Functional learning academies, e.g. Sales Academy

Managerial and leadership capabilities – LEGO, LEAD, LEAP

Cross-functional special projects

Fostering a modern and inclusive workplace

DEI initiatives

Zero tolerance for discrimination and harassment

Anti-Bribery and Anti-Corruption Policy & Code of Conduct

Employee Voice Platforms

Enabling growth through capability building

Building talent, driving performance

YUVA (Campus) & Apprentice programmes

Talent mobility

Succession planning

Yashotsav – Rewards & Recognition

Strengthening culture and collaboration

Parichay - Leadership interactions

Townhalls - Company and business levels

JOSH - 100+ events annually to foster engagement and collaboration

Board of Directors

CK Birla
Chairman

Amita Birla
Non-executive Director

Dr. Arvind Sahay
Independent Director

Sunil Bhumralkar
Independent Director

Akshat Seth
Managing Director & Chief Executive Officer

Desh Deepak Khetrapal
Non-executive Director

Nidhi Killawala
Independent Director

Prof. Janat Shah
Independent Director

Nomination and Remuneration cum Compensation Committee

Stakeholders' Relationship Committee

Corporate Social Responsibility Committee

Risk Management Committee

Audit Committee

To know more about our Board of Directors, please visit our website
https://birlanu.com/investor/board-of-directors

Awards and Accolades

Best Plastics & Polymers Brand 2026 (ET)

BW Excel Awards 2026

Most Trusted Brands of India 2026 – Marksmen Daily

Realty+ Iconic Brand Awards 2025 – Building Materials

Brand of the Year 2025 – Roofing & Ceiling Ideas

GreenPro Certification

EcoVadis Gold Certification (Parador)

Toom Supplier of the Year

German Sustainability Award Companies (Parador)

FX Design Awards – Best Floor Covering (Louvre Collection)

Corporate Information

Board of Directors

CK Birla
Chairman

Amita Birla
Non-Executive Director

Akshat Seth
Managing Director & CEO

Desh Deepak Khetrapal
Non-Executive Director

Sunil Bhumralkar
Independent Director

Arvind Sahay
Independent Director

Janat Shah
Independent Director

Nidhi Killawala
Independent Director

Key Managerial Personnel

Akshat Seth
Managing Director & CEO

Ajay Kapadia
Chief Financial Officer

Nidhi Bisaria
Company Secretary & Compliance Officer

Bankers

HDFC Bank Limited

HSBC Limited

Kotak Mahindra Bank Limited

Federal Bank Limited

ICICI Bank Limited

YES Bank Limited

Axis Bank Limited

State Bank of India

Small Industries Development Bank of India

RBL Bank Limited

Statutory Auditors

B S R and Co
Chartered Accountants

Secretarial Auditor

Ranjeet Pandey & Associates
Company Secretaries

Cost Auditor

S.S. Zanwar & Associates
Cost Accountants

Registrar & Share Transfer Agent

M/s. Venture Capital and Corporate Investments Pvt. Ltd.
"AURUM", 4th & 5th Floors, Plot No. 57, Jayabheri Enclave Phase – II, Gachibowli, Hyderabad – 500032
Phone: 040-23818475/76
Email ID: investor.relations@vccipl.com
Website: www.vccipl.com

Registered Office Address

Office No. 1 & 2, L7 Floor, SLN Terminus, Survey No. 133, Near Botanical Garden, Gachibowli, Hyderabad-500032, Telangana, India
Phone: 040-6824 9000
Email ID: info@birlanu.com; cs@birlanu.com
Website: https://birlanu.com

Corporate Office Address

6th Floor, Birla Tower, 25 Barakhamba Road, New Delhi, 110 001, India

Corporate Identification Number

L74999TG1955PLC000656

Board's Report

Dear Members,

The Board of Directors are pleased to present the 79th Annual Report on the business and operations of the Company along with the audited financial statements for the financial year ended March 31, 2026.

Summary of Financial Performance

Consequent to the merger of Crestia Polytech Private Limited, Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited, Prabhu Sainath Polymers Private Limited and Topline Industries Private Limited (wholly owned subsidiaries) with the Company effective from March 31, 2026, with the appointed date being April 5, 2024, the standalone financial statements of the Company for FY26 include the financials of the said wholly owned subsidiaries and accordingly figures of FY25 have also been restated.

The financial performance of the Company for the financial year ended March 31, 2026 is summarised below:

(₹ in crore)

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Total Income	2,511.44	2,424.15	3,785.11	3,644.70
Earnings before Interest, Depreciation, Amortization & Tax	145.76	104.65	64.28	88.05
Less : Interest	36.08	36.79	68.23	68.24
Depreciation & Amortization	87.53	85.19	151.40	144.08
Profit/(Loss) Before Tax and Exceptional items	22.15	(17.33)	(155.36)	(124.28)
Add/(Less): Exceptional items / Profit / (Loss) from JV	(34.79)	81.89	39.35	80.82
Profit/(Loss) before tax for the year	(12.64)	64.56	(116.01)	(43.46)
Less: Tax expense	1.41	10.97	3.55	(10.55)
Profit/(Loss) after tax for the year	(14.05)	53.59	(119.56)	(32.90)
Other Comprehensive Income/(Loss) (Net of tax)	(0.28)	(0.73)	41.15	5.15
Total Comprehensive Income/(Loss) for the year	(14.33)	52.86	(78.42)	(27.75)
Basic Earnings Per Share (₹)	(18.63)	71.07	(158.55)	(43.63)
Diluted Earnings Per Share (₹)	(18.63)	71.07	(158.55)	(43.63)

Revenue

BirlaNu achieved a net revenue from operations of ₹ 2,427 crore as against ₹ 2,390 crore in the previous year on standalone basis, an increase of 2% and on consolidated basis registered a net revenue from operation of ₹ 3,730 crore as against ₹ 3,615 crore in the previous year recording an increase of 3%.

With the addition of new capacities and introduction of new products, the Company anticipates a positive growth momentum in the coming year.

Interest & Loans

Interest cost for the financial year 2025-26 has remained largely stable at ₹ 36.08 crore on a standalone basis as against ₹ 36.79 crore during the previous year. On consolidated basis, interest cost for the financial year 2025-26 stood at ₹ 68.23 crore as against ₹ 68.24 crore in the previous year.

At a standalone level, borrowings increased marginally, despite additional borrowings towards the acquisition of Clean Coats and capex for capacity enhancement, primarily due to efficient working capital management. The overall interest cost, however, remained at a similar level, supported by a reduction in interest rates.

As on March 31, 2026, the Company has outstanding borrowings of ₹ 458 crore on standalone basis and ₹ 852 crore on consolidated basis. The debt equity ratio on consolidated basis stood at 0.77 times as of March 31, 2026 as against 0.59 times as of March 31, 2025.

Profit Before Tax

During the year under review, BirlaNu registered a profit before tax (PBT) of ₹ 22.15 crore (excluding exceptional items) on a standalone basis, as against a loss before tax of ₹ 17.33 crore in the previous year. This improvement was driven by volume growth across most product categories and cost optimisation initiatives undertaken during the year, which partially offset the impact of lower price realisation across most product categories. The Company also witnessed volatility in resin prices during the year, arising from geopolitical developments in Western Asia.

Loss before tax (excluding exceptional items) on a consolidated basis for the financial year 2025-26 stood at ₹ 155.36 crore as against loss before tax of ₹ 124.28 crore in the previous year, largely due to the continued weak demand for flooring products in the European market.

In the standalone financial statements, exceptional items include a provision for diminution in the value of equity investment in BirlaNu International GmbH amounting to ₹ 74 crore, based on independent impairment assessment and profit of ₹ 39 crore on sale of certain non-core assets. The profit on sale of non-core assets has also been recognised in the consolidated financial statements.

Net Worth

On a consolidated basis, the net worth of the Company as on March 31, 2026 stood at ₹ 1,110 crore as against ₹ 1,211 crore in the previous year.

The consolidated earnings per share (basic) for the financial year ended March 31, 2026 stood at ₹ (158.55) per share as against ₹ (43.63) per share for the financial year ended March 31, 2025.

A detailed segment-wise business performance of the Company for the financial year 2025-26 is included in the Management Discussion and Analysis report forming part of this Annual Report.

Acquisition

During the financial year 2025-26, the Board of Directors approved acquisition of 100% equity share capital of Clean Coats Private Limited ("Clean Coats") on the terms and conditions as agreed under the Share Purchase Agreement ("SPA") (includes amendment(s) and addendum(s) thereof) to strengthen the Company's business in the construction chemicals segment.

As per the terms of the said SPA, the Company acquired 100% of the paid-up equity share capital of Clean Coats on November 11, 2025, thereby making Clean Coats a wholly owned subsidiary of the Company with effect from the same date.

Dividend

The Board at its meeting held on May 12, 2026 has recommended a final dividend of ₹ 15/- (i.e. 150%) per equity share of ₹ 10/- each for the financial year 2025-26. The dividend pay-out is subject to the approval of the shareholders at 79th Annual General Meeting of the Company.

As per Income Tax Act, 1961, as amended, dividend declared/paid after April 1, 2020 will be taxable in the hands of the shareholders. Shareholders are requested to visit https://cms.birlanu.com/public/media/2025/03/13/faqs-on-tds.pdf.

The Company has fixed Thursday, July 30, 2026 as the "Record Date" for the purpose of determining the entitlement of shareholders to receive the final dividend for the financial year ended March 31, 2026.

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), the Board of Directors of the Company have adopted a Dividend Distribution Policy. The policy lays down a broad framework and factors which the Board would consider for deciding the distribution of dividend to its shareholders. The said policy is available on the Company's website https://cms.birlanu.com/public/media/2025/03/13/dividend-distribution-policy-2021.pdf.

Transfer to General Reserves

During the year under review, the Company has not transferred any amount to General Reserves.

Share Capital

Consequent to the Scheme of Amalgamation of Crestia Polytech Private Limited (a wholly owned subsidiary of BirlaNu Limited) and Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited, Prabhu Sainath Polymers Private Limited and Topline Industries Private Limited (wholly owned subsidiaries of Crestia Polytech Private Limited and step-down subsidiaries of BirlaNu Limited) (collectively referred to as the "Transferor Companies") with BirlaNu Limited (the "Transferee Company" or the "Company") becoming effective on March 31, 2026, the Authorised Share Capital of the Company increased from ₹ 10,00,00,000 (Ten crore) divided into 95,00,000 (Ninety-five lakh) Equity shares of ₹ 10/- each, and 50,000 (Fifty thousand) preference shares of ₹ 100/- each to ₹ 36,15,00,000 (Thirty Six crore Fifteen lakh) divided into 3,56,50,000 (Three crore Fifty Six lakh Fifty Thousand) equity shares of ₹ 10/- each and 50,000 (Fifty thousand) preference shares of ₹ 100/- each. Accordingly, the capital clause of Memorandum of Association of the Company has been updated.

The paid-up equity share capital as on March 31, 2026 was ₹ 754.09 lakh divided into 75,40,899 equity shares of ₹ 10/- each. During the year under review, there was no change in the paid-up equity share capital of the Company.

Listing with Stock Exchanges

The equity shares of the Company continue to be listed on National Stock Exchange of India Limited and BSE Limited. Annual listing fees for the financial year 2026-27 has been paid to these exchanges within the prescribed timelines. There was no suspension in trading of the equity shares of the Company during the financial year 2025-26.

Management Discussion and Analysis

A report on Management Discussion and Analysis is appended to this report as per the requirements of SEBI Listing Regulations.

Board of Directors, its Committees and their Meetings

The Company has a professional Board with an optimum combination of executive, non-executive and independent directors, including woman directors, who bring in the right mix of knowledge, skill and expertise.

The Board provides strategic guidance and direction to the Company in achieving its business objectives and protecting the interest of the stakeholders.

As per the declarations received by the Company, none of the Directors are disqualified under Section 164(2) and other applicable provisions of the Companies Act, 2013 ("the Act"). Certificate on non-disqualification as required under Regulation 34 of SEBI Listing Regulations forms part of the Corporate Governance Report.

During the financial year, 5 (five) meetings of Board of Directors of the Company were convened and held in accordance with the provisions of the Act and Secretarial Standards issued by the Institute of Company Secretaries of India. The date(s) of the Board Meeting and attendance of the Directors are given in the Corporate Governance Report forming part of this annual report. The time-gap between any two consecutive meetings was within the period prescribed under the Act and SEBI Listing Regulations.

The Board has constituted the following five Committees:

1. Audit Committee
2. Nomination and Remuneration cum Compensation Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

The details of all the above Committees along with their terms of reference, composition, number of meetings and attendance at the meetings are provided in detail in the Corporate Governance Report annexed to this Board's Report.

Changes in Directors and Key Managerial Personnel

During the period under review, there were no changes to the Board of Directors of your Company.

In accordance with provisions of Section 152 of the Act and pursuant to Articles of Association of the Company, Ms. Amita Birla (DIN: 00837718) Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

The brief details with respect to appointment of Ms. Amita Birla, as required to be disclosed in accordance with Regulation 36 of SEBI Listing Regulations, Companies Act, 2013 and Secretarial Standards are included in the notice of the ensuing Annual General Meeting forming part of this Annual Report.

Apart from receiving directors' remuneration and sitting fee, no Non-executive Director except Ms. Nidhi Killawala, who is partner in Khaitan & Co. LLP, and Mr. CK Birla, Chairman, and Ms. Amita Birla, Non-executive Director who are relatives of Ms. Avanti Birla, President-Strategy had any pecuniary relationship with the Company. The details of transactions entered into with Khaitan & Co. LLP and its affiliate firms and Ms. Avanti Birla forms part of the notes to the financial statements of the Company for the financial year 2025-26. (Refer note no. 40).

In terms of Regulation 25(8) of the SEBI Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based upon declarations received from Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and that they are independent of the management.

Further, in the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs. Independent Directors are not subject to retire by rotation. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct for Board members and Senior Management and Codes under SEBI (Prohibition of Insider Trading) Regulations, 2015.

In terms of provisions of Section 203 of the Act, during the financial year 2025-26 there was no change in the key managerial personnel of the Company and the following continued to hold their respective offices as on March 31, 2026:

i. Mr. Akshat Seth, Managing Director & CEO
ii. Mr. Ajay Kapadia, Chief Financial Officer
iii. Ms. Nidhi Bisaria, Company Secretary and Compliance Officer

Board Evaluation

Pursuant to the provisions of the Act and SEBI Listing Regulations, every year a formal evaluation of the performance of the Board, its Committees, the Chairman and the individual directors is conducted. Structured forms covering evaluation of the Board, the Committees of the Board, the Chairperson, Independent Directors and Non-Independent Directors are devised for evaluation by all the Directors. Each Director is rated against various criteria such as composition of the Board, receipt of regular inputs and information, functioning, performance and structure of the Board Committees, skill set, knowledge and expertise of directors, preparation and contribution at the Board meetings, leadership, etc.

The Board reviews the key skills/expertise/competence of the Directors, so that the Board of Directors comprises of a diverse and multidisciplinary group of professionals with requisite skills/expertise/competence who can contribute towards providing strategic direction to the Company's management upholding the highest standards of Corporate Governance.

Further, as per the SEBI Listing Regulations, the following is the matrix of skills and competencies on which all the Directors are evaluated:

- Governance and Board service
- Business understanding
- Risk/Legal/Regulatory compliance
- Information Technology/ Accounting/ Financial experience
- Industry/Sector knowledge
- Strategy development and implementation

In a separate meeting of Independent Directors, performance of Non-Independent Directors (NEDs), the Board as a whole and the Chairman of the Company was evaluated. The performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated. The evaluation was carried out in terms of the Nomination, Remuneration & Evaluation Policy of the Company. The Nomination and Remuneration cum Compensation Committee of the Company annually reviews the performance evaluation process.

The evaluation process confirms that the Board and its Committees continue to operate effectively and that the performance of the Directors meets expectations.

Familiarisation Program for Independent Directors

In addition to giving a formal appointment letter to the newly appointed Independent Director on the Board, a detailed induction plan covering the role, function, duties, responsibilities and the details of compliance requirements expected from the director under the Companies Act, 2013 and relevant Regulations of SEBI Listing Regulations are given and explained to the new Director.

Pursuant to Regulation 25(7) of SEBI Listing Regulations, conducting familiarization programmes for the Independent Directors in the Company is a continuous process, whereby Directors are informed, either through presentations at the Board or the Committee meetings, board notes, interactions or otherwise about industry outlook, business operations, future strategies, business plans, competitors, market positions, products and new launches, internal and operational controls over financial reporting, budgets, analysis on the operations of the Company, etc.

Pursuant to Regulation 46 of SEBI Listing Regulations, the details required are available on the Company's website https://cms.birlanu.com/public/media/2026/04/08/familiarization-program-2025-26.pdf.

Policy on Directors' Appointment and Remuneration

The Company endeavours to have an appropriate mix of executive, non-executive and independent directors to maintain independence from the management and they continuously provide guidance on appropriate governance. The selection and appointment of Board members are done on the recommendations of the Nomination and Remuneration cum Compensation Committee. The appointments are based on meritocracy and having due regard for diversity. While evaluating the candidature of an independent director, the Committee abides by the criteria for determining independence as stipulated under the Companies Act, 2013 and the SEBI Listing Regulations. In case of re-appointment of directors, the Board takes into consideration the results of the performance evaluation of the directors.

The Nomination, Remuneration & Evaluation Policy for Directors, Key Managerial Personnel and Senior Management is placed on the website of the Company and can be accessed through the web link https://cms.birlanu.com/public/media/2025/03/19/nomination-remuneration-evaluation-policy.pdf.

The objective of the Company's remuneration policy is to attract, motivate and retain qualified and expert individuals that the Company needs to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of the Company's stakeholders.

Corporate Social Responsibility (CSR)

The Board has constituted a CSR Committee and has a well-defined policy on CSR as per the requirement of Section 135 of the Companies Act, 2013, which covers the activities as prescribed under Schedule VII of the Act. The details about the CSR Committee are provided in the Corporate Governance Report, which forms part of this Report.

During the financial year 2025-26, the Company was required to spend ₹ 199.15 lakh, i.e., 2% of average of the net profits of last three financial years, on CSR activities and the actual fund allocated and spent during the financial year 2025-26 on CSR activities was ₹ 210.92 lakh. Accordingly, the excess CSR spend of ₹ 11.77 lakh is carried forward for set off against the CSR obligation of the Company up to succeeding three financial years, i.e., up to financial year 2028-29. The Annual Report on CSR Activities, pursuant to Section 134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, forms part of this Report as Annexure I.

The CSR policy of the Company is placed on the Company's website and can be accessed through the web link: https://cms.birlanu.com/public/media/2025/03/13/csr-policy.pdf.

Annual Return

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the annual return of the Company for the financial year 2025-26 can be accessed through the web link on the Company's website https://cms.birlanu.com/public/media/2026/04/14/annual-return-mgt-7-2025-26.pdf.

Directors' Responsibility Statement

Pursuant to the requirement of Section 134(3)(c) and 134(5) of the Companies Act, 2013 and on the basis of compliance certificate received from the executives of the Company and subject to disclosures in financial statements, as also on the basis of the discussion with the Statutory Auditors of the Company from time to time and to the best of their knowledge and information furnished, the Board of Directors state that:

I. In preparation of the Annual Accounts for the financial year ended March 31, 2026, all the applicable Accounting Standards prescribed by the Institute of Chartered Accountants of India and Companies Act, 2013 have been followed and there were no material departures.

II. They have adopted such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the financial year ended March 31, 2026.

III. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

IV. The Annual Accounts for the financial year ended March 31, 2026 have been prepared on a going concern basis.

V. Proper internal financial controls were in place and that the financial controls were adequate and operating effectively.

VI. The systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Risk Management

The Company has constituted a Risk Management Committee of the Board to review the enterprise risk management plan/process of the Company. The Risk Management Committee identifies potential risks, assesses their potential impact and develops strategies to mitigate the risks. Periodic follow-ups to monitor the status of strategies/actions initiated to mitigate the risks is also conducted.

The Company has a Risk Management Policy which is approved and reviewed by the Board from time to time. The Risk Management Policy acts as an overarching statement of intent and establishes the guiding principles by which risks are identified, assessed and mitigated across the organization. The Board reviews the risks associated with the enterprise periodically and oversees the implementation of various aspects of the Risk Management Policy through a duly constituted Risk Management Committee ("RMC"). The RMC assists Audit Committee/ the Board in its oversight of the Company's management of key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall Enterprise Risk Management ("ERM") Framework.

There are no risks identified by the Board which may threaten the existence of the Company. Please refer detailed section on risk management covered in the Management Discussion and Analysis which is an integral part of this Annual Report.

The details about composition of the Risk Management Committee, its meetings and attendance are provided in Corporate Governance Report which forms part of this Annual Report.

Corporate Governance

Pursuant to Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, a detailed report on Corporate Governance forms an integral part of this Annual Report and is set out as a separate section.

The certificate of M/s. B S R and Co, (ICAI Firm Registration Number 128510W), Chartered Accountants, the Statutory Auditors of the Company, certifying compliance with the conditions of corporate governance as stipulated in the SEBI Listing Regulations is annexed with the Report on Corporate Governance. The Auditors' certificate for the financial year 2025-26 does not contain any qualification, reservation or adverse remark.

Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Vigil Mechanism

The Company has in place a robust vigil mechanism through a Whistle Blower Policy to deal with instances of illegal practices, unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics Policy.

Adequate safeguards are provided against victimization to those who take recourse to the mechanism. The details of the Whistle Blower Policy are explained in the Corporate Governance Report. The Whistle Blower Policy is available on the Company's website and can be accessed through the web link: https://cms.birlanu.com/public/media/2025/03/13/whistle-blower-policy.pdf.

The complaints received under Whistle Blower Policy are investigated thoroughly and detailed update including action taken, if any, on the same are presented to the Audit Committee and Statutory Auditors of the Company. Three complaints were received during the financial year 2025-26, two of them have been resolved with appropriate action and one was pending for resolution as on March 31, 2026.

Policy on Prevention of Sexual Harassment at Workplace

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 Prevention of Sexual Harassment at Workplace Act, 2013 and the Rules thereunder. The Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment.

The details of the number of cases filed under sexual harassment and their disposal, during the financial year 2025-26 is as under:

Number of cases pending as on the beginning of the financial year	Nil
Number of complaints filed during the financial year	Nil
Number of cases pending as on the end of the financial year	Nil
Number of workshops or awareness programs against sexual harassment carried out	The Company regularly conducts necessary awareness programs for its employees and all employees are provided detailed education during the induction.
Nature of action taken by the employer or district officer	Not Applicable

Related Party Transactions

In line with the requirements of the Act and SEBI Listing Regulations, as amended from time to time, the Company has formulated a Policy on Related Party Transactions ("RPT Policy") for identifying, reviewing, approving and monitoring of Related Party Transactions and the same is uploaded on the website of the Company and can be accessed through the web link: https://cms.birlanu.com/public/media/2025/03/13/related-party-transaction-policy.pdf.

All related party transactions were at arm's length basis and in the ordinary course of business. All the related party transactions were reviewed and approved by the Audit Committee/ Board, as may be applicable. With a view to ensure continuity of day-to-day operations, an omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis, from the Audit Committee/Board. A statement giving details of all related party transactions entered pursuant to the omnibus approval so granted is placed before the Audit Committee on a quarterly basis for its review.

During the year under review, the Company entered into one material related party transaction i.e. payment of remuneration to Ms. Avanti Birla, a related party within the definition of Section 2(76) of the Act, occupying the office or place of profit in the Company and the same are approved by the Audit Committee, the Board and the shareholders at their respective meetings as required under the provisions of Regulation 23 and other applicable provisions, if any, of the SEBI Listing Regulations read with Section 177 and 188 and other applicable provisions, if any, of the Companies Act, 2013. Accordingly, the disclosure of the said related party transaction as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is made in Form AOC-2 annexed to this Report as Annexure - II.

In terms of Regulation 23 of the SEBI Listing Regulations, the Company submits details of related party transactions as per the specified format to the stock exchanges on a half-yearly basis.

Internal Financial Controls and its Adequacy

The Company has put in place adequate internal financial control procedures, commensurate with its size, complexity, and nature of business. The Company has identified and documented key financial controls impacting the financial statements as part of its standard operating procedures. These financial controls are tested for operating effectiveness through periodic monitoring and review by the management and are also independently evaluated by the Internal Auditor as part of internal audit reviews. Where control gaps or weaknesses are identified through such reviews, appropriate corrective measures are implemented to strengthen the control environment, and the revised controls are reviewed at regular intervals.

Further, BirlaNu continues to remain vigilant in responding to the evolving cybersecurity threat landscape. As part of its efforts to maintain a robust cybersecurity posture, the Company actively monitors emerging cybersecurity risks and incidents to enhance compliance and ensure sustained resilience. BirlaNu's continued focus on leveraging technology remains aligned with delivering business value and enabling a future-ready organisation. The Company continues to be certified under the Information Security Management System (ISMS) standard ISO 27001:2013. During the year, focused initiatives were undertaken in the areas of cybersecurity awareness, personnel training, and capability building to foster a strong security-conscious culture. In addition, BirlaNu undertakes periodic comprehensive cybersecurity assessments with the support of third-party subject matter experts to identify and address gaps, as applicable.

Based on such reviews, nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of the Company's internal financial controls, procedures, or systems occurred during the year.

Auditors

Statutory Auditors

M/s. B S R and Co, Chartered Accountants (FRN – 128510W) have been appointed as Statutory Auditors of the Company for a period of five years, i.e., from conclusion of 75th Annual General Meeting (AGM), held on July 29, 2022, till the conclusion of the 80th Annual General Meeting of the Company to be held in year 2027 under the provisions of Section 139 and 142 of the Companies Act, 2013 read with Rules made thereunder.

The Auditors' Report for the financial year 2025-26 does not contain any reservation, qualification or adverse remark, on the financial statements of the Company. Auditors' Report is self-explanatory and therefore, does not require further comments and explanation.

Further, in terms of Section 143 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, notifications / circulars issued by the Ministry of Corporate Affairs from time to time, no fraud has been reported by the Auditors of the Company where they have reason to believe that an offence involving fraud is being or has been committed against the Company by officers or employees of the Company.

Internal Auditors

The Company has an effective fulltime in-house and professionally competent internal audit team, which regularly monitors the effectiveness of the internal control systems. This function reports to the Audit Committee and the Managing Director about the adequacy and effectiveness of the internal control systems of the Company as well as the periodical results of its review of the Company's operations as per an internal audit plan duly approved by the Audit Committee. The in-house internal audit team works in tandem with M/s. Ernst and Young, LLP, whose professional services have been availed by the Company to audit specific locations and processes as per the Internal Audit plan approved by the Audit Committee. Together, they provide a robust framework.

The recommendations of the internal audit teams on improvements in the operating procedures and control systems for strengthening the operating procedures are also presented periodically to the Audit Committee.

Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 read with the rules framed thereunder, the cost audit records maintained by the Company in respect of its specified products are required to be audited by a Cost Auditor. The Board of Directors at its meeting held on May 12, 2026, on recommendation of the Audit Committee, re-appointed M/s. S.S. Zanwar & Associates, (Firm Registration No. 100283), as Cost Auditor of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2027 at a remuneration of ₹ 9 lakh (Rupees Nine lakh only) plus applicable taxes and out of pocket expenses. The requisite resolution for ratification of remuneration of Cost Auditor by the shareholders of the Company has been set out in the Notice of ensuing AGM. The Cost Auditor has certified that their appointment is within the limits as prescribed under Section 141(3)(g) of the Act and that they are not disqualified from such appointment within the meaning of the said Act.

Secretarial Auditor

M/s. Ranjeet Pandey & Associates, Company Secretaries (CP No. 6087) has been appointed as Secretarial Auditor of the Company for a term of five consecutive years, i.e., from financial year 2025-26 till the financial year 2029-30 in accordance with the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder and Regulation 24A of SEBI Listing Regulations.

The Company has undertaken an audit for the financial year 2025-26 for all the applicable compliances under various regulations, circulars and notifications issued by the Securities and Exchange Board of India ("SEBI") and accordingly received Annual Secretarial Compliance Report from M/s. Ranjeet Pandey & Associates, Company Secretaries in terms of the SEBI Circular dated February 8, 2019 without any observations or comments and a copy of the same has been submitted to the Stock Exchanges within the prescribed time limit.

The Secretarial Audit Report issued by M/s. Ranjeet Pandey & Associates, Company Secretaries for the financial year ended March 31, 2026, is given in Annexure III attached hereto and forms part of this report. The report does not contain any qualifications, reservations or adverse remarks.

During the year under review, the Secretarial Auditor has not reported any matter under Section 143(12) of the Act, and therefore, no details are required to be disclosed under Section 134(3)(ca) of the Act.

Particulars of Loans, Guarantees or Investments

The details of loans, guarantees / security provided and inter-corporate investments made during the financial year ended March 31, 2026, forms part of the notes to the financial statements of the Company for the financial year 2025-26 at note no. 7, 9, 38 and 53.

During the financial year, the Company acquired 1,67,300 equity shares of Clean Coats Private Limited of ₹ 100/- each, thereby making it a wholly owned subsidiary of the Company with effect from November 11, 2025, at an aggregate consideration of ₹ 113.22 crore.

Deposits

The Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 and as such, no amount of principal or interest was outstanding as on March 31, 2026.

Subsidiaries and Joint Ventures

The Scheme of Amalgamation of Crestia Polytech Private Limited (a wholly owned subsidiary of BirlaNu Limited) and Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited, Prabhu Sainath Polymers Private Limited and Topline Industries Private Limited (wholly owned subsidiaries of Crestia Polytech Private Limited and step-down subsidiaries of BirlaNu Limited) with BirlaNu Limited has been approved by the Hon'ble National Company Law Tribunal, Kolkata Bench, vide order dated March 10, 2026. A certified true copy of the said order has been filed with the Registrar of Companies on March 31, 2026, being the Effective Date of the Scheme. The said subsidiary companies stand dissolved without winding up with effect from March 31, 2026.

The following are the details of subsidiaries and joint ventures of the Company as on March 31, 2026:

Sl. No.	Legal name of the entity	Relationship	Country of incorporation and Date	Full address
	Indian Subsidiaries			
1	Clean Coats Private Limited	Wholly Owned Subsidiary	India, 31.12.1999	K 30/1, Addl Ambernath Ind Area, M.I.D.C., Anand Nagar, Ambernath (East), Thane, Maharashtra, India, 421506
	Overseas Subsidiaries			
2	BirlaNu International GmbH	Wholly Owned Subsidiary (WOS)	Germany, 03.07.2018	Millenkamp 7-8, 48653 Coesfeld, Germany
3	Parador Holding GmbH	Step Down Subsidiary (WOS to HIL International GmbH)	Germany, 20.06.2016	Millenkamp 7-8, 48653 Coesfeld, Germany
4	Parador GmbH	Step Down Subsidiary (WOS to Parador Holding GmbH)	Germany, 21.09.2015	Millenkamp 7-8, 48653 Coesfeld, Germany
5	Parador Parkettwerke GmbH	Step Down Subsidiary (WOS to Parador GmbH)	Austria, 10.04.1998	Wiener Strasse 66, 7540 Güssing, Austria
6	Parador (Shanghai) Trading Co., Ltd.	Equity Joint Venture 50% of Parador GmbH and 50% Horgus Oriental Glamour Co., Ltd.	Republic of China, 08.08.2018	Room 1006, Floor 10, No 233 Taicang Road, Huangpu District, Shanghai Municipality, the People's Republic of China
7	Parador UK Limited	Step Down Subsidiary (WOS to Parador GmbH)	England and Wales, 13.07.2022	C/o Rodl & Partner Legal Ltd. 170 Edmund Street Ground Floor, Birmingham, United Kingdom B3 2HB
8	Parador Inc.	Step Down Subsidiary (WOS to Parador GmbH)	United States of America 23.01.2025	1209 Orange Street, City of Wilmington, Country of New Castle, Zip Code 19801

In compliance with the requirements of SEBI Listing Regulations, the Company has appointed Dr. Arvind Sahay, Independent Director of the Company as a Director on the Board of BirlaNu International GmbH, Germany (material wholly owned subsidiary).

Supercor Industries Limited

The Company holds 33% of the share capital in Supercor Industries Limited (“Supercor”), a company incorporated under the laws of Nigeria. The State Government of Bauchi, Nigeria and other shareholders hold the remaining 67% of the share capital in Supercor.

During the year there was no significant development at Supercor Industries Limited. Supercor had already suspended its operations since the year 2016 due to cash flow crisis. The Company informed the Board of Supercor Industries Limited about its intention to sell its stake and has not been participating in any of the discussions of the Board / Management for last five years. The Interim Board set up by the Nigerian Government is not responsive and the Company is waiting to hear from the Board of Supercor for deciding further course of action. Accordingly, the Company has submitted an application to Reserve Bank of India (RBI) for suspension of UAN allotted towards the above said investment in Supercor and the same has been suspended by RBI.

In view of the above, the Company is not in a position to obtain any information/financials from the Joint Venture entity and hence the consolidated financial statements do not include the financial performance of Supercor Industries Ltd.

As per the provisions of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the Financial Statements of the Subsidiary Companies/Associate Companies/Joint Ventures in Form AOC-1 is attached as Annexure IV to this report.

Scheme of Amalgamation

During the year, the Board of Directors, at its meeting held on February 13, 2026, approved a proposal for the amalgamation of the Company’s wholly owned subsidiary, Clean Coats Private Limited with the Company. The amalgamation will be executed through a Scheme of Amalgamation under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. This strategic initiative aligns with the Company’s long-term vision of optimizing operational efficiencies, strengthening market presence, and leveraging synergies within the Construction Chemicals segment where the involved transferor entity is currently engaged. The above Scheme is subject to necessary approvals from the shareholders, creditors and regulatory authorities, including the jurisdictional National Company Law Tribunal, Regional Director, Ministry of Corporate Affairs and the Registrar of Companies, as may be applicable.

Consolidated Financial Statements

The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013. As per the provisions of Section 136 of the Companies Act, 2013, the Company has also placed audited accounts of its Subsidiaries on its website.

Particulars of Employees, Directors and Key Managerial Personnel

The disclosures relating to remuneration and other details as required in terms of the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure V, which forms an integral part of this Report. Further, in terms of the first proviso to Section 136 of the Act, the Reports and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The said information will be made available for inspection through electronic mode by writing to the Company at cs@birlanu.com from the date of circulation of the AGM Notice till the date of the AGM.

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given in Annexure VI attached hereto and forms part of this Report.

Business Responsibility and Sustainability Report

BirlaNu strongly believes that sustainable and inclusive growth is possible by using the levers of environmental and social responsibility while setting aspirational targets and improving economic performance to ensure business continuity and sustainable growth.

Pursuant to Regulation 34(2)(f) of the Securities Listing Regulations, the Business Responsibility and Sustainability Report (“BRSR”) of the Company for the financial year ended March 31, 2026 is available on the website of the Company at https://cms.birlanu.com/public/media/2026/06/23/brsr-fy2025-26.pdf.

Employee Stock Options

During the financial year 2025-26, 1,10,131 stock options were granted under the BirlaNu Limited Employee Stock Option Scheme 2019. However, no stock options were granted under BirlaNu Limited Employee Stock Option Scheme 2023 (“Schemes”). The relevant disclosure under Section 62 of the Companies Act, 2013 read with Rules made thereunder and Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI (SBEB&SE) Regulations, 2021) as of March 31, 2026, is available on the website of the Company and can be accessed through the web link https://cms.birlanu.com/public/media/2026/04/22/esop-disclosure-2026.pdf.

A certificate from M/s. Ranjeet Pandey & Associates, Company Secretaries, Secretarial Auditor of the Company confirming that the Schemes have been implemented in accordance with the SEBI (SBEB&SE) Regulations, 2021 would be placed at the ensuing Annual General Meeting of the Company for inspection by the shareholders.

Significant and Material Orders Passed by the Regulators/Court

During the year under review, no significant and material orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status and operations of the Company.

Material Changes and Commitments

There were no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year March 31, 2026 to which the financial statements relate and the date of signing of this report.

During the year, there is no application made or any proceeding pending on the Company, under the Insolvency and Bankruptcy Code, 2016.

Change in The Nature of Business

There has been no change in the nature of business of the Company.

Other Statutory Disclosures

The Company has complied with the provisions of the Maternity Benefit Act, 1961 and the rules made thereunder, including all applicable obligations relating to maternity benefits for eligible employees.

The Board of Directors state that no disclosure or reporting is required with respect to the following items as there were no transactions related to the below items during the year under review:

a. Issue of equity shares with differential rights as to dividend, voting or otherwise.

b. Issue of sweat equity shares.

c. Provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

Acknowledgements

The Board of Directors take this opportunity to thank all the stakeholders of the Company for their continued support and express their sense of gratitude to the customers, vendors, banks, financial institutions, channel partners, business associates, Central and State Governments for their co-operation and look forward to their continued support in future. The Board of Directors wish to place on record their sincere appreciation for the contribution made by the employees at all levels and applaud them for their dedication and commitment towards the Company.

For and on behalf of the Board of Directors
BirlaNu Limited

CK Birla
Chairman
DIN: 00118473

Place: New Delhi
Date: May 12, 2026

ANNEXURE I

Annual Report on Corporate Social Responsibility (CSR) Activities for the financial year ended March 31, 2026

[Pursuant to Section 135 of the Companies Act, 2013 & Rules made thereunder]

1. Brief outline on CSR Policy of the Company

BirlaNu is committed to creating a need-based, sustainable, and community-centric approach to its Corporate Social Responsibility (CSR) initiatives. The Company focuses on improving community well-being through initiatives in skill development and healthcare, among other social interventions. The Company also encourages employees to actively participate in volunteer-driven initiatives, leveraging its organizational strengths, global presence, and engaged workforce to enhance the reach, effectiveness, and sustainability of its CSR programmes.

The Board of Directors have adopted a policy on CSR in line with Section 135 of the Companies Act, 2013.

2. Composition of CSR Committee

Sl. No.	Name of the Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Amita Birla	Chairman, Non-executive Director	1	-
2	Mr. Desh Deepak Khetrapal	Member, Non-executive Director	1	1
3	Mr. Sunil Ramakant Bhumralkar	Member, Independent Director	1	1
4	Prof. Janat Ghanshyam Shah	Member, Independent Director	1	1
5	Mr. Akshat Seth	Member, Managing Director & CEO	1	1

3. Web-link(s) where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company

CSR Policy: https://cms.birlanu.com/public/media/2025/03/13/csr-policy.pdf.

Composition of the Committee: https://www.birlanu.com/investor/committee-compositions.

The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. Details of the CSR projects or programs undertaken by the Company are available on link given below: https://cms.birlanu.com/public/media/2025/11/26/csr-annual-action-plan-2025-26.pdf.

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5. (a) Average net profit of the Company as per Section 135(5): **₹ 9,957.30 lakh**

(b) Two percent of average net profit of the Company as per Section 135(5): **₹ 199.15 lakh**

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

(d) Amount required to be set-off for the financial year, if any: **Nil**

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **₹ 199.15 lakh**

6. (a) Amount spent on CSR Projects (other than Ongoing Project): **₹ 210.92 lakh**

(b) Amount spent in administrative overheads: **Nil**

(c) Amount spent on impact assessment, if applicable: **Nil**

(d) Total amount spent for the financial year [(a)+(b)+(c)] : **₹ 210.92 lakh**

(e) CSR amount spent or unspent for the financial year:

Total amount spent for the financial year (in ₹ lakh)	Amount Unspent (in ₹ lakh)				
	Total amount transferred to unspent CSR account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount (in ₹ lakh)	Date of transfer	Name of the fund	Amount (in ₹ lakh)	Date of transfer
210.92	Nil	Not Applicable	Not Applicable		

(f) Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (in ₹ lakh)
(i)	Two percent of average net profit of the Company as per Section 135(5)	199.15
(ii)	Total amount spent for the financial year	210.92
(iii)	Excess amount spent for the financial year ((ii)-(i))	11.77
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years ((iii)-(iv))	11.77

7. Details of unspent CSR amount for the preceding three financial years

Sl. No.	Preceding financial year	Amount transferred to unspent CSR account under Section 135(6) (in ₹ lakh)	Balance amount in unspent CSR account under sub-section (6) of Section 135 (in ₹ lakh)	Amount spent in the financial year (in ₹ lakh)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding financial years (in ₹ lakh)	Deficiency, if any
					Amount (in ₹ lakh)	Date of transfer		
1	FY-1	NIL						
2	FY-2							
3	FY-3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If yes, enter the number of capital assets created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5): Not applicable

Amita Birla
Chairman of CSR Committee
DIN: 00837718
Place: London

CK Birla
Chairman of Board
DIN: 00118473
Place: New Delhi

Date: May 12, 2026

ANNEXURE II

Form No. AOC-2

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

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. There are no contracts/arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 which are not at arm's length basis.

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

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangement or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Ms. Avanti Birla, President – Strategy, a relative of Mr. Chandrakant Birla, Chairman and Non-executive Director and Ms. Amita Birla, Non-executive Director of the Company.	Payment of remuneration	Ongoing	Remuneration of ₹ 218.59 lakh (Rupees two crore and eighteen lakh and fifty-nine thousand) paid/ accrued for the financial year 2025-26 consisting of basic salary, house rent allowance, special allowance, variable pay, other allowances, retiral benefits, other benefits and facilities, as per the rules and policies of the Company.	May 15, 2023 and May 17, 2025	Not applicable

For and on behalf of the Board of Directors
BirlaNu Limited

CK Birla
Chairman
DIN: 00118473

Place: New Delhi
Date: May 12, 2026

ANNEXURE III

SECRETARIAL AUDIT REPORT

For the financial year ended on 31st March, 2026

[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,
BirlaNu Limited
(Formerly HIL Limited)
Office No. 1 & 2, L7 Floor,
SLN Terminus, Survey no. 133,
Near Botanical Gardens, Gachibowli,
Hyderabad, Telangana-500032

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **"BirlaNu Limited"** (hereinafter called the **"Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **BirlaNu Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026 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.

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

i) The Companies Act, 2013 (the Act) and the rules made there under;

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;

iv) The Foreign Exchange Management Act, 1999 to the extent of 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, 2015;

  c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

  d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

  e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

  f) 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.

vi) As confirmed by the management, there is no law which is specifically applicable to the Company, being a Company engaged in offering comprehensive building material solutions.

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

i) Secretarial Standards issued by the Institute of Company Secretaries of India;

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

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:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, 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 has been given to all directors/members of the committee, as the case may be, to schedule the Board Meetings including committee meetings during the financial year under review, agenda and detailed notes on agenda were sent properly before the scheduled meeting, 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.

In terms of the minutes of the board and committee meetings, all the decisions have been carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items during the financial year under review.

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.

We further report that, during the audit period the Company has:

i) declared and paid dividend and necessary compliances of the Act were made;

ii) acquired 100% equity share capital of Clean Coats Private Limited and necessary compliances of the Act were made;

iii) obtained approval of Board of Directors for Scheme of Amalgamation of wholly owned subsidiary, namely, Clean Coats Private Limited with the Company subject to the approval of members, creditors and Hon'ble National Company Law Tribunal ("NCLT") and necessary compliances of the Act were made;

iv) obtained approval of Hon'ble NCLT, Kolkata Bench, for Scheme of amalgamation of wholly owned subsidiary, namely, Crestia Polytech Private Limited and step-down subsidiaries of the Company, namely, Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited, Prabhu Sainath Polymers Private Limited, Topline Industries Private Limited with the Company vide its order dated 10^{th} March, 2026 and necessary compliances of the Act were made;

v) obtained approval of board of directors and members of the Company for amendments to the 'HIL Limited Employee Stock Option Scheme 2019' and necessary compliances of the Act were made.

FOR **RANJEET PANDEY & ASSOCIATES**
COMPANY SECRETARIES

CS RANJEET PANDEY
FCS- 5922, CP No.- 6087
UDIN: F005922H000332974

Place: New Delhi
Date: 12.05.2026

This report is to be read with our letter of even date which is annexed as Annexure-I and forms an integral part of this report.

Annexure-I

To,
The Members,
BirlaNu Limited
(Formerly HIL Limited)
Office No. 1 &2, L7 Floor,
SLN Terminus, Survey no 133,
Near Botanical Gardens, Gachibowli,
Hyderabad, Telangana-500032

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

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR **RANJEET PANDEY & ASSOCIATES**
COMPANY SECRETARIES

CS RANJEET PANDEY
FCS- 5922, CP No.- 6087
UDIN: F005922H000332974

Place: New Delhi
Date: 12.05.2026

ANNEXURE IV

Form AOC-1

(Pursuant to first proviso to Section 129(3) read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

₹ in lakh unless otherwise mentioned

	Name of the subsidiary	BirlaNu International GmbH, Germany	Parador Holdings GmbH, Germany	Parador GmbH, Germany	Parador Parkettwerke GmbH, Germany	Parador UK Ltd., England	Parador Inc., USA
Sl. No.	Particulars	Wholly Owned Subsidiary	Step Down Subsidiary	Step Down Subsidiary	Step Down Subsidiary	Step Down Subsidiary	Step Down Subsidiary
1	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	01.04.2025 – 31.03.2026	01.04.2025 – 31.03.2026	01.04.2025 – 31.03.2026	01.04.2025 – 31.03.2026	01.04.2025 – 31.03.2026	01.04.2025 – 31.03.2026
2	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Reporting currency: Euro Exchange rate: a. Average rate INR 102.47626 / Euro is considered for P&L items b. Closing rate INR 108.95334 / Euro is considered for balance sheet items				Reporting currency: GBP Exchange rate: a. Average rate INR 118.44967 / GBP is considered for P&L items b. Closing rate INR 125.59706 / GBP is considered for balance sheet items	Reporting currency: USD Exchange rate: a. Average rate INR 88.32111 /USD is considered for P&L items b. Closing rate INR 94.8475 / USD is considered for balance sheet items
3	Share capital	€ 3,40,25,000.00	€ 1,00,000.00	€ 25,000.00	€ 3,27,027.75	£10,000.00	$100.00
4	Reserves & surplus	(27,63,200.22)	1,01,36,471.09	1,578.85	1,21,97,488.88	(12,07,494.55)	-
5	Total assets	10,80,70,213.23	5,08,24,861.70	7,12,17,410.66	2,05,42,727.24	3,27,427.06	53,963.88
6	Total liabilities	7,78,75,147.68	4,07,67,296.09	7,85,72,757.36	1,09,75,529.63	20,77,998.09	21,31,075.70
7	Investments	5,40,26,888.96	26,066.25	86,20,163.04	-	-	-
8	Turnover	-	-	13,35,95,311.48	2,65,33,222.08	13,21,551.04	-
9	Profit/(Loss) before taxation	(10,66,734.23)	(1,78,905.48)	(73,81,925.55)	(22,75,284.21)	(5,53,076.48)	(20,77,211.82)
10	Provision for taxation	-	-	-	(6,82,034.81)	-	-
11	Profit/(Loss) after taxation	(10,66,734.23)	(1,78,905.48)	(73,81,925.55)	(29,57,319.02)	(5,53,076.48)	(20,77,211.82)
12	Profit/(Loss) transferred	-	-	-	-	-	-
13	% of shareholding	100% held by BirlaNu Limited	100% held by BirlaNu International GmbH, Germany	100% held by Parador Holdings GmbH, Germany	100% held by Parador GmbH, Germany	100% held by Parador GmbH, Germany	100% held by Parador GmbH, Germany

Name of the subsidiary		Clean Coats Private Limited
Sl. No.	Particulars	Wholly Owned Subsidiary
1	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	11-11-2025 – 31-03-2026
2	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	₹ in lakh
3	Share capital	167.30
4	Reserves & surplus	1,400.28
5	Total assets	2,373.41
6	Total liabilities	805.82
7	Investments	-
8	Turnover	2,000.64
9	Profit before taxation	56.47
10	Provision for taxation	57.43
11	Profit after taxation	(0.96)
12	Proposed dividend	-
13	% of shareholding	100% held by BirlaNu Limited

1. Names of subsidiaries which are yet to commence operations: NIL
2. Names of subsidiaries which have been liquidated or sold during the year: Crestia Polytech Private Limited (a wholly owned subsidiary of BirlaNu Limited) and Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited, Prabhu Sainath Polymers Private Limited and Topline Industries Private Limited (wholly owned subsidiaries of Crestia Polytech Private Limited and step-down subsidiaries of BirlaNu Limited) have amalgamated with BirlaNu Limited effective on March 31, 2026.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of Joint Ventures	Supercor Industries Limited, Nigeria	Parador (Shanghai) Trading Co., Ltd., China
1	• Last audited balance sheet date • Latest Balance Sheet	31st December, 2015 Refer note no. 53 to consolidated notes to Accounts.	31st December, 2025 Refer note no. 53 to consolidated notes to Accounts.
2	Shares of Joint Ventures held by the Company on the year end • Number • Amount of investment in JV • Extent of holding	41,25,000 equity shares of Naira 1/- each ₹ 142.60 lakh 33%	One share of Euro 100,000 ₹ 323.74 lakh 50%
3	Description of how there is significant influence	There is no significant influence	There is no significant influence
4	Reason why the associate/joint venture is not consolidated	Refer note no. 53 to consolidated notes to Accounts	Not Applicable
5	Net worth attributable to shareholding as per latest Balance Sheet		₹ (141.75) lakh
6	Profit/(Loss) for the year • Considered in Consolidation • Not Considered in Consolidation		₹ (5.88) lakh

1. Names of associates or joint ventures which are yet to commence operations: NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year: NIL

For and on behalf of the Board of Directors
BirlaNu Limited

CK Birla
Chairman
DIN: 00118473

Akshat Seth
Managing Director & CEO
DIN: 10039820

Ajay Kapadia
Chief Financial Officer
Membership No. 108447

Nidhi Bisaria
Company Secretary
Membership No. F5634

Date: May 12, 2026
Place: New Delhi

ANNEXURE V

Disclosure of Remuneration

(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 of the Company for the financial year 2025-26 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2025-26

Sl. No.	Name of the Director/ Key Managerial Personnel (KMP) and Designation	Ratio of remuneration of each Director/ KMP to median remuneration of employees	% Increase/ (Decrease) in remuneration in the financial year 2025-26
1.	Mr. CK Birla – Chairman	0.29	(51%)
2.	Mr. Akshat Seth - Managing Director & CEO	115.79	9%
3.	Mr. Desh Deepak Khetrapal – Non-executive Director	0.29	(51%)
4.	Ms. Amita Birla - Non-executive Director	0.29	(51%)
5.	Mr. Sunil Ramakant Bhumralkar – Independent Director	0.29	(51%)
6.	Dr. Arvind Sahay - Independent Director	0.29	(51%)
7.	Ms. Nidhi Jagat Killawala – Independent Director	0.29	(51%)
8.	Prof. Janat Ghanshyam Shah – Independent Director	0.29	(46%)
9.	Mr. Ajay Kapadia – Chief Financial Officer	22.28	11%
10.	Ms. Nidhi Bisaria - Company Secretary	8.32	9%

Note: Sitting fees is paid based on the number of meetings attended by the Non-executive/Independent Director, hence the % increase is not comparable and not considered for the purpose of above calculations.

(ii) During the financial year 2025-26, there was a decrease of 3% in the median remuneration of employees. This decrease is primarily attributable to the inclusion of employees of Crestia Polytech Private Limited and its subsidiaries pursuant to their merger with the Company, which also led to an increase in the overall employee base.

(iii) As on March 31, 2026, there were 2,053 permanent employees on the rolls of the Company.

(iv) The average percentile increase in the salaries of employees other than managerial personnel during the financial year 2025-26 was 8%. The increase in the remuneration of managerial personnel for the same period was 9%.

(v) It is hereby affirmed that the remuneration paid to Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors
BirlaNu Limited

CK Birla
Chairman
DIN 00118473

Place: New Delhi
Date: May 12, 2026

ANNEXURE VI

Statement of particulars of conservation of energy, technology absorption, foreign exchange earnings and outgo

[as per Rule 8 of Companies (Accounts) Rules, 2014]

A. Conservation of energy

I. Steps taken or impact on conservation of energy

In a strategic move towards enhancing energy efficiency and sustainability, several critical initiatives have been implemented across operations. A key initiative for the year is replacing part of conventional power with renewable power across several of our plants. We already have over 3.5MW of renewable energy and have identified further potential of about 12.68MWp of renewable energy across our plants. This would translate into over ~20% of our annual power consumption coming from renewable sources. We are currently pursuing projects for about ~8MWp of solar power with investments of over ₹ 8.6 crore across several of our plants; with additional projects to be taken up subsequently.

Additionally, we worked with an external consultant to identify measures to reduce energy consumption. Some of the key initiatives include transition from IE3 to IE4-rated motors delivering higher efficiency and measurable reductions in energy consumption without compromising operational performance. This has been complemented by a structured motor management program, optimizing motor sizing and utilization across applications. At the shop floor across our plants we are continuously working on increasing day light to reduce power consumption.

Further, deployment of Variable Frequency Drives (VFDs) has enabled demand-based motor operation, ensuring energy is consumed in line with process requirements, thereby eliminating unnecessary load and improving overall system efficiency.

In utilities, significant improvements have been achieved through optimization of water-cooled chillers, enhancing cooling efficiency and reducing specific energy consumption. Similarly, compressed air systems have been rationalized through leakage reduction, pressure optimization, and efficient compressor operation, leading to substantial energy savings.

Boiler and thermal systems have also been optimized to improve fuel efficiency and reduce energy losses. We have also recently invested in burners some of our facilities to replace LPG as a fuel with biomass. In addition, process-level optimizations have been implemented to streamline operations and minimize energy intensity.

A notable advancement includes the adoption of energy-efficient infrared (IR) heaters, which provide faster and more targeted heating, resulting in reduced energy consumption and improved process effectiveness.

We are also continuously working on lean manufacturing concept across businesses resulting in saving in power and fuel consumption.

II. Steps taken by the Company for utilization of alternate energy sources

The Company has undertaken focused initiatives to transition towards alternative and renewable energy sources, reducing dependence on conventional fossil fuels and strengthening its sustainability agenda.

A key measure includes the integration of agro-based fuels such as biomass briquettes, cashew husks, and rice husks in boiler operations. These renewable fuels serve as environmentally responsible substitutes for traditional fossil fuels, enabling a reduction in carbon emissions while supporting circular utilization of agricultural waste.

The Company has accelerated the transition towards cleaner mobility by increasing the share of electric forklifts to approximately 30% of the total fleet, replacing conventional diesel-powered equipment.

This shift has delivered multiple benefits, including lower operating and maintenance costs, reduced noise levels, and improved operational efficiency. More importantly, it has significantly reduced greenhouse gas emissions, reinforcing the Company's commitment to sustainable operations and its broader decarbonization roadmap.

An important measure undertaken during the year was to substantially increase the share of renewable energy. As part of that initiative we are already working on implementing an additional ~8MWp of solar capacity. Thereby, by the end of FY27 we would have successfully installed capacity to replace nearly 16% of our power consumption by renewable sources which is expected to further increase to 20% by FY28.

These initiatives reflect the Company's commitment to environmental stewardship and sustainable industrial practices.

III. Capital investment on energy conservation equipment

A capital expenditure of ₹ 39 lakh has been invested in FY26 towards energy efficiency and operational optimization initiatives. This investment reflects a long-term strategic focus on reducing energy intensity, lowering operating costs, and advancing sustainable industrial practices.

The deployed capital targets key areas that directly contribute to reducing the plant's electrical load, enhancing equipment reliability, and improving process control. Beyond immediate efficiency gains, the investment is expected to deliver strong lifecycle returns through reduced utility costs, lower maintenance spend, and extended asset life.

Importantly, the adoption of high-efficiency technologies aligns with evolving environmental and regulatory expectations, further strengthening the Company's position as a responsible and forward-looking organization committed to sustainable resource management.

We are committed to continuously investing in energy conservation measures. As we realise success in the PoCs that we are undertaking this year; we will horizontally deploy these energy conservation equipment and processes across our facilities.

B. Technology absorption

I. Efforts made towards technology absorption

The Company is continuously striving to upgrade its technology in all aspects through in-house R&D, primarily aimed at new product development, value enhancement through various cost optimization initiatives and improving product quality. Specific areas in which innovation was carried out during FY26 were:

a. Filed two new patents applications in India for the following:
    i. Laminated cementitious board for building materials and method for manufacturing the same
    ii. Unpalatalized polyvinyl chloride composition and a method of preparation thereof.
b. One Indian patent was granted during the year:
    i. Sandwich panel system and manufacturing process thereof.
c. The Company developed and commercialized following new products through its in-house R&D facility – Roofs Category: Ultra-premium asbestos roofing sheets delivering superior surface finish and hydrophobicity. Wall Category: 6X -high strength AAC blocks, false ceiling tile with multiple designs (10+ new designs) commercialized, light weighting of non-asbestos & asbestos panels with enhanced strength. Pipes & Fittings category: PPR, expansion of electrofusion HDPE fittings, organic based stabilizer, CaZn stabilizer and OPVC pipes. Construction Chemicals & Putty category: commercialized epoxy tile grout sparkle, Insta plug cement to stop leakage instantly, multi fix bonder – multipurpose powder additive for all cementitious matrix, panel jointing compound, Tile Adhesive TA1+ and coarser putty, Liquid WP compounds, Cement bonding agent and other construction and coating related products.
d. Enhancing product quality by optimising manufacturing processes and developing innovative raw material formulations. R&D has also initiated development of indigenous additives for roofing sheets & walling products and it's manufacturing through Company's wholly owned subsidiary, Clean Coats Pvt Ltd.

II. The benefits derived like product improvement, cost reduction, product development or import substitution

A standout achievement is the creation of the ultra-premium roof, a revolutionary product designed to enhance surface finish with water repellant properties arresting dampness and leakage beneath the roof.

Moreover, the Company continued its efforts towards increasing the utilization of processed and other industrial waste developing more greener products. Besides delivering on sustainability, this has also helped reduce production costs.

The production costs have been reduced through strategic measures such as adopting cost-effective raw materials, optimizing power consumption, and enhancing technical efficiencies. With rising raw material prices, the Company has developed new blends of raw materials and their substitutes.

III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

(a) the details of technology imported: OPVC pipe manufacturing machines & technology

(b) the year of import: 2025

(c) whether the technology been fully absorbed: under commissioning

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

IV. Expenditure incurred on Research and Development: ₹ 741.97 lakh

C. Foreign exchange earnings and outgo

Details of foreign exchange earned in terms of actual inflows and the foreign exchange outgo in terms of actual outflows during the financial year are as under:

Sl. No.	Particulars	2025-26 (₹ in lakh)	2024-25 (₹ in lakh)
A	Foreign Exchange Earned		
	Export of Goods (C&F)	-	4.70
	Others#	1,590.86	2,771.52
	Total	**1,590.86**	**2,776.22**
B	Foreign Exchange Used		
	Raw Materials, Components, Spares and Capital Goods (CIF)	41,215.23	40,697.96
	Others*	50.99	2,824.97
	Total	**41,266.22**	**43,522.93**

#Pertains to interest on loan and corporate guarantee fee received from subsidiary.

*Includes loan given to subsidiary FY2025-26- Nil and FY2024-25- ₹ 2,788.43 lakh.

For and on behalf of the Board of Directors
BirlaNu Limited

CK Birla
Chairman
DIN: 00118473

Place: New Delhi
Date: May 12, 2026

Management Discussion and Analysis

Economy overview

Global economy

The global economy remained resilient during CY2025 despite continued uncertainty arising from trade policies and geopolitical developments. Global GDP growth stayed broadly stable at around 3.4%, while inflationary pressures eased across several major economies, although cost pressures and supply-chain disruptions continued to persist.[1]

During the year, Emerging Market and Developing Economies maintained steady growth momentum, while advanced economies expanded by 1.9%. Among advanced economies, the US recorded growth of 2.1% while, the Euro region expanded by 1.4%[2] during the reporting period. At the same time, global trade policies were increasingly influenced by geopolitical and security concerns rather than economic efficiency. In addition US-induced tariff uncertainties, heightened volatility in international trade, affected supply chain efficiency, increased cost pressures, and weighed on the outlook for global growth and capital allocation.

Looking ahead, global economic growth is projected to remain broadly moderate, with GDP expected to grow by approximately 3.1% in CY2026.[3] However, prolonged conflict in Middle East and the risk of further regional escalation, have introduced uncertainty into global supply chains and commodity markets. These disruption could materially impact energy availability, freight movement and global trade flows. Therefore, such uncertainties linked to geopolitical tensions and potential disruptions to global trade present downward risks to the global GDP growth estimates.

Geopolitical instability continues to drive inflationary pressures through higher energy and logistics costs, volatile feedstocks, supply chain disruptions and currency fluctuations, impacting input costs, demand sentiment and investment activity globally. At the same time, accelerating investments in AI infrastructure are reshaping capital allocation priorities and intensifying competition for energy, technology and critical materials.

Against this backdrop, the outlook for global growth remains cautious. While underlying demand conditions in several economies continue to demonstrate resilience, downside risks to economic activity, trade and financial markets remain.

Indian economy

During FY2026, India's GDP grew by 7.6%, supported[4] by several proactive policy measures undertaken by the Government of India in a challenging macroeconomic and geo political environment. Key initiatives included GST rationalisation and other several reforms aimed at strengthening economic activity and improving the overall business environment such as PLI schemes. There was a sustained emphasis on infrastructure creation, with the Union Budget 2025–26 allocating ₹ 11.21 lakh crore towards capital expenditure. Direct tax reforms, including higher exemption limits also provided relief to households and individual taxpayers supporting private consumption.

However, the operating environment remained challenging through the year, with weak demand, softer pricing and excess capacity pressures in the early part of the year weighing on margins and business confidence. Toward the close of the year, geopolitical tensions in Middle East further heightened concerns around energy prices, supply-chain disruptions and material volatility, underscoring the fragile and uneven nature of the recovery despite India's strong structural fundamentals.

While India's medium-term economic fundamentals remain intact, supported by favourable demographics, rising income levels, a growing consumer base and sustained public investment in infrastructure, the near-term outlook has become more cautious amid a rise in external and domestic risk factors. Heightened geopolitical tensions, such as the ongoing Middle East conflict, could result into higher inflation, pressure on corporate input costs and stress on household purchasing power. In addition, IMD's projection of lower monsoon this year can likely impact agricultural output, rural incomes and consumption demand. While these risks do not fundamentally alter India's structural growth potential, they do suggest that the economic environment may remain more volatile than previously anticipated, with growth likely to be more moderate than earlier expectations.

At the same time, these disruption may create opportunities for agile businesses through supply-chain diversification, localisation, import substitution, energy transition and digital infrastructure investments. The accelerating global adoption of AI further adds a strategic dimension to the outlook, as rising investments in digital infrastructure and data centres are beginning to place greater demands on capital, power availability

[1]https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026
[2]https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026
[3]https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026
[4]https://www.pib.gov.in/PressReleasePage.aspx?PRID=2233792&reg=3&lang=1

and energy systems. In this context, India will need to move with urgency to secure a stronger position in the evolving AI economy rather than risk falling behind.

Looking ahead, India is expected to remain among the fastest-growing major economies, supported by domestic demand, continued public investment and a stable policy framework. At the same time, the near-term outlook warrants caution due to risks related to global geopolitical instability, commodity and energy price volatility, weak external demand and pressure on corporate margins.

Industry overview

Infrastructure industry

During FY26, India's infrastructure sector maintained strong momentum, supported by sustained government capital expenditure and continued capacity expansion across key segments. The Union Budget 2025–26 allocated ₹ 11.2 lakh crore towards infrastructure development, equivalent to approximately 3.1% of GDP, reflecting the Government's ongoing focus on strengthening core infrastructure.[5]

The national highway network expanded by approximately 5,313 km during the year; about 15% higher than the target of 4,640 km. In the railways sector, freight loading reached 1,670 million tonnes, registering a 3.3% year-on-year increase, alongside near-complete electrification. The port capacity increased to 2,771 million metric tonnes with India's major ports handling nearly 915 million tonnes of cargo during the year surpassing the 904 million tonnes target with nearly 7% growth over last year.[6]

Looking ahead to FY27, the infrastructure sector is expected to witness accelerated growth, supported by a projected 9% increase in central capital expenditure to a record ₹ 12.2 trillion, with a continued focus on manufacturing and enhanced private sector participation through PPP models and instruments such as InvITs.[7] Investment activity is anticipated to remain strong, with estimates indicating ₹ 17.5 trillion of investments across key segments including renewables, roads and real estate. Construction activity is expected to expand steadily, driven by resilient demand in roads, urban transit and high-speed corridor development. In addition, rising investments in data centres and digital infrastructure, together with policy-led capacity creation in electronics and semiconductors, are expected to broaden the infrastructure opportunity set.

While overall, the sector is well positioned to remain a key driver of economic growth, there are a few possible risks to watch out for such as labour shortages and the transitional cost impact of the new wage code. In addition volatility in material and commodity prices could affect execution timelines and project economics. Accordingly, sustained focus on productivity, supply-chain planning and cost management will remain important to preserve momentum in such a dynamic operating environment.

Real estate industry

India's real estate sector exhibited robust growth, supported by improving sales, new projects launches and increasing investor confidence. The sector is the second-largest generator of employment in the country after agriculture and contributes significantly to India's GDP, making it one of the key drivers of the economic growth.

During FY26, India's real estate sector demonstrated strong resilience and growth, supported by residential demand, healthy office space absorption and sustained institutional investments. Housing sales reached record levels during the year, driven by continued urbanisation and improved regulatory transparency under RERA. The warehousing segment also witnessed expansion led by increasing demand from e-commerce and logistics sectors, while commercial vacancy rates moderated to around 15%, reflecting stabilisation in hybrid work models. Government initiatives such as PMAY (sanctioning 3.9 crore additional houses[8]) and REIT maturity further bolstered supply-demand equilibrium, contributing to sectoral revenues growing at nearly 12-15% YoY.

Looking ahead, India's real estate sector is expected to maintain steady growth, supported by healthy residential launches, robust office leasing demand, rising FDI inflows, expansion in retail, continued demand from global capability centres and emerging formats such as co-living. Sustainability initiatives, increasing green building adoption and supportive policy measures are also expected to strengthen investment activity and reinforce the sector's role in driving economic growth.

The sector needs to navigate across the various risks such as input cost inflation, regulatory and approval delays, and possible demand moderation in the current macroeconomic and geo political uncertainty. The implementation of the new wage and labour code framework is also likely to create near-term pressure through higher labour and compliance costs. These factors could lead to higher project costs, tighter contractor margins and some pressure on execution timelines in the near term.

[5]https://www.pib.gov.in/PressReleasePage.aspx?PRID=2222521&reg=3&lang=1#

[6]https://www.pib.gov.in/PressReleasePage.aspx?PRID=2247870&reg=3&lang=2

[7]https://www.pib.gov.in/PressReleasePage.aspx?PRID=2241612&reg=3&lang=1

[8]https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=157973&ModuleId=3&reg=3&lang=2

Fibre cement roofing industry

Fibre cement continues to be a widely used roofing material across commercial, industrial and residential applications in India, supported by its durability, weather resistance and cost competitiveness, particularly in rural and semi-urban markets. For FY26, the fibre cement roofing segment remained largely stable in line with FY25, with demand supported by rural housing activity, low-cost industrial structures and public spending on village-level infrastructure. This backdrop was reinforced by the Union Budget 2025-26 allocation of ₹1.88 lakh crore to the Ministry of Rural Development, which provided continued support for rural employment, housing and infrastructure-led demand drivers relevant to fibre cement roofing products.[9]

This year the allocation to the Ministry of Rural Development has been further increased to ₹1.97 lakh crore, representing an increase of about 4% over the revised estimates for FY26, indicating continued policy support for rural development and allied construction activity.

Therefore, looking ahead to FY27, the fibre cement roofing industry is expected to see steady growth, supported by resilient rural demand, replacement-led offtake and ongoing construction activity in rural and semi-urban markets. The widening price gap versus steel roofing sheets is also likely to strengthen its value proposition in price-sensitive segments. However, the industry would need to keep a close watch on certain risks such as a weaker monsoon and increasing prices of key input materials and transportation.

Pipes industry

The Indian plastic pipes and fittings industry remained under pressure through FY26, with demand conditions staying subdued across several end-use segments. Similar to the last few years the industry continued to be adversely impacted as Government spending on water infrastructure remained below expectations, impacting institutional demand. At the same time, the industry contended with sharp raw material volatility with the market moving into a phase of decadal-low PVC prices and falling CPVC prices amid weak global demand conditions. This environment intensified pricing pressure across the value chain as dealers delayed purchases in anticipation of further corrections and manufacturers competed aggressively to protect volumes.

For FY27 and over the medium term, the overall industry is expected to grow only in low single digits in volume terms, reflecting a more measured demand environment despite the sector's strong long-term fundamentals. While structural drivers such as low per-capita plastic pipe consumption in India, housing demand, agricultural applications and replacement of legacy piping systems continue to provide headroom for growth, near-term momentum is being constrained by slow public spending on water infrastructure and a fragmented industry structure marked by significant over-capacity. These conditions are driving intense competition across categories, with aggressive pricing by organised and regional players alike weighing on profitability. In addition, the weak global demand backdrop and the Indian government's evolving stance on anti-dumping protection are likely to keep PVC and CPVC prices soft and volatile. These could continue to create uncertainty around margins, channel behaviour and offtake in the near to medium term. Despite these challenges, the long-term outlook for the industry remains positive, supported by the continued rollout of housing and water-management programmes, increasing product premiumisation, and adoption of newer technologies such as oPVC and more efficient manufacturing systems.

Flooring industry

The European flooring industry remained subdued during the year, with demand conditions continuing to reflect weak residential construction activity, soft renovation spending and cautious channel sentiment. Residential renovation and new housing markets across key economies such as Germany, France and United Kingdom remained under pressure, while commercial investments also progressed cautiously. Across flooring categories including laminate, LVT, engineered wood and other wood-based flooring solutions, pricing conditions stayed competitive as manufacturers continued to contend with low capacity utilisation and soft order inflows.

Within the wooden flooring segment, consumer preference continued to gradually shift toward differentiated and value-added offerings that offer durability, ease of installation and sustainability credentials. However, the broader category continued to witness cautious buying behaviour as distributors and retailers maintained lean inventory positions.

By and large, the year remained subdued. Some green shoots were visible across parts of the value chain, particularly in channel enquiries, inventory normalisation and selective improvement in renovation-led demand. However, the geopolitical tensions in the Middle East have introduced another layer of uncertainty through energy, freight and inflation expectations, with the potential to raise manufacturing and logistics costs, delay project activity and weigh further on consumer and trade sentiment. Consequently, the anticipated

[9]https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=2100410&reg=3&lang=2

recovery cycle may now be deferred by a few quarters, with customers continuing to adopt a cautious approach toward discretionary spending and project execution.

Looking ahead, the outlook for the European flooring industry remains guarded. While structural drivers such as urban renovation, sustainability trends, premiumisation and adoption of innovative flooring formats continue to support the long-term potential of the industry, near-term outlook is expected to remain flat at best, with a risk of downward bias should macroeconomic and geopolitical uncertainties persist.

Company overview

Founded in 1946, the Company has established itself as a global player in home and building solutions. Its legacy of delivering iconic projects, supported by an extensive retail presence and deep community engagement, has positioned the Company as a trusted name in the industry.

The Company integrates purpose and innovation across its product portfolio to address the evolving needs of customers. It focuses on delivering future-ready solutions that transform living and working spaces while fostering principles of sustainability, innovation and the highest quality standards.

BirlaNu offers a diverse range of products, including pipes, construction chemicals, putty, roof, wall and flooring solutions – a comprehensive portfolio of offerings across the building materials value chain.

Beyond its business operations, the Company contributes deeply to the well-being and long-term development of communities associated with its operations.

In FY25, HIL Limited was rebranded to BirlaNu. BirlaNu represents a bold evolution of our legacy, blending innovation with heritage. The new brand is inspired by the people we serve and driven by a passion for continuous growth. As the world evolves, we remain committed to shaping spaces where life unfolds and inspiring beautiful, lasting design with our customers at the heart of everything we do.

BirlaNu empowers homeowners, builders, and designers to bring their vision to life, crafting buildings that stand the test of time. And that's why our brand campaign is anchored around a simple, powerful idea: "Build Your World."

Our updated brand architecture unifies all our product categories - Pipes, Putty, Construction Chemicals, Walls, Roofs, and Floors - under a single identity. This alignment is helping our customers and partners with a clear and consistent understanding of who we are and what we stand for.

This rebranding is not just about changing how we look, it signifies a bold growth agenda. It is a renewed promise. It signals our readiness for new customers, new markets, new conversations and new ideas. It reflects the world we live in today - faster, more digital, more design-led and deeply conscious of sustainability.

Key awards won in FY 2026

- Super Brand Award 2026 Realty+ Iconic Brand Award for Charminar BirlaNu and BirlaNu Aerocon
- Most Trusted Brands of India Marksmen Daily for BirlaNu Leakproof Pipes
- ET Polymers: Best Plastics and Polymer Brands 2026 for BirlaNu Leakproof Pipes
- BW Excel Awards 2026 Gold for rebranding campaign - "NU_ERA: Build Your New World With BirlaNu"
- German Sustainability Award for Parador
- EcoVadis Gold certification for Parador
- FX Design Awards for Best Floor Covering for Parador
- toom Supplier of the Year for Parador

Strategic acquisition to drive future growth

In November 2025, BirlaNu acquired Clean Coats Private Limited, a leading Indian manufacturer of high-performance coatings and specialised construction chemicals.

The acquisition of Clean Coats is a strategic step in strengthening BirlaNu's portfolio in specialty construction chemicals and high-performance coatings. This transaction brings together Clean Coats' technical expertise, proven formulations, and export capability with BirlaNu's strong brand presence, market reach, institutional relationships, and execution scale.

Clean Coats enables BirlaNu to reach a broader spectrum of customers across projects and retail channels, from advanced surface technologies to protection, adhesives, admixtures, and waterproofing – under one integrated, specialised construction-chemicals platform. For the shareholders, this transaction offers significant long-term value creation through deeper participation in this fast-growing, high-value segment.

Key strengths

Strong values and heritage

BirlaNu, draws on the Group's long-standing legacy of trust, with its products earning strong recognition in the market for their high quality, reliability and focus on innovation.

Diverse product portfolio

The Company caters to homeowners, builders, and designers through a comprehensive suite of home and building solutions spanning pipes, construction chemicals, putty, roofing, walling, and flooring applications. The portfolio is constantly evolving in line with changing customer needs and market trends, with each product developed to deliver durability, superior performance, and aesthetic appeal, thereby enhancing the functionality, reliability, and overall quality of built spaces.

Strong distribution network

BirlaNu has established a robust global footprint, with operations spanning over 80 countries, supported by an extensive distribution network comprising more than 30,000 retail touchpoints and over 21,000 channel partners worldwide.

Global manufacturing footprint

The Company operates 33 state-of-the-art manufacturing facilities across India, Germany and Austria, enabling faster response times and efficient servicing of diverse customer requirements across key geographies. These facilities are built around best-in-class operational practices, including Lean Six Sigma methodologies, and are integrated with advanced Industry 4.0 technologies and business intelligence systems, enhancing productivity, product quality and industry-leading operational efficiencies.

Purpose-driven innovation

BirlaNu's innovation strategy is rooted in a deep understanding of customer needs, enabling the development of durable, high-performance, and sustainable building solutions. Its evolving portfolio including offerings such as Modular ONE flooring, Taterra flooring, oPVC pipes, Ultra premium roofs, BirlaNu Aerocon 6X AAC Blocks, Designer boards and multiple new products across putty and construction chemicals such as Covermax, Multifix bonder, Instaplug, TA1+ Tile adhesives etc. reflect a focus on enhancing functionality, efficiency and design. Proprietary advancements such as Organic Based Stabilizer (OBS) and Electrofusion fittings with Integrated Service Saddle further reinforce the Company's commitment to setting higher benchmarks in quality, safety and performance.

Leading brands

The Company has built a portfolio of well-recognised and trusted brands across its operating segments, including Charminar, BirlaNu Aerocon, BirlaNu Leakproof Pipes, Topline, Clean Coats and Parador, each reflecting strong market presence and customer confidence.

Skilled and engaged workforce

With a diverse workforce of nearly 7,000 employees representing 30+ nationalities and spread across 160+ towns, BirlaNu considers its people a key driver of its success. The Company fosters a strong culture of pride, inclusivity, and engagement, supported by focused talent development initiatives and progressive people practices. This enables employees to collaborate effectively, think innovatively and work alongside partners to deliver impactful solutions.

Business performance

Total FY 2026 Revenue in crore

1,139
Roofs

692
Pipes & Construction Chemicals

610
Walls

1,287
Floors

The performance during the year was supported by disciplined execution, along with continued focus on cost optimisation and strong operational controls across business segments.

Pipes

BirlaNu offers advanced water management solutions through its two established brands, BirlaNu Leakproof Pipes and Topline. The Company provides a comprehensive portfolio of more than 20 products designed to address a wide range of plumbing and water management requirements.

The product range includes CPVC, uPVC, PVC-O, SWR, Silent, UGD, Foamcore, Pressure, Column and Casing pipes, along with PPR, HDPE and MDPE pipes, gas pipes, electrofusion fittings, FHTC fittings and water tanks. These solutions are complemented by precisely engineered fittings and solvents to ensure reliable system performance.

The Company's TruFiT technology ensures accurate tolerances, enabling easy installation and leakproof assembly. Supported by advanced manufacturing technology, BirlaNu delivers products that maintain high standards of dimensional accuracy, consistent quality and reliable performance.

BirlaNu is also among the pioneers in in-house CPVC compounding under patent, enabling greater control over formulation and ensuring durability and long-term product performance.

In addition to its pipes portfolio, the Company offers a comprehensive range of water storage solutions designed to ensure safe and hygienic storage of water. These solutions are engineered for durability, long service life and sustainability, with a focus on maintaining water quality while meeting the evolving requirements of residential, commercial and infrastructure applications.

Its operations are supported by several recognised certifications, including ISO 45001, ISO 14001, ISO 9001, GreenPro, Ecolabel and GRIHA, reflecting the Company's commitment to quality, sustainability and responsible manufacturing practices.

Performance in FY 2026

During the year, the pipes segment witnessed a challenging operating environment, with demand impacted by lower government spending and slower project execution cycles, which also affected collections. The sharp decline in PVC and CPVC resin prices, which reached multi-year lows, led to a corresponding reduction in realisations across the industry. In addition, a highly competitive market landscape, particularly in a falling price environment, exerted further pressure on volumes and margins, as players focused on pushing volumes.

Despite these headwinds, the Company undertook several strategic initiatives to strengthen its market position and improve operational efficiency. A key highlight of the year was the successful launch of the Company's brand through a well-integrated mix of ATL, BTL and digital campaigns, supported by a significant scale-up in retail visibility and deeper channel engagement. These efforts have helped enhance brand recall and improve reach across key markets. At the same time, focused efforts on cost optimisation resulted in the Company achieving its lowest-ever conversion cost, alongside rationalisation of fixed costs, thereby strengthening its cost competitiveness.

The Company also continued to invest in future growth drivers, with successful trial production of new product categories such as PVC-O and PPR pipes. These developments are expected to expand the product portfolio and open up new application areas, positioning the business for improved growth prospects as market conditions stabilise.

Construction Chemicals

BirlaNu's construction chemicals portfolio is designed to deliver innovative solutions that support stronger, safer and more durable structures, while addressing the requirements of modern construction practices. The Company offers a range of products including BirlaNu Tough Tile Adhesives, BirlaNu Tough Tile Grouts, BirlaNu Surface Cleaners and BirlaNu Plasters. These products cater to diverse applications across residential, commercial and large-scale infrastructure projects. The portfolio is further strengthened by the Company's TruBond technology, which ensures enhanced bonding strength, durability and ease of application, enabling a smooth and reliable tile finish.

BirlaNu has recently acquired Clean Coats Private Limited which is a leading manufacturer of high-performance coatings and specialised construction chemicals. Clean Coats is a pioneer in specialty coatings with a comprehensive portfolio that includes epoxy and polyurethane coatings, anti-corrosion linings, flooring systems, waterproofing, and food-grade protective coatings. The Company serves some of the most demanding pharmaceutical, steel, chemicals, oil & gas, F&B, infrastructure and water management projects across India and in 27+ countries globally.

The overall construction chemical segment maintained a strong focus on building long-term capabilities by continuing to invest in new product development, strengthening customer engagement, and enhancing distribution channels. The business expanded its portfolio with solutions aligned to evolving application needs, while deepening relationships with key customers through targeted outreach and technical support. At the same time, efforts to streamline and deepen channel network helped improve market access and responsiveness, positioning the business to capture future growth opportunities more effectively.

Performance in FY 2026

During the year, the construction chemicals business continued to grow strongly, supported by expansion across its product offerings and market presence. The Company focused on strengthening this segment as a key part of its portfolio. As a result, in FY26, revenue for the construction chemicals segment grew by 45%.

Putty

BirlaNu TruColour Putty provides a reliable solution for creating smooth and vibrant wall surfaces. The product portfolio including wall putty, durable waterproof putty, gypsum plaster and weather resistant texture putty offers a range of high-quality solutions designed to meet diverse construction requirements.

The Company's TruColour technology enhances both durability and aesthetics by delivering vibrant and fade-resistant finishes. In addition, BirlaNu offers a range of high-quality primers, designed to provide strong adhesion, improved opacity and long-lasting durability across different surface types.

Performance in FY 2026

In FY26, revenue for the overall putty segment de-grew as the business continued to operate in a market defined by high competitive intensity resulting in continued pressure on pricing.

During the year, the market prices reduced by nearly 7% with industry demand remaining largely flat. In such an environment the Company focused on reducing the impact on margin erosion through value enhancement measures and at the same time streamlined sales and distribution. The Company also focused on portfolio premiumisation through the launch of various differentiated products such as CoverMax.

Roofs

With a market share of nearly 25% in India, the Charminar brand enjoys leadership position and is widely regarded as synonymous with the fibre cement roofing category. Charminar roofs represent high-quality, durable, and aesthetically appealing solutions designed to cater to residential, commercial, and industrial applications. The portfolio combines strength with innovation, offering key benefits such as thermal insulation, fire resistance, and reliable long-term performance.

The brand continues to differentiate itself through innovative offerings, including colour-coated roofing solutions suited for contemporary spaces and Ultracool roofs designed to enhance indoor comfort. In line with growing sustainability preferences, products such as "Charminar Fortune" provide eco-conscious alternatives. Complementing its roofing range, the Company also offers a suite of tools and accessories, including EPDM washers, engineered to deliver anti-corrosion properties, effective sealing, and resistance to heat and harsh weather conditions, thereby ensuring durable and long-lasting structural support.

Performance in FY 2026

During the year, the Roofs segment sustained its market leadership while further strengthening its competitive position. Despite a challenging pricing environment marked by heightened competition, the business delivered stable volume performance, supported by sharp execution and continued customer relevance. Focused cost optimisation initiatives across both fixed and variable elements helped improve operational resilience.

The segment also stepped-up investments in brand visibility and market reach, leveraging enhanced trade engagement and digital-led campaigns to deepen customer connect. A strong push on value-added products resulted in healthy growth in the premium portfolio, complemented by the successful launch of ultra-premium roofing solutions. Overall, the year reflected a balanced approach of defending core strengths while building momentum in higher-value offerings.

Walls

BirlaNu Aerocon offers a versatile portfolio of wall solutions that combine strength, aesthetics and sustainability. These solutions enable faster project execution while delivering superior thermal and sound insulation. Compared with conventional construction materials, these solutions also help reduce environmental impact, enabling customers to build more efficient and sustainable spaces.

AAC Blocks

The Company offers Autoclaved Aerated Cement (AAC) Blocks that are lightweight and provide effective sound and thermal insulation. These blocks are manufactured using fly ash, cement, lime and an aeration agent, enabling faster construction while reducing the consumption of cement and steel.

The products comply with IS 2185 (Part 3) standards, ensuring consistent quality and reliable performance.

Panels

The Company offers panels designed with two fibre-reinforced cement facing sheets enclosing a lightweight cementitious core. This structure enables a strong and efficient construction solution while maintaining durability and ease of installation.

These ready-to-install panels provide high strength, durability and operational efficiency for wall applications. They are suitable for a wide range of uses, including building partitions, prefabricated structures, mezzanine flooring, cladding, boundary walls and fire-separation systems.

The panels provide a sustainable and reliable solution, supporting safe, efficient and environmentally responsible construction practices.

Designer Boards and Planks

The Company's designer boards and planks combine durability with design flexibility, offering solutions that enhance surface aesthetics. These products are developed to support both interior and exterior applications.

The eco-friendly boards feature a natural grain texture that enhances visual appeal while maintaining dimensional stability. They are designed to provide long-term resistance to weather conditions, termites and moisture, ensuring durability and reliable performance.

Performance in FY 2026

The Walls business recorded strong growth in revenue and volumes during the year, driven by steady demand across key segments and sustained improvement in market reach. The Company continued to strengthen its presence across regions through wider channel penetration and deeper engagement across retail, trade and project markets.

The year also saw continued emphasis on premiumisation, with the successful launch of high-strength premium blocks and designer boards. Supported by strong marketing and branding initiatives, higher trade visibility, and the Company's established strengths in brand, product quality and service, the business further reinforced its premium positioning in the market.

On the manufacturing front, the Company ramped up production at the newly commercialised Line 2 at Chennai blocks plant. In addition, ongoing and planned expansions, including the boards plant at Nellore, are expected to support future growth and increase the contribution of value-added products to the overall portfolio.

The Company also expanded its network of retail and trade partners and serviced a higher number of projects during the year. A focused approach towards Government and institutional customers further enabled cross-selling of multiple products and strengthened customer engagement across markets.

Floors

Parador

Founded in Germany in 1977, Parador is a global interiors brand with strong European heritage. The brand specialises in engineered wood, laminate and vinyl flooring, as well as eco-friendly resilient flooring solutions such as "Modular ONE". These products cater to diverse applications across residential, retail, hospitality and commercial segments.

The brand places strong emphasis on craftsmanship, innovative design and superior product quality, with manufacturing operations based in Germany and Austria, reflecting its focus on precision and engineering excellence. It also serves as a creative platform for architects and designers, supported by decades of experience and deep domain expertise.

With a presence in over 80 countries, Parador continues to deliver high-quality flooring solutions that combine functionality, durability and design excellence.

Performance in FY 2026

FY26 performance was impacted by a sharp slowdown in construction activity across Europe, particularly in Germany and key EU markets, where new housing construction and permitting declined significantly. This resulted in subdued demand conditions and performance below earlier expectations. Despite these headwinds, the business demonstrated resilience by maintaining and expanding its market share in the DIY segment across DACH, Eastern Europe and Scandinavia. Operational performance was driven by disciplined cost and working capital management, while the commercial footprint was strengthened through expanded teams across Europe and the establishment of new entities in the USA, UK and Middle East.

During the year, the business continued to strengthen its long-term positioning through expansion across key geographies, including the Americas, EMEAI and APAC, along with localisation of engineered wood production in select markets. Channel development initiatives supported continued share gains in core regions, and further strengthened its presence in the premium segment through participation in industry platforms such as FOAID, enabling engagement with architects and designers while showcasing its product portfolio. New offerings, including Modular ONE and Modular ONE Hydron, were introduced in India and received encouraging response for their design and performance. While revenues and volumes remained impacted by external conditions, the business enters FY27 with a stronger operational base.

Financial Performance

Performance in FY 2026

BirlaNu on a standalone basis achieved net revenue from operations of ₹ 2,427 crore as against ₹ 2,390 crore in the previous year, an increase of 2%. Consequent to the merger of Crestia group companies with BirlaNu becoming effective from March 31, 2026, with the appointed date being April 5, 2024, the standalone financial statements of the Company for FY26 include the financials of the Crestia group companies. On a consolidated basis, the Company registered net revenue from operations of ₹ 3,730 crore as against ₹ 3,615 crore in the previous year recording a growth of 3%. It remained a challenging year for the industry, marked by heightened competition and intense pricing pressure from peers. The India business delivered a relatively stronger performance, registering volume growth across most categories, while, the Parador business was impacted by market sluggishness and ongoing geopolitical tensions.

During the year under review, on a standalone basis, BirlaNu reported a profit before tax (PBT), before exceptional items, of ₹22.15 crore, compared with a loss before tax of ₹17.33 crore in the previous year, representing an improvement of 228%. This was primarily driven by volume-led growth and cost optimisation measures implemented during the year. Loss before tax before exceptional items on a consolidated basis for the financial year 2025-26 stood at ₹ 155.36 crore as against loss of ₹ 124.28 crore in the previous year, recording a de-growth of 25% mainly on account of persistent softness in the European flooring market, coupled with a muted demand environment and ongoing pricing pressures.

On a consolidated basis, the net worth of the Company as of March 31, 2026 stood at ₹ 1,110 crore as against ₹ 1,211 crore in the previous year. The consolidated earnings per share (basic) for the financial year ended March 31, 2026 stood at ₹ (158.55) per share as against ₹ (43.63) per share for the financial year ended March 31, 2025.

Key Financial Ratios (Standalone)

Sl. no.	Particulars	FY 2025-26	FY 2024-25	Change (%)	Comments
1	Debtors Turnover (Times)	12.39	13.93	11.06%	-
2	Inventory Turnover (Times)	6.01	5.72	5.09%	-
3	Current Ratio (Times)	0.98	0.90	8.84%	-
4	Debt Equity Ratio (Times)	0.38	0.35	10.57%	-
5	Operating Profit Margin (%)	2.40	0.81	194.75%	The significant changes in the ratios are primarily attributable to improvement in operational performance and profitability during the year, resulting in better returns and debt servicing capability. Further, changes in working capital and borrowings also impacted certain ratios.
6	Debt Service Coverage Ratio (Times)	0.42	0.25	63.02%	
7	Net Profit Margin (%)	0.85	(1.18)	172.19%	
8	Return on Net Worth (%)/ Return on Equity (%)	1.71	(2.34)	173.24%	
9	Return on Capital Employed (%)	3.52	1.18	198.08%	

For more details, please refer note no. 57 of the standalone financial statements forming part of this Annual Report.

Intentional innovation

The Company has built a strong, technology-driven innovation ecosystem anchored by advanced Research & Development (R&D) centres in India and Germany, enabling continuous product development and technology-led advancements. The state-of-the-art Innovation Centre in Hyderabad, recognised by the Department of Scientific and Industrial Research (DSIR), Government of India, is equipped with advanced laboratories and pilot-scale testing facilities that support end to end product innovation, validation, and scale up.

Innovation efforts are further strengthened through the integration of advanced automation, Internet of Things (IoT), and smart manufacturing technologies, which enhance operational efficiency, improve product consistency, and significantly reduce waste across manufacturing operations. A structured stage gate innovation framework guides new product development, ensuring disciplined evaluation, faster time to market, and alignment with evolving customer and market requirements.

The Company continues to focus on formulation optimisation, cost effective material innovation, and evaluation of alternate raw materials to deliver high performance products while maintaining cost competitiveness. Sustainability remains integral to the innovation strategy, with ongoing development of green and resource efficient products, increased use of secondary and sustainable materials, and reduction of environmental footprint across the product lifecycle.

Digital tools and data driven platforms have been increasingly adopted to accelerate research, product testing, and development processes. In parallel, the Company is building advanced capabilities to deliver solution-based offerings, particularly in construction chemicals, reinforcing its commitment to innovation led growth, sustainability, and customer centric product development.

Technology and Digital

BirlaNu continues to strengthen its digital transformation journey with a clear focus on enhancing operational efficiency, elevating customer engagement, and enabling data-driven decision-making across the organisation. Over the past year, we have scaled key enterprise platforms and deployed solutions aligned with our long-term technology roadmap.

A major step forward has been the successful deployment of our SAP S/4HANA environment, which now provides an integrated digital core across financial, operational, and supply chain processes. Building on this, we are modernising our enterprise data architecture through expanded centralised data platforms that bring together insights from critical business systems. This unified data backbone is enabling real-time, role-based analytics and is laying the groundwork for future AI-enabled decision support across functions.

Beyond enterprise systems, our commercial and customer-facing platforms have seen significant upgrades. Enhancements to our Sales Force Automation (SFA) tools are streamlining sales planning, improving visibility into pipeline performance, and driving structured engagement across primary and secondary markets. These advancements have contributed to measurable gains in field-force productivity. During the year, the Company also became the first in the Pipes & Fittings segment to launch a QR code–enabled influencer rewards program, supported by a specialised capability to print dynamic QR codes directly on pipes, enhancing traceability and engagement. In parallel, we are strengthening our conversational commerce initiatives with the rollout of a Generative AI (Gen-AI) engagement platform designed to simplify interactions using WhatsApp that will improve responsiveness and elevate overall customer experience.

In line with our broader digital ambition, we continue to expand the application of Artificial Intelligence and advanced analytics across operational processes. AI-enabled tools – such as digital SKU-counting applications and analytics-driven warehouse monitoring systems – are under development to enhance accuracy, improve efficiency, and provide deeper operational visibility. As these capabilities mature, we plan to extend AI adoption to enterprise-level procurement, intelligent supply chain optimisation, and smart decision-support systems to help unlock further value across the business.

Our Industry 4.0 initiatives also continue to progress, enabling smarter manufacturing operations. Sensor-enabled monitoring and digital dashboards are now providing real-time insights into key plant and equipment metrics. These capabilities enhance equipment reliability, reduce unplanned downtime, and facilitate decentralised monitoring across facilities. Collectively, these initiatives are strengthening our digital-first operating model and building a scalable foundation for continued transformation in the years ahead.

Sustainability

Sustainability remains a core focus across operations, product development and governance, with continued emphasis on reducing environmental footprint and enabling responsible construction. The business is advancing eco-efficient manufacturing through optimisation of raw materials, increased use of alternative inputs and process improvements aimed at reducing energy consumption, waste generation and packaging intensity, while also promoting the 3R principles across operations. A strong push on green building solutions is reflected in the growing portfolio of certified products, including those aligned with GreenPro, GRIHA and IGBC standards, supporting environmentally conscious construction practices. Alongside environmental initiatives, efforts are directed towards social impact through community engagement, skill development and rural outreach programmes, while maintaining robust governance frameworks with a focus on transparency, ethical practices and board-level oversight of sustainability priorities. These initiatives collectively reinforce a balanced approach towards long-term value creation and sustainable growth.

Under its sustainability agenda, the Company is in the process of greening its power portfolio through the phased implementation of renewable energy solutions across its various plants. This transition is aimed at increasing the share of clean energy in the manufacturing mix, improving long-term energy sustainability and reducing the carbon intensity of operations. As these initiatives are scaled up across locations, they are expected to support the Company's commitment to responsible growth while also strengthening operational resilience over time.

The Company continues to integrate sustainability and resource efficiency into its operations by expanding its portfolio of green and certified products and adopting environmentally responsible practices. Alongside this, it remains focused on contributing to better living standards, aligned with its vision of building a greener and more responsible future.

Details are available in the Business Responsibility & Sustainability Report of the Company.

Human Capital

The Company is supported by a diverse workforce of nearly 7,000 employees and workers representing more than 30 nationalities, along with a strong network of 150,000+ skilled applicators, enabling it to serve customers across global markets.

Recognising talent as a key driver of long-term value, the Company continues to invest in employee engagement, capability building and a high-performance culture. Initiatives such as the JOSH engagement programme and Yashotsav rewards and recognition platform are focused on strengthening engagement across locations. Digital tools such as Amber enable real-time employee feedback and insights, supporting improved engagement and retention. The Company has also strengthened its focus on diversity by enhancing women representation across functions, including manufacturing and sales, while fostering an inclusive workplace through the "DEI at BirlaNu" initiative.

The Company continues to strengthen its talent pipeline and build future-ready capabilities through structured learning and development initiatives. Competency-based assessments for campus hires and apprenticeship programmes have been introduced to enhance hiring quality and workforce readiness. The Sales Learning Academy (iSAIL) focuses on improving frontline sales capabilities and enabling teams to respond effectively to evolving market dynamics. In addition, skilling and certification programmes for tradespeople such as plumbers, masons, applicators and painters have been implemented to strengthen the broader ecosystem. These initiatives collectively support organisational agility, strengthen execution capabilities and reinforce the Company's commitment to building a capable and engaged workforce.

Risk Management Framework

The Company has adopted a robust risk management policy that outlines the objectives and guiding principles of its risk management approach. The policy provides a structured risk management framework, including the processes, procedures and responsibilities assigned to the relevant committee members. The implementation of the framework is overseen by the Risk Management Committee while the Audit Committee supervises the identification, assessment and monitoring of key risks across the Company.

Risk mitigation initiatives

Type	Description	Mitigation strategies
Macroeconomic risks	Geopolitical instability and volatility in the global economy may pose potential risks such as foreign exchange risks, etc. to the Company's global operations.	BirlaNu's operations, sales and supply sources are diversified across multiple geographies and business segments, reducing dependence on a single country or product. The Company has also developed an extensive global vendor network, strengthening supply continuity and providing a level of insulation against potential geopolitical instability.
Supply chain risks	Disruptions in the supply chain may lead to fluctuations in key raw material prices such as for fibre, cement, resin and wood. Such volatility may adversely affect the Company's operating costs and margins.	BirlaNu has established long-term partnerships with its key suppliers, which helps mitigate impact of raw material price volatility. The Company has also developed a diversified global supplier network enabling continuity in procurement and facilitating efficient logistics.
Technology risks	Failure to adopt evolving technologies may negatively affect BirlaNu's operational efficiency and customer experience. Additionally, cybersecurity risks, including potential data breaches or unauthorised access to information, may lead to operational disruptions and reputational damage.	BirlaNu's manufacturing facilities are supported by advanced infrastructure and technology systems designed to safeguard its IT environment and ensure operational continuity. The Company has also made significant investments in digitalisation. The Company has strengthened its digital infrastructure and addressed potential cybersecurity risks.
Quality risks	Failure to maintain product quality and comply with applicable quality standards may adversely affect BirlaNu's reputation and financial performance.	BirlaNu follows stringent quality control processes to ensure that only certified, high-quality products are delivered to customers. The Company is accredited by leading industry bodies for its product certification processes, reinforcing its commitment to maintaining consistent and high-quality standards.
Human capital risk	Employee attrition may pose a potential risk to the Company. As BirlaNu holds leadership position across several product segments, its workforce may attract interest from competitors seeking experienced talent.	BirlaNu has strengthened its leadership structure by ensuring that critical positions are adequately staffed. The Company has implemented structured succession planning, leadership and individual development programmes. Additionally, BirlaNu has partnered with leading educational institutions to enhance skills and capabilities of its workforce. Employee engagement initiatives and employer branding programmes further support talent retention.
Health and safety risks	The Company's workforce plays a critical role in its growth and operations. Failure to maintain adequate health and safety standards could create an adverse working environment and affect operational continuity.	BirlaNu has established a comprehensive Environment, Health and Safety (EHS) framework across its operations. Structured safety processes, regular training programmes and periodic employee health check-ups are implemented across facilities. The Company has also invested in infrastructure and systems aimed at promoting an incident-free workplace and minimising occupational hazards including investments in ISO-certified occupational health and safety (OH&S) management systems across its manufacturing plants.
Climate change risk	Extreme weather events, including heavy rainfall, may pose operational risks to BirlaNu's operations across various business segments.	All BirlaNu manufacturing facilities are supported by infrastructure designed to address potential climate-related risks. The Company has also established a Business Continuity Plan (BCP) that includes provisions for disaster recovery, enabling the Company to respond effectively to unforeseen disruptions.

Type		Description	Mitigation strategies
Environment risks		Growing emphasis on environmental protection increases the importance of responsible environmental practices. Any failure by BirlaNu to adequately protect the environment may adversely affect the Company's reputation and long-term sustainability.	BirlaNu has implemented structured environmental management programmes across operations. These initiatives focus on optimising energy consumption, maintaining a balanced ecological footprint and supporting the objective of zero effluents and emissions. Details are available in the Business Responsibility & Sustainability Report of the Company.
Financial risks		The Company's global operations expose it to fluctuations in foreign exchange rates. Currency volatility may adversely affect profitability. Additionally, international operations and acquisitions may influence the Company's financial performance, including operating costs and revenue generation.	BirlaNu manages foreign exchange exposure through forward contracts to hedge currency risks. The Company also follows robust financial controls to ensure accurate accounting of revenue and costs. In addition, a structured integration framework facilitates an effective integration of acquisitions into its existing operations.

Internal Control System and their Adequacy

BirlaNu has strong internal control systems commensurate with its business requirements, scale of operations, and applicable statutes. The Board of Directors and the Audit Committee are independent of the Management and oversee the adequacy and effectiveness of the Company's internal controls. These controls are deployed through documented policies, standard operating procedures (SOPs), and Internal Financial Control (IFC) risk and control matrices. In addition, cybersecurity and digital IT general control assessment reviews are conducted on a periodic and risk-focused basis, considering the increasing use of digital applications and exposure to external networks.

BirlaNu's whistle-blower policy provides a platform for employees and other stakeholders to report and help the organisation avert and prevent any suspicious activity or behaviour. Allegations of violations are investigated in a comprehensive manner with a zero-tolerance approach towards any reported cases of ethical breach. The policy offers complete confidentiality and protection to whistle-blowers against any attempted harassment or retaliation.

BirlaNu has a well-established and evolving internal financial controls (IFC) framework wherein process owners periodically self-assess critical controls using a control self-assessment tool, along with independent evaluations by audit partners. Revised processes and practices are updated in control documentation, and responsibilities relating to execution of controls are updated on a timely basis.

Ernst & Young (E&Y) continues as the Internal Audit partner. The internal audit approach covers both standard and emerging risk areas, with comprehensive coverage of critical business processes relevant to BirlaNu's operations. The use of data analytics and technology-enabled audit procedures remains an integral part of audit reviews. BirlaNu also has an internal audit function staffed by qualified professionals who plan, conduct, coordinate, and monitor audit activities, including follow-up on agreed action items. Going forward, BirlaNu will continue to strengthen analytics-driven audits, selective automation, and stakeholder awareness on governance, risk, and compliance through structured training, workshops, and culture-building initiatives.

Cautionary Statement

Certain statement in the MDA section concerning future prospects may be forward looking statements which involve a number of underlying identified/non-identified risks and uncertainties that could cause actual results to differ materially. The results of these assumptions made, relying on available internal and external information, are the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based, are also subject to change accordingly. These forward-looking statements represent the Company's current intentions, beliefs or expectations and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, arising due to new information, future events, or otherwise.

For and on behalf of the Board of Directors
BirlaNu Limited

CK Birla
Chairman
DIN 00118473

Place: New Delhi
Date: May 12, 2026

Corporate Governance Report

[Pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Corporate Governance Philosophy

The essence of Corporate Governance is about maintaining the right balance between economic, social, individual and community goals. BirlaNu strongly believes in ethical and transparent behaviour at all levels. At BirlaNu, good corporate governance is a way of life and integrated in the way the Company does its business, as it encompasses everyday activities and is enshrined as a part of our way of working.

The Company is focused on enhancement of long-term value creation for all stakeholders without compromising on integrity, societal obligations, environmental and regulatory compliances. Our actions are governed by our values and principles, which are reinforced across all levels of the organisation. These principles have been and will continue to be our guiding force in future. For the Company, good corporate governance is synonymous with sound management, fairness, transparency and adequate disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a company to take sound decisions. This also enables the Board and management to achieve the goals and objectives effectively for the benefit of the Company and all its stakeholders such as customers, shareholders, creditors and employees.

Key elements of Corporate Governance include shareholders' rights, transparency, disclosure, internal controls, risk management, ethical behaviour, internal and external communications, high standards of safety, health, environment, accounting fidelity, product & service quality, stakeholder engagement and compliance. The Board has empowered responsible persons to implement its broad policies and guidelines and has set up adequate review processes/mechanisms to achieve the said purpose. The Company continuously strives to achieve excellence in corporate governance through its core values of customer centricity, ownership and accountability, trust and mutual respect, simplicity and agility, and continuous improvement.

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations"), the details of compliance for the financial year ended March 31, 2026 are as follows:

Board of Directors

(a) Composition and other related matters:

The Company has a judicious mix of Executive Director and Non-executive Directors (including Independent Directors) to maintain independence, in-depth knowledge, specialized skills and rich experience, which is essential to separate the two main functions of the Board viz., governance and management. The Board of Directors of the Company comprises of 8 (eight) members: 1 (one) Non-executive Chairman (Promoter), 1 (one) Managing Director & CEO, 4 (four) Non-executive Independent Directors, and 2 (two) Non-executive Non-independent Directors. The composition includes 1 (one) woman Independent Director and 1 (one) woman Non-executive Non-independent Director. The Board composition is in compliance with the provisions of the Companies Act, 2013 ("the Act"), rules made thereunder and requirements of the SEBI Listing Regulations.

Composition of Board of Directors during the financial year 2025-26, number of Directorships including committee positions held by them as on March 31, 2026 are given below:

Name of the Director	Category of Directorship	Number of Directorships in Companies (including BirlaNu)			Number of Committee positions (including BirlaNu)[2]	
		Total Directorships[1]	Directorships in listed Companies	Directorships in other Public Companies	Chairman	Member
Mr. CK Birla (DIN:00118473)	Chairman Promoter Non-executive Director	7	4	3	1	1
Ms. Amita Birla (DIN: 00837718)	Non-executive Director	3	2	1	-	-
Mr. Desh Deepak Khetrapal (DIN:02362633)	Non-executive Director	3	2	1	-	4
Dr. Arvind Sahay (DIN: 03218334)	Independent Director	4	3	1	1	5

Name of the Director	Category of Directorship	Number of Directorships in Companies (including BirlaNu)			Number of Committee positions (including BirlaNu)[2]	
		Total Directorships[1]	Directorships in listed Companies	Directorships in other Public Companies	Chairman	Member
Mr. Sunil Ramakant Bhumralkar (DIN:00177658)	Independent Director	8	6	2	5	9
Ms. Nidhi Jagat Killawala (DIN:05182060)	Independent Director	2	2	-	1	4
Prof. Janat Ghanshyam Shah (DIN:01625535)	Independent Director	1	1	-	-	1
Mr. Akshat Seth (DIN: 10039820)	Managing Director & CEO	1	1	-	-	1

Notes:

[1]Excludes Directorships/Chairpersonships in private limited companies, foreign companies, companies registered under Section 8 of the Act.

[2]Represents Chairpersonships/Memberships of Audit and Stakeholders Relationship Committees in all public limited companies as required under Regulation 26(1)(b) of SEBI Listing Regulations.

Details of directorship of Directors of the Company as on March 31, 2026, in other listed entities

Sl.No.	Director	Listed Companies	Designation in the other company
1.	Mr. CK Birla	Orient Paper & Industries Limited	Non-executive Chairman
		Orient Electric Limited	Non-executive Chairman
		Birlasoft Limited	Non-executive Director
2.	Ms. Amita Birla	Birlasoft Limited	Non-executive Chairman
3.	Mr. Desh Deepak Khetrapal	Mafatlal Industries Limited	Independent Director
4.	Ms. Nidhi Jagat Killawala	Birlasoft Limited	Independent Director
5.	Dr. Arvind Sahay	IFCI Limited	Non-executive Director
		Vardhman Textiles Limited	Independent Director
6.	Mr. Sunil Ramakant Bhumralkar	Alldigi Tech Limited	Independent Director
		Tanla Platforms Limited	Independent Director
		Digitide Solutions Limited	Independent Director
		Cyient Limited	Independent Director
		Knowledge Realty Office Management Services Pvt. Ltd. (AMC of Knowledge Realty Trust, a listed Real Estate Investment Trust)	Independent Director
7.	Prof. Janat Ghanshyam Shah	-	-
8.	Mr. Akshat Seth	-	-

Declarations:

- The composition of the Board is in conformity with Regulation 17(1) of SEBI Listing Regulations.
- Mr. CK Birla and Ms. Amita Birla are related to each other and none of the other Directors have any relationship, inter se.
- None of the Directors on the Board are directors in more than seven listed companies as required under Regulation 17A of SEBI Listing Regulations.
- None of the Independent Directors are serving as an independent director in more than seven listed entities as required under Regulation 17A of SEBI Listing Regulations.
- None of the Independent Directors are Managing Director or Whole-time Director on other listed entities as required under Regulation 17 of SEBI Listing Regulations.
- Independent Director means a Director as defined under Regulation 16 of the SEBI Listing Regulations and Section 149 of the Act and all the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulations 16(1)(b) and 25 of the SEBI Listing Regulations and Section 149(6) of the Act. In opinion of the Board, all the Independent Directors fulfils the conditions specified under SEBI Listing Regulations and the Act and are independent of the management.
- None of the Directors on the Board is a member of more than 10 (ten) committees or acts as Chairman of more than 5 (five) committees across all public limited companies in which he/she is a Director, in compliance with Regulation 26 of the SEBI Listing Regulations.

- Except Mr. CK Birla, who holds 30,59,212 equity shares representing 40.57%, none of the other Non-executive Directors holds, directly or indirectly, shares or control in the Company.
- During the financial year 2025-26, information as specified in Part A of Schedule II to the Regulations such as annual operating plans and budgets, capital budgets, financial results of the Company, foreign currency exposures on quarterly basis and such other information as and when applicable were placed before the Board for its consideration.
- The senior management personnel confirmed that they don't have any personal interest in respect of any material financial and commercial transactions entered into by the Company, which may have a potential conflict with the interest of the Company at large.
- The maximum tenure of independent directors is in accordance with the provisions of the Companies Act, 2013 and Rules made thereunder read with Regulation 25 of SEBI Listing Regulations.
- The Company has suitable Directors & Officers Insurance Policy obtained with adequate coverage and complies the requirement of Regulation 25(10) of SEBI Listing Regulations.
- A formal letter of appointment is issued to all Independent Directors, a specimen of which is placed on the Company's website https://cms.birlanu.com/public/media/2025/03/13/tc-for-appointment-of-independent-directors.pdf. Details of Directors along with their profile are available on the website of the Company at https://birlanu/investor/board-of-directors.

Key skills, expertise and competencies of the Board of Directors

The Board of the Company is adequately structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise, special skills and geography. The Board of Directors has, based on the recommendations of the Nomination and Remuneration cum Compensation Committee, identified the following core skills/expertise/competencies as required in the context of the businesses and sectors of the Company for its effective functioning and the same is mapped against each of the Directors:

Core skills/expertise / competencies	Mr. CK Birla	Ms. Amita Birla	Mr. Desh Deepak Khetrapal	Ms. Nidhi Jagat Killawala	Dr. Arvind Sahay	Mr. Sunil Ramakant Bhumralkar	Prof. Janat Ghanshyam Shah	Mr. Akshat Seth
Governance and Board service	✓	✓	✓	✓	✓	✓	✓	✓
Business understanding	✓	✓	✓	✓	✓	✓	✓	✓
Risk/Legal/Regulatory compliance	✓	✓	✓	✓	✓	✓	✓	✓
Information Technology/ Accounting/Financial experience	✓	✓	✓	✓	✓	✓	✓	✓
Industry/Sector Knowledge	✓	✓	✓	✓	✓	✓	✓	✓
Strategy development and implementation	✓	✓	✓	✓	✓	✓	✓	✓

The current composition of the Board meets the requirements of skills, expertise and competencies as identified above.

(b) Board meetings and procedures

During the year under review, 5 (five) Board meetings were held (as detailed below) and the maximum time-gap between any two consecutive meetings was not more than one hundred and twenty days, thereby complying with the applicable statutory requirements.

Date of Board meeting	Board Strength	No. of Directors Present	Percentage
May 17, 2025	8	7	88%
August 4, 2025	8	8	100%
November 7, 2025	8	8	100%
February 13, 2026	8	6	75%
March 27, 2026	8	7	88%

Name of the Director	Designation	No. of Board Meetings eligible to attend	Attendance	Percentage	Attendance in AGM held on July 31, 2025
Mr. CK Birla	Chairman & Non-executive Director	5	5	100%	Yes
Ms. Amita Birla	Non-executive Director	5	4	80%	Yes
Mr. Desh Deepak Khetrapal	Non-executive Director	5	5	100%	Yes
Dr. Arvind Sahay	Independent Director	5	5	100%	Yes
Ms. Nidhi Jagat Killawala	Independent Director	5	3	60%	Yes
Mr. Sunil Ramakant Bhumralkar	Independent Director	5	5	100%	Yes
Prof. Janat Ghanshyam Shah	Independent Director	5	4	80%	Yes
Mr. Akshat Seth	Managing Director & CEO	5	5	100%	Yes

The Board of Directors is the apex body constituted by the members for overseeing the overall functioning of the Company. The Board provides and evaluates the strategic directions of the Company, Management's policies and their effectiveness and ensures that the long-term interests of the shareholders are being served.

The Board meetings are generally held at the Corporate Office of the Company at Birla Tower, 25, Barakhamba Road, New Delhi. During the year under review, the Board meeting(s) were held with an option to participate in meeting through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") as per the facility enabled by Ministry of Corporate Affairs ("MCA"). The dates of the Board Meetings are finalized in consultation with all Directors well in advance. The Board is regularly apprised and has access to all important business-related information. All major agenda items are backed up with relevant and comprehensive background information; they are sent well in advance of the date of the Board Meeting(s) to enable the Board Members to take informed decisions. In case of exigencies/sensitive matters, with the permission of the Chair, the details are circulated at a shorter notice or placed at the meeting. Any Board member may, in consultation with the Chairman and with the consent of all Independent Directors present at the meeting, bring up any matter at the Board meeting for consideration by the Board. The agenda for the Board Meetings covers items as per Companies Act, 2013 and SEBI Listing Regulations to the extent these are relevant and applicable.

A detailed presentation is made covering various highlights and performance of the business at each Board Meeting. The Board reviews the items in agenda and in particular quarterly financial results, annual financial statements, annual operating plans and budgets, capital budgets. The compliance reports of laws applicable to the Company and minutes of the Committee meetings are also reviewed/noted by the Board.

Other significant details included in the presentation/agenda discussion covers fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems, material default in financial obligations, public or product liability claims, corporate guarantees/security issued, update on internal controls, instances of significant fraud along with quarterly / annual financial statements including budgets and capex and revenue budgets of subsidiaries.

The Company has an effective post meeting follow up procedure. The important decisions taken at the Board Meeting are communicated to the respective departments after the meetings for the implementation of the said decisions. Furthermore, the Board periodically reviews compliance status of all applicable laws to the Company as well as steps taken by the Company to rectify instances of non-compliance, if any.

During the year under review, the Board has accepted all the recommendations suggested by the Committees.

(c) Independent Directors

The Independent Directors fulfil the criteria of independence as provided in Section 149(6) of the Act read with Schedule IV of the Companies Act, 2013 and Regulation 16(b) of SEBI Listing Regulations and have submitted their declaration of independence. All the Independent Directors have been appointed for a term of five years and letter of appointment containing detailed terms and conditions of their appointment were issued to all Independent Directors.

During the year under review, 1 (one) meeting of the Independent Directors of the Company was held on March 27, 2026, without the attendance of Non-independent Directors and members of Management to, inter alia,

(i) Review the performance of Non-independent Directors and the Board of Directors as a whole;

(ii) Review the performance of the Chairperson of the Company, taking into account the views of the Executive Directors and Non-executive Directors;

(iii) Assess the quality, quantity and timeliness of flow of information between the Management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

(d) Board induction, training and familiarisation

At the time of appointing a Director, a formal letter of appointment is given to them, which inter alia explains the terms and conditions of their appointment, role, function, duties and responsibilities expected of them as a Director/ Independent Director of the Company. They are also explained in detail the compliances required from them under the Companies Act, 2013, SEBI Listing Regulations, SEBI (Prohibition of Insider Trading) Regulations, 2015 and other relevant regulations on regular basis.

The Directors immediately upon appointment are familiarised with the Company's business model and its operations and industry of which it is a part. Interactions are held between the Directors and Senior Management Personnel of the Company at regular intervals. Directors are familiarised with the organisational set-up, functioning of various departments, internal control processes and relevant information pertaining to the Company. They are also provided with all the documents sought by them to have a better understanding of the Company.

They are periodically updated on the industry scenario, changes in regulatory framework and the impact thereof on the working of the Company.

The details of such familiarization programmes for Independent Directors are available on https://cms.birlanu.com/public/media/2026/04/08/familiarization-program-2025-26.pdf.

(e) Performance of the Board and evaluation

Pursuant to provisions of the Companies Act, 2013 and SEBI Listing Regulations, a formal evaluation mechanism has been adopted by the Board for evaluating its own performance, the Directors individually, Chairman as well as the evaluation of the functioning of its Audit Committee, Nomination and Remuneration cum Compensation Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee.

- The performance evaluation was done using structured evaluation forms, as recommended by the Nomination and Remuneration cum Compensation Committee covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance which were circulated to all the members of the Board along with the agenda papers for evaluation of the performance of the Board, its Committees and its Directors. The performance evaluation of the respective Committees and that of Independent and Non-Independent Directors was done by the Board excluding the Director being evaluated.
- The members of the Board evaluated the performance by filling the evaluation forms and the duly filled in evaluation forms were required to be sent to the Company Secretary or personally be submitted to the Chairman at the concerned meeting. Evaluation of individual director's performance is based on various parameters like director's profile, contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, etc.
- Based on the individual evaluation of the Directors, the Board initiated a detailed discussion at the concerned meeting on the performance of the Board/Committee/ Individual Director and formulated a final collective evaluation of the Board. The Board also provided individual feedback to the concerned Director on areas of improvement, if any.

Committees of Directors

In terms of the SEBI Listing Regulations and the Act, the Board has constituted 5 (five) Committees viz. Audit Committee, Nomination and Remuneration cum Compensation Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. Keeping in view the requirements of the Companies Act, 2013 as well as the SEBI Listing Regulations, the Board decides the terms of reference of these Committees. The recommendations of these Committees, if any, are submitted to the Board for approval and the same have been accepted by the Board.

(a) Audit Committee

Composition and meetings

As on March 31, 2026, the Audit Committee comprised of 5 (five) members amongst them 4 (four) are Non-executive Independent Directors and 1 (one) Non-executive Non-independent Director, in compliance with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Act.

The Committee is empowered with the powers as prescribed under Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act,

2013. The Committee also acts in terms of reference and directions of the Board from time to time.

The terms of reference of the Audit Committee are as under:

Primarily, the Audit Committee is responsible for:

1. Overseeing the Company's financial reporting process and disclosure of its financial information, to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, appointment, re-appointment, remuneration and terms of appointment of Auditors of the Company.
3. Approval of payment to Statutory Auditors for any other services rendered by them.
4. Examining and reviewing with the Management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with reference to:
   (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013.
   (b) Changes, if any, in accounting policies and practices and reasons for the same.
   (c) Major accounting entries involving estimates based on the exercise of judgment by the Management.
   (d) Significant adjustments made in the financial statements arising out of audit findings.
   (e) Compliance with listing and other legal requirements relating to financial statements.
   (f) Disclosure of any related party transactions.
   (g) Modified opinions in draft audit reports.
5. Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placements, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing and monitoring the Auditor's independence and performance and effectiveness of the audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing with the Management, performance of statutory and internal auditors, and adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with Internal Auditors on any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area(s) of concern.
17. Looking into the reasons of substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. Reviewing the functioning of vigil mechanism.
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
20. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments as on the date of coming into force of this provision.
21. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

22. Reviewing of Management Discussion and Analysis of financial condition and results of operations.
23. Reviewing management letters/letters of internal control weaknesses issued by the Statutory Auditors.
24. Reviewing internal audit reports relating to internal control weaknesses.
25. Reviewing the appointment, removal and terms of remuneration of the Chief Internal Auditor.
26. Reviewing the statement of deviations:
    (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations.
    (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.
27. All such other functions as may be specified by the Board from time to time.

During the year under review, 4 (four) Audit Committee Meetings were held and the maximum gap between any two meetings was not more than one hundred and twenty days. The dates of Audit Committee meetings held during the year, its composition and attendance of the Committee members at the meetings are as under:

Date of Audit Committee Meeting	Strength	No. of Directors Present	Percentage
May 17, 2025	5	✓✓✓✓	80%
August 4, 2025	5	✓✓✓✓✓	100%
November 7, 2025	5	✓✓✓✓	80%
February 13, 2026	5	✓✓✓✓	80%

100% 80% ✓ Attendance

Name of the Director	Designation	No. of meetings	Attendance	Percentage
Mr. Sunil Ramakant Bhumralkar	Chairman	4	✓✓✓✓	100%
Mr. Desh Deepak Khetrapal	Member	4	✓✓✓✓	100%
Dr. Arvind Sahay	Member	4	✓✓✓	75%
Ms. Nidhi Jagat Killawala	Member	4	✓✓✓	75%
Prof. Janat Ghanshyam Shah	Member	4	✓✓✓	75%

Chairman Member 100% 75% ✓ Attendance

All members of the Audit Committee have requisite qualification for appointment on the Committee and they also possess sound knowledge of finance and accounting practices and have related management expertise by virtue of their experience and background. The Chairman of the Audit Committee has one-on-one meetings with both the Internal Auditors and the Statutory Auditors on a periodic basis to discuss key concerns, if any.

The Chairman of the Audit Committee, Mr. Sunil Ramakant Bhumralkar, was present at the Annual General Meeting of the Company held on July 31, 2025. The Company Secretary acts as a Secretary to the Audit Committee.

Statutory Auditors, Head of Internal Audit, external independent Internal Auditors, Group Internal Auditor, Managing Director & CEO and Chief Financial Officer are permanent invitees to the Committee meetings and they participate in meetings to brief the Committee and to answer and clarify queries raised by the Committee members.

(b) Nomination and Remuneration cum Compensation Committee

i. Composition and meetings

As on March 31, 2026, the Nomination and Remuneration cum Compensation Committee ("NRC") comprised of 4 (four) Non-Executive Directors out of which 3 (three) are Independent Directors. The Committee is empowered with the powers as prescribed under Regulation 19 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

The terms of reference of the Nomination and Remuneration cum Compensation Committee are as under:

1. Identifying candidates who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down.
2. Recommending to the Board, appointment and removal of directors and senior management.
3. Recommending to the Board, whether to extend or continue the term(s) of appointment of the independent director, based on the report of the performance evaluation of independent directors.
4. Formulating the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
5. Formulating the criteria for evaluation of independent directors and the Board and carrying out evaluation of every director's performance.
6. Devising a policy on diversity of board of directors.
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.
8. Evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the roles and capabilities required on every appointment of an independent director. The candidate recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
   (a) use the services of external agencies, if required.
   (b) consider candidates from a wide range of backgrounds, having due regard to diversity.
   (c) consider the time commitments of the candidates.
9. To do such functions as specifically prescribed by the Board from time to time.
10. Carrying out functions, and is empowered to act, in terms of Companies Act, 2013, read with rules framed thereunder and SEBI Listing Regulations including any amendment or modification thereof.

The dates of the Committee meetings held during the year, its composition and attendance of the Committee members at the meetings are under:

Date of NRC Meeting	Strength	No. of Directors Present	Percentage
May 17, 2025	4		
February 13, 2026	4		

No. of Directors Present 75%

Name of the Director	Designation	No. of Meetings	Attendance	Percentage
Dr. Arvind Sahay		2		
Mr. CK Birla		2		
Mr. Sunil Ramakant Bhumralkar		2		
Ms. Nidhi Jagat Killawala		2		

Chairman Member 100% 50% Attendance

ii. **Nomination, Remuneration & Evaluation Policy**

The Nomination and Remuneration cum Compensation Committee and the Board of Directors have devised a Nomination, Remuneration & Evaluation Policy ("Remuneration Policy") of the Company to create a high-performance culture. It enables the Company to attract, retain and motivate Directors on the Board, Key Managerial Personnel and the Senior Management Team. BirlaNu's business model promotes customer centricity and requires employee mobility to address various project needs. The Remuneration Policy supports such mobility through appropriate pay models that are at par with industry standards.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component), variable pay and other benefits including long-term incentive benefits to its Managing Director & CEO, Key Managerial Personnel and other Senior Management Team of the Company. Annual increments are recommended by the NRC which are normally effective from April 1st, of every year. Based on the performance of the Company vis-a-vis the concerned employee, the NRC decides and recommends to the Board of Directors the variable amount payable to them. The NRC also decides, and recommends to the Board of Directors, the remuneration (commission) payable to the Non-Executive Directors in addition to sitting fees which are paid for attending the Board and Committee Meetings.

The Remuneration Policy of the Company, as adopted by the Board of Directors is available on the website of the Company and can be accessed through the following link: https://cms.birlanu.com/public/media/2025/03/19/nomination-remuneration-evaluation-policy.pdf.

The key objectives of this Policy include:

a. Guiding the Board of Directors in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management Personnel of the Company.

b. Specifying the manner for effective evaluation of the performance of members of the Board, the Board as a whole and Committees thereof, and review its implementation and compliance.

c. Recommending to the Board the remuneration, in whatever form, payable to the Directors, Key Managerial Personnel and Senior Management Personnel.

iii. Succession planning

The NRC works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and in the senior management. The Company strives to maintain an appropriate balance of skills and experience within the organization and the Board, in an endeavour to introduce new perspectives while maintaining experience and continuity.

By integrating workforce planning with strategic business planning, the Company puts the necessary financial and human resources in place so that its objectives can be met.

Our Board members bring to the table their broad and diverse skills and viewpoints to aid the Company in advancing its strategy. In addition, promoting senior management within the organization fuels the ambitions of the talent force to earn future leadership roles.

iv. Criteria for selection of Directors

- The NRC identifies and ascertains the integrity, qualification, expertise and experience of the candidate for appointment as a director and ensures the same.
- The NRC ensures that the candidate proposed for appointment as director, is compliant with the provisions of the Act and of the SEBI Listing Regulations.
- The candidate's appointment as recommended by the NRC requires the approval of the Board.
- In case of appointment of Independent Directors, the NRC satisfies itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its functions and duties effectively.
- The NRC ensures that the candidate identified for appointment as a director is not disqualified for appointment under Section 164 of the Act or by any order of SEBI or any other regulatory authority.

(c) Stakeholders' Relationship Committee

i. Composition and meetings

As on March 31, 2026, the Stakeholders' Relationship Committee ("SRC") comprised of 4 (four) members out of which 3 (three) are Independent Directors and 1 (one) Executive Director and is in conformity with the Companies Act, 2013 and the SEBI Listing Regulations.

The terms of reference of the Committee, inter alia, are as under:

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

In accordance with SEBI Listing Regulations, the Board has authorised the Company Secretary, who is also the Compliance Officer, to oversee the redressal of investor complaints.

The dates of the Committee meetings held during the year, its composition and attendance of the Committee members at the meetings are as under:

Date of SRC Meeting	Strength	No. of Directors Present	Percentage
May 17, 2025	4	3	75%
November 7, 2025	4	3	75%

No. of Directors Present 75%

Name of the Director	Designation	No. of Meetings	Attendance	Percentage
Ms. Nidhi Jagat Killawala	Chairman	2	✓	50%
Dr. Arvind Sahay	Member	2	✓	50%
Mr. Sunil Ramakant Bhumralkar	Member	2	✓✓	100%
Mr. Akshat Seth	Member	2	✓✓	100%

Chairman Member 100% 50% Attendance

ii. Compliance Officer

Ms. Nidhi Bisaria, Company Secretary of the Company is designated as the Compliance Officer of the Company.

iii. Status of Investor Complaints

The status of investor complaints as on March 31, 2026 as reported under Regulation 13(3) of the SEBI Listing Regulations is as under:

No. of Investors' complaints received from April 1, 2025 to March 31, 2026	**NIL**
No. of Investors' complaints resolved from April 1, 2025 to March 31, 2026	**NIL**
No. of Investors' complaints pending as of March 31, 2026	**NIL**

(d) Corporate Social Responsibility Committee

As on March 31, 2026, Corporate Social Responsibility ("CSR") Committee comprised of 5 (five) Directors i.e. two Non-executive Directors, one Executive Director and two Independent Directors. During the year under review, CSR Committee met 1 (one) time on May 17, 2025. The composition of the CSR Committee and the attendance of each Member of the Committee at the meetings are follows:

Name of the Director	Designation	No. of Meetings	Attendance	Percentage
Ms. Amita Birla	Chairman	1	-	-
Mr. Desh Deepak Khetrapal	Member	1	✓	100%
Mr. Sunil Ramakant Bhumralkar	Member	1	✓	100%
Prof. Janat Ghanshyam Shah	Member	1	✓	100%
Mr. Akshat Seth	Member	1	✓	100%

Chairman Member 100% Attendance

The terms of reference of the CSR Committee, inter alia, are as under:

- Formulate and recommend to the Board, the Corporate Social Responsibility Policy ("CSR Policy") containing guiding principles for selection, implementation and monitoring of CSR activities as specified under Schedule VII to the Act;
- Recommend the amount to be spent on CSR activities and review reports on performance of CSR;
- Review and monitor the Company's CSR Policy and activities of the Company on behalf of the Board to ensure that the Company is in compliance with appropriate laws and legislations;
- Provide guidance to management to evaluate long term strategic proposals with respect to CSR implications;
- Formulate and recommend to the Board (including any revisions thereto), an annual action plan in pursuance of the CSR Policy and have an oversight over its implementation; and
- Review the impact assessment carried out for the projects of the Company as per the requirement of the law.

The CSR Policy of the Company is available on the Company's website and can be accessed at https://cms.birlanu.com/public/media/2025/03/13/csr-policy.pdf. The CSR Annual Report, as required under the Companies Act, 2013, for the year ended March 31, 2026, is attached as Annexure I to the Board's report.

(e) Risk Management Committee

i. Composition and Meetings

As on March 31, 2026, the Risk Management Committee ("RMC") comprised of 8 (eight) members out of which 5 (five) are Non-executive Directors consisting of 4 (four) Independent Directors and 1 (one) Non-executive Director; 2 (two) Key Managerial Personnel out of which 1 (one) is Executive Director (Managing Director & CEO) and the other 1 (one) is Chief Financial Officer; 1 (one) Head-Internal Audit. The Company Secretary acts as the Secretary of the RMC. The Committee is empowered with the powers as prescribed under Regulation 21 of SEBI Listing Regulations and Section 134 of the Companies Act, 2013. The Committee also acts as per the terms of reference and directions of the Board from time to time.

During the year under review, RMC met on May 17, 2025 and November 7, 2025. The composition of the RMC and the attendance of each Member of the Committee are as follows:

Name of the Director / KMP / Senior Management	Designation	No. of meetings	Attendance	Percentage
Mr. Sunil Ramakant Bhumralkar	Chairman	2	✓✓	100%
Mr. Desh Deepak Khetrapal	Member	2	✓	50%
Dr. Arvind Sahay	Member	2	✓	50%
Ms. Nidhi Jagat Killawala	Member	2	✓	50%
Prof. Janat Ghanshyam Shah	Member	2	✓✓	100%
Mr. Akshat Seth	Member	2	✓✓	100%
Mr. Ajay Kapadia	Member	2	✓✓	100%
Mr. Mukesh Kumar Agarwal	Member	2	✓✓	100%

Chairman Member 100% 50% Attendance

The terms of reference of the RMC, inter alia, are as under:

- To formulate a detailed risk management policy which shall include:
  - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly ESG related risks) information, cyber security risks or any other risk as may be determined by the Committee.
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c. Business continuity plan.

- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the RMC.
- The RMC shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

Remuneration of Directors

Remuneration of Managing Director & CEO

The Company pays remuneration to its Managing Director & CEO by way of salary and other benefits as per the terms agreed with the Company and Board of Directors and shareholders of the Company in accordance with the provisions of the Act and SEBI Listing Regulations including any amendment(s) or re-enactment(s) thereof from time to time.

Remuneration paid/accrued to the Managing Director & CEO for the financial year ended March 31, 2026 is as follows:

Name	Salary and allowances (₹)	Perquisite (₹)	Retiral Benefits (₹)*	Annual performance variable pay (₹)* and performance criteria	Long term Cash Incentive (₹) and performance criteria	Total (₹)	Stock Options granted (nos.)	Notice Period	Severance Pay
Mr. Akshat Seth	595.75 lakh	23.55 lakh	30.66 lakh	229.93 lakh	NIL	879.89 lakh	89,227 options	6 months	NIL

*Retiral benefits exclude provision of ₹ 12.29 lakh made for the gratuity. Annual Performance variable pay is as accrued based on Managing Director & CEO's performance and Company's performance for the financial year 2025-26.

- Mr. Seth holds 36,603 stock options convertible into equivalent number of equity shares of the Company. 14,641 stock options are exercisable up to 4 years from July 17, 2024 and remaining 21,962 stock options up to 4 years from April 1, 2025 in terms of the HIL Limited Employee Stock Option Scheme 2023. Further, he has been granted 52,624 stock options under the BirlaNu Employees Stock Option Scheme, 2019, convertible into an equivalent number of equity shares, of which 21,050 options are exercisable on or after February 13, 2027 and the remaining 31,574 options on or after February 10, 2028, subject to the terms of the said scheme.
- During the financial year 2025-26, the overall managerial remuneration paid to Mr. Akshat Seth, Managing Director & CEO was approved by the shareholders in the Annual General Meeting held on July 31, 2025 by way of special resolution to be paid as the minimum remuneration for the financial year 2025-26 in accordance with the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereof.

Remuneration of Non-Executive Directors

The remuneration paid/payable to each of the Non-executive Directors for the financial year ended March 31, 2026 is as under:

(Amount in ₹)

Name of Director	Sitting Fee	Commission	Total
Mr. CK Birla	5,50,000	2,25,000	7,75,000
Ms. Amita Birla	4,00,000	2,25,000	6,25,000
Mr. Desh Deepak Khetrapal	10,00,000	2,25,000	12,25,000
Mr. Sunil Ramakant Bhumralkar	12,50,000	2,25,000	14,75,000
Dr. Arvind Sahay	10,00,000	2,25,000	12,25,000
Ms. Nidhi Jagat Killawala	7,50,000	2,25,000	9,75,000
Prof. Janat Ghanshyam Shah	8,50,000	2,25,000	10,75,000
Total	58,00,000	15,75,000	73,75,000

Notes

a. The Members of the Company at the Annual General Meeting held on July 28, 2016 approved payment of remuneration in the form of commission to Non-Executive Directors of the Company for each financial year commencing from April 1, 2016. All the Non-Executive Directors are eligible to receive commission up to an aggregate amount of 1% of net profits as calculated in accordance with the provisions of Section 198 of the Companies Act 2013, as recommended by Nomination and Remuneration cum Compensation Committee and approved by the Board in accordance with the provisions of Section 197 of the Companies Act, 2013, in addition to the sitting fees.

b. Sitting fee is paid to the Non-executive Directors for attending the Board Meetings, Audit Committee Meetings, Stakeholders' Relationship Committee Meetings, Corporate Social Responsibility Committee Meetings, Nomination and Remuneration cum Compensation Committee Meetings and Risk Management Committee Meetings.

c. The Executive Director is employee of the Company and is subject to service conditions as per the Company's policy. There is no separate provision for payment of severance fees.

d. As on March 31, 2026, none of the Independent Directors hold stock options or shares of the Company.

e. The Non-executive Independent Directors on the Company's Board, apart from receiving sitting fees and commission, if any, do not have any other material pecuniary relationship or transactions with the Company, its promoters, its management or its subsidiaries or associate companies.

f. Details of the Directors seeking appointment/ re-appointment at the forthcoming Annual General Meeting, as required under Regulation 36 of SEBI Listing Regulations are provided in the Notice convening 79th Annual General Meeting.

g. Ms. Nidhi Jagat Killawala, Chairman of the Stakeholders' Relationship Committee was present at 78th Annual General Meeting of the Company held on July 31, 2025.

h. Criteria for making payment to Non-executive Directors: The criteria of making payment to the Non-executive directors are based on the varied roles played by them towards the Company. It is not just restricted to corporate governance or performance of the Company, but they also bring along with them significant professional expertise and rich experience across the wide spectrum of functional areas. There are no payments made to Non-executive Directors apart from sitting fee, remuneration in the form of commission and reimbursement of expenses, if any for attending the meetings of the Company.

i. A disclosure on Employee Stock Options, issue price, holding of ESOPs by KMPs, details of exercise, vesting, etc., is provided on website of the Company at https://cms.birlanu.com/public/media/2026/04/22/esop-disclosure-2026.pdf

Senior Management Personnel

Below are the particulars of senior management personnel of the Company as on March 31, 2026 and changes therein during the financial year 2025-26:

Sl.No.	Name	Designation/ Role
1	Mr. Akshat Seth	Managing Director & CEO
2	Mr. Ajay Kapadia	Chief Financial Officer
3	Ms. Nidhi Bisaria	Company Secretary & Compliance Officer
4	Ms. Avanti Birla	President - Strategy
5	Mr. Vijay Lahoti	Chief Business Officer – Roofs and CC & Putty
6	Mr. Arun Kumar Magoo	Chief Business Officer - Pipes
7	Mr. N S Srinivas	Chief Human Resource Officer (w.e.f. May 17, 2025)
8	Mr. Mudit Agarwal	Chief Strategy Officer
9	Mr. Pranav Ishwarlal Desai	Chief Innovation Officer
10	Mr. Mukesh Kumar Agarwal	Head - Internal Audit
11	Mr. Y Srinivasa Rao	Chief Business Officer - Walls (w.e.f. May 17, 2025)
12	Mr. Rajesh Rajan	Chief Information Officer (w.e.f. May 17, 2025)
13	Ms. Surbhi Puri Bist	Chief Human Resource Officer (till May 16, 2025)
14	Mr. Peeyush Bachlaus	Chief Marketing Officer (till October 18, 2025)
15	Mr. Sunit Kumar Dey	Chief Procurement Officer (till February 27, 2026)

Subsidiary Company

As per the criteria given in Regulation 16 of SEBI Listing Regulations, BirlaNu International GmbH, Germany is a material subsidiary of the Company. Brief details of the subsidiaries including step down subsidiaries are given in the Board's report.

The following key matters relating to the subsidiaries are regularly taken up by the Audit Committee/Board:

a. Quarterly updates on the business and financial performance of the material subsidiary is presented by the Managing Director & CEO to the Audit Committee and the Board of the Company.

b. Review of financial statements, investments made by the subsidiary.

c. Statement of all significant transactions and arrangements entered into by the subsidiaries.

d. Compliance certificates as required.

The Company has formulated a Material Subsidiary Policy and the same is available on website of the Company https://cms.birlanu.com/public/media/2025/03/13/determining-material-subsidiaries.pdf.

General Body Meetings

a. Location, time and venue where last three Annual General Meetings were held:

Financial Year	Date & time of AGM	Venue of AGM
2024-25	Thursday, July 31, 2025 at 3:00 pm IST	Held via two-way VC facility or other audio-visual means ("OAVM") and deemed venue of the meetings was registered office situated at Office Nos. 1&2, L7 Floor, SLN Terminus, Near Botanical Garden, Gachibowli, Hyderabad- 500 032, Telangana
2023-24	Tuesday, July 30, 2024 at 3:00 pm IST	
2022-23	Monday, July 31, 2023 at 3:00 pm IST	

b. The details of special resolution(s) passed at the last three Annual General Meetings are as follows:

In the Annual General Meeting held on July 31, 2025	1. To approve the remuneration of Mr. Akshat Seth, Managing Director & Chief Executive Officer for the financial year 2025-26. 2. To approve amendments to the 'HIL Limited Employee Stock Option Scheme 2019'.
In the Annual General Meeting held on July 30, 2024	1. To appoint Prof. Janat Ghanshyam Shah as an Independent Director of the Company. 2. To approve increase in the limit of managerial remuneration payable to Managing Director & Chief Executive Officer in excess of 5% of the net profits of the Company upto a limit of 8% of the net profits of the Company for the financial year 2023-24.
In the Annual General Meeting held on July 31, 2023	Nil

c. During the financial year 2025-26, no special resolutions were passed through postal ballot.

Means of Communication

The Company acknowledges communication as a crucial component of the Corporate Governance framework and investors thereby honouring their commitment towards the Company's vision. Prompt and efficient communication with the investor community/external constituencies enables them to be aware of the Company's business activities, strategy and future prospects. For this purpose, the Company provides multiple channels of communications through the following ways:

Financial results

The quarterly/half-yearly/annual financial results are published within the timeline stipulated under SEBI Listing Regulations. The results are also uploaded on NSE and BSE through their respective portals. The financial results are generally published in newspapers viz. 'Business Standard' (in English) and 'Nava Telangana' (in Vernacular Language). They are displayed under 'Investors' section of the Company's website viz. https://birlanu.com.

Company's website

The Company's website, https://birlanu.com, contains a separate section for investors wherein the updated information pertaining to the quarterly, half-yearly and annual financial results, official press releases, Corporate Governance Report, Annual Report, shareholding pattern, policies adopted by the Company, email address for grievance redressal and contact information of Compliance Officer and other corporate communication is available in a user-friendly and downloadable form.

Stock Exchange intimations

The Company intimates the Stock Exchanges all the price sensitive information or such other matters which in its opinion are material and of relevance to the Investors.

All submissions to the Exchanges including Shareholding Pattern and Corporate Governance Report are made through the respective electronic filing systems. Material events or information as detailed in Regulation 30 of the SEBI Listing Regulations are disseminated on the Stock Exchanges by filing them with the National Stock Exchange of India Limited ("NSE") through NEAPS / NSE digital portal and with BSE Limited ("BSE") through BSE Listing Centre.

They are also displayed on the Company's website at https://www.birlanu.com/investor/stock-exchange-disclosures.

Press release and presentations

The Managing Director & CEO and Chief Financial Officer hold quarterly interactions with analysts, shareholders and major stakeholders where the Company's performance is briefed and discussed. The official press releases, the presentations made to the institutional investors and analysts, audio/ video recording and transcript of the calls with analysts for quarterly/half-yearly/annual results are available on the Company's website at https://www.birlanu.com/investor/investorsanalysts-meet and uploaded on the website of NSE and BSE.

SEBI Complaints Redress System (SCORES)

Investor complaints are processed through a centralized web-based complaints redressal system known as SCORES. The salient features of this system include a 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 their complaints and the current status thereof.

Further, SEBI vide Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated December 28, 2023 (as amended from time to time), has, inter alia, specified that a shareholder shall first take up his/her/their grievance directly with the listed entity by lodging a complaint with the concerned listed entity and/or its Registrar and Share Transfer Agent ("RTA"). If the grievance is not redressed satisfactorily, the shareholder may escalate the same through the SCORES Portal in accordance with the process laid down under the SCORES guidelines. Thereafter, if the shareholder is still not satisfied with the outcome, he/she/they may initiate dispute resolution through the Online Dispute Resolution ("ODR") Portal. The relevant SEBI Circular in this regard is available on the Company's website at https://cms.birlanu.com/public/media/2025/03/12/sebi-master-circular-on-online-dispute-resolution-odr.pdf.

Designated exclusive email address

The Company's designated email id for investor services is cs@birlanu.com. Investors can also email their queries to Registrar and Share Transfer Agent of the Company at investor.relations@vccipl.com.

General Shareholder's Information

The Company is registered with the Registrar of Companies, Hyderabad, Telangana. The Corporate Identity Number (CIN) allotted to the Company is L74999TG1955PLC000656.

Date, time and venue of AGM	Thursday, August 6, 2026, at 3:00 pm IST. In accordance with the General Circulars issued by the Ministry of Corporate Affairs, the AGM will be held through VC/OAVM only (facility hosted by NSDL)
Financial year	April 1, 2025 to March 31, 2026
Record date for final dividend	Thursday, July 30, 2026
Dividend payment date	Will be credited on or before August 21, 2026
Listing on Stock Exchanges	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 National Stock Exchange of India Limited 'Exchange Plaza' 5th Floor, Plot #C/1, G-Block, Bandra Kurla Complex, Bandra, Mumbai – 400051
Listing fees	The listing fee for the financial year 2025-26 and 2026-27 has been paid to both the Stock Exchanges.
Payment of depository fees	Annual custody/issuer fee for the financial year 2025-26 has been paid to NSDL and CDSL.
ISIN	INE557A01011
E-voting facility	Open Date: Monday, August 3, 2026 at 9:00 am IST Close Date: Wednesday, August 5, 2026 at 5:00 pm IST
Address for correspondence	Ms. Nidhi Bisaria Company Secretary & Compliance Officer BirlaNu Limited 6th Floor, Birla Tower, 25, Barakhamba Road, New Delhi-110001 Tel: 8977754645, Email: cs@birlanu.com
Suspension of trading	No securities of the Company were suspended from trading on Stock Exchanges during the year under review.
Convertible instruments	The Company has not issued any convertible instruments.

Remote e-Voting at the Annual General Meeting

To allow the Members to vote on the resolutions proposed at the Annual General Meeting, the Company has arranged for a remote e-Voting facility. The Company has engaged NSDL to provide e-Voting facility to all the Members. Members whose names appear on the Register of Members as on Thursday, July 30, 2026 ("cut-off date") shall be eligible to participate in e-voting and the Members who have not already cast their vote by remote e-voting can exercise their vote at the Annual General Meeting.

Registrar and Share Transfer Agent

Members are requested to correspond with the Company's RTA quoting their Folio no./DP ID and Client ID at the following address:

M/s Venture Capital and Corporate Investments Private Limited
'AURUM', 4th & 5th Floors, Plot No. 57,
Jayabheri Enclave, Phase - II,
Gachibowli, Hyderabad – 500032
Landline: 040-23818475/23818476
Email: investor.relations@vccipl.com

Share transfer process & Dematerialisation

Pursuant to Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and guidelines issued by the Securities and Exchange Board of India (SEBI), transfer of securities is permitted only in dematerialised form. Shareholders holding shares in physical form are advised to dematerialise their holdings at the earliest. In accordance with SEBI Circular dated January 30, 2026, the Company has complied with the regulatory framework relating to transfer and dematerialisation of securities and has facilitated a Special Window for re-lodgement of transfer requests and conversion of physical shares into demat form within the prescribed timelines. The Company, through its Registrar and Share Transfer Agent (RTA), has put in place adequate systems and investor facilitation measures to ensure a smooth dematerialisation process. These steps enhance transparency, strengthen investor protection, and reduce risks associated with physical shareholding.

The Company, its RTA and Stock Exchanges, in compliance with SEBI Master Circular dated February 06, 2026, have disseminated the requirement of the holders of physical securities of the Company to furnish valid PAN, mandatory linking of PAN, furnishing KYC details and Nomination details, on their respective websites. Form ISR-1 to furnish PAN, KYC details, Form SH-13, ISR-3 and SH-14 to furnish nomination and opting out nomination details, respectively and Form ISR-2 to furnish for bank attested signatures of the security holder, are hosted on the respective websites of RTA and the Company.

Further, the security holder/ claimant shall submit duly filled Form ISR-4 hosted on the website of the Company for requests regarding issue of duplicate certificate, claim from unclaimed suspense account, transmission and other related service requests, along with the documents / details specified therein. The RTA/Company shall verify and follow the process of approving the service requests as prescribed in the aforesaid SEBI Master Circular, as amended from time to time.

Nomination facility

The shareholders holding shares in physical form are mandatorily required to furnish to the Company's RTA, the details of nomination in hard copy or through electronic mode with e-signature as follows:

i. Either,
   - Nomination through Form SH-13 as provided in the Rules 19 (1) of Companies (Shares capital and debenture) Rules, 2014 or
   - 'Declaration to Opt-out', as per Form ISR-3

ii. In case of cancellation of nomination by the holder(s) through Form SH-14, then 'Declaration to Opt-out' shall be provided by the holder(s).

iii. Securities holder(s) can change their nominee through Form SH-14.

Shareholders holding shares in dematerialized form may contact their respective Depository Participant (DP) to avail the Nomination facility.

Transfer to Unclaimed Dividend and Shares to Investor Education and Protection Fund (IEPF)

(i) Transfer of unclaimed dividend

Members are hereby informed that under the Act, the Company is required to transfer the dividend which remains unpaid or unclaimed for a period of seven consecutive years or more to the IEPF. In view of the same, an aggregate amount of ₹ 11,01,212.50/- (₹ 4,85,350/- of Final Dividend of FY 2017-18 and ₹ 6,15,862.50/- of Interim Dividend of FY 2018-19) have been transferred to Investor Education and Protection Fund (IEPF) on September 10, 2025 and March 12, 2026 respectively.

Members are requested to note the following due date(s) for claiming the unpaid or unclaimed dividend declared by the Company for FY 2018-19 and thereafter:

Financial Year	Interim / Final	Date of Declaration	Due date / cut-off date to transfer to IEPF
2018-19	Final	July 24, 2019	August 27, 2026
2019-20	Interim	February 13, 2020	March 18, 2027
2019-20	Final	July 29, 2020	September 2, 2027
2020-21	Interim	February 2, 2021	March 8, 2028
2020-21	Final	July 30, 2021	September 3, 2028
2021-22	Interim	January 27, 2022	March 4, 2029
2021-22	Final	July 29, 2022	September 1, 2029
2022-23	Interim	January 27, 2023	February 28, 2030
2022-23	Final	July 31, 2023	September 1, 2030
2023-24	Interim	February 2, 2024	March 5, 2031
2023-24	Final	July 30, 2024	August 30, 2031
2024-25	Final	July 31, 2025	September 2, 2032

Members who have not encashed the dividend warrants so far in respect of the aforesaid period(s) are requested to make their claim to M/s Venture Capital and Corporate Investments Private Limited, RTA well in advance of the above due dates.

As per the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ("IEPF Rules"), the Company has uploaded the information in respect of the unclaimed dividends as on March 31, 2026 on the website of the Company at https://cms.birlanu.com/public/media/2025/03/20/statement-of-unpaid-and-unclaimed-dividend.pdf. The Members may log in to find out details of dividends outstanding for any of the previous years.

Pursuant to the provisions of the Act, the Company sends reminder letters to those shareholders whose unclaimed dividend/shares are liable to be transferred to the Investor Education and Protection Fund (IEPF).

(ii) Transfer of shares to IEPF

Pursuant to the provisions of Sections 124 and 125 of the Act read with the IEPF Rules, all the shares on which dividends remain unpaid or unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority as notified by the Ministry of Corporate Affairs. The said requirements do not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. Accordingly, the Company has transferred 3,896 equity shares of face value ₹ 10 per share to the demat account of the IEPF Authority during FY 2025-26.

The Company had sent individual notice to all the Members whose shares were due to be transferred to the IEPF Authority and had also published newspaper advertisements in this regard.

The details of such shares transferred to IEPF are uploaded on the website of the Company at https://www.birlanu.com/investor/dividend-iepf-information.

(iii) Claim from IEPF Authority

The Members/Claimants, whose unclaimed dividends/ shares have been transferred to IEPF, may contact the Company or RTA and submit the required documents for issue of Entitlement Letter. The Members/ Claimants can attach the Entitlement Letter and other documents mentioned thereon and file form IEPF-5 available on https://www.iepf.gov.in for claiming the dividend/shares. Link to web form IEPF-5 is also available on the website of the Company at https://www.birlanu.com. No claims shall lie against the Company in respect of the dividends/shares so transferred.

Secretarial audit and other certificates

M/s Ranjeet Pandey & Associates, Practising Company Secretaries has conducted the secretarial audit of the Company for FY 2025-26. Their Audit Report confirms that the Company has complied with the applicable provisions of the Act and the Rules made thereunder, its Memorandum and Articles of Association, SEBI Listing Regulations and the other applicable SEBI Regulations. The Secretarial Audit Report forms part of the Board's Report as an Annexure.

In accordance with the SEBI Circular dated February 8, 2019 and additional affirmations required under Circulars issued by NSE and BSE dated March 16, 2023 and April 10, 2023 read with Regulation 24A of the SEBI Listing Regulations, the Company has obtained an Annual Secretarial Compliance Report from M/s Ranjeet Pandey and Associates, Practising Company Secretaries, confirming compliances with all applicable SEBI Regulations, Circulars and Guidelines for the year ended March 31, 2026.

A quarterly Reconciliation of Share Capital Audit has been carried out by a Company Secretary in practice to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

M/s P.S. Rao & Associates, Practising Company Secretaries, has issued a certificate confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/MCA or any such statutory authority. The said Certificate is annexed to this Report on Corporate Governance as Annexure A.

Distribution of Equity Shares of the Company as on March 31, 2026

Sl.No.	Range	No. of Shares	Percentage to Capital	No. of Shareholders	Percentage to Total
1	Upto - 500	15,29,742	20.29	29,220	96.49
2	501 - 1000	4,33,841	5.75	582	1.92
3	1001 - 2000	3,72,532	4.94	260	0.86
4	2001 - 3000	2,08,663	2.77	84	0.28
5	3001 - 4000	1,34,724	1.79	39	0.13
6	4001 - 5000	97,400	1.29	21	0.07
7	5001 - 10000	2,97,599	3.95	44	0.15
8	10001 and above	44,66,398	59.23	34	0.11
Total		75,40,899	100.00	30,284	100.00

Shareholding Pattern as on March 31, 2026

Sl. No.	Category	Number of shares held	Percentage of shareholding
(A)	**Promoter and Promoter Group**	30,59,212	40.57
(B)	**Public shareholding**		
1.	**Institutional Investor**		
a.	Mutual Funds	593	0.01
b.	Financial Institutions	-	-
c.	Alternative Investment Fund	-	-
d.	Banks	3,718	0.05
e.	Insurance Companies	-	-
f.	NBFCs registered with RBI	-	-
g.	Foreign Portfolio Investors	2,16,672	2.87
2.	**Central Government/State Government(s)**	3,05,552	4.05
3.	**Non-institutional Investor**		
a.	Overseas Corporate Bodies	1,22,000	1.62
b.	Bodies Corporate (not mentioned above)	3,91,678	5.19
c.	Non-Resident Individuals	3,87,220	5.13
d.	IEPF	39,292	0.52
e.	Resident Individuals/HUF	29,73,168	39.43
f.	Others (Clearing Members, LLP and Unclaimed Suspense Escrow Account)	41,794	0.55
	Total Public Shareholding	44,81,687	59.43
Total	**(A) + (B)**	**75,40,899**	**100.00**

Demat Suspense Account

The Company has opened a Demat Suspense Account titled "BIRLANU LIMITED – SUSPENSE ESCROW DEMAT ACCOUNT" in accordance with the guidelines prescribed by the Securities and Exchange Board of India (SEBI). Shareholders who have been issued a Letter of Confirmation but have not dematerialised their shares within the prescribed timelines, such shares are subject to transfer to the said Demat Suspense Account. Details of the account as on March 31, 2026 are as under:

Sl. No.	Description	Number of Shares / Shareholders
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. April 1, 2025	-
2.	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	-
3.	Number of shareholders to whom shares were transferred from suspense account during the year	1
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. March 31, 2026	1 shareholder 58 shares

Members may note that such shares shall remain in the "BIRLANU LIMITED – SUSPENSE ESCROW DEMAT ACCOUNT" until claimed by the rightful shareholders by following a simple structured process as prescribed by SEBI. Further, the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Dematerialisation of shares and liquidity

Trading in equity shares of the Company is permitted only in dematerialized form. To facilitate trading in equity shares of the Company in dematerialized form, the Company has made arrangements with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shareholders can open an account with any Depository Participant registered with one of these two depositories.

Members holding shares in physical mode are urged in their own interest to hold these shares in dematerialized form with any Depository Participant.

As on March 31, 2026, 99.62% of the equity shares of the Company i.e., 75,11,885 equity shares are held in dematerialized form and remaining 0.38% i.e. 29,014 equity shares are held in physical form. Entire equity shareholding of the promoters and promoter group of the Company is held in dematerialized form.

Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any Global Depository Receipts/American Depository Receipts/Warrants etc., during the financial year 2025-26.

Commodity price risk or foreign exchange risk and hedging activities

During the year 2025-26, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against imports and also receivable from its wholly owned subsidiary. The details of foreign currency exposure are disclosed in notes forming part of the financial statements.

Manufacturing plant locations

Sl. No.	State	Products Manufactured	Location
Manufacturing facilities			
1	Telangana	Boards	Sr. No. 7-2-1733, 1733/1, Sanathnagar Industrial Estates, Sanathnagar, Hyderabad-500 018
2	Telangana	AAC Blocks, Pipes & Fittings, Sandwich Panels	11-56, Thimmapur Village, Kothur Mandal, Rangareddy Dist., Telangana 509 325
3	Andhra Pradesh	AC Sheets & Next Gen Sheets	IDA 289, Kondapalli, Ibrahimpatnam, Krishna Dist., Vijayawada-251 228
4	Haryana	AC Sheets, Next Gen Sheets, Sandwich Panels, Pipes & Fittings	Sector 25, Faridabad, Haryana-121 004
5	Haryana	AAC Blocks & Dry Mix Products	Village-Akeri Madanpur, Amadalshahpur, Tehsil-Matanhail, Dist. Jhajjar, Haryana-124 103
6	Jharkhand	AC Sheets	Industrial Area, Jasidih, Deoghar, Jharkhand - 814 142
7	Tamil Nadu	AAC Blocks	Kannigaiper Village, Periyapalayam Road, Manjankaranai Post, Uthukottai Taluk, Dist. Tiruvallur- 601 102
8	Maharashtra	AC Sheets	Gate No. 347, Village- Masurane, Tahsil - Wada, Dist. Palghar - 421 312
9	Uttar Pradesh	AC Sheets	Plot No. A-49, 50 & 51, Satharia Indl. Development Area, Satharia, Dist. Jaunpur-222 202
10	Odisha	AC Sheets & Boards	Plot No. 22, IDCO Industrial Area, Somnathpur, Balasore, Odisha-756 019
11	Odisha	AAC Blocks	Plot No. 1683/84, Harihanta, PO Tangi, Choudwar, Cuttack-754 025
12	Odisha	Sandwich Panels	Plot No. Z-2, IDCO, IID Centre, Somnathpur, Balasore, Odisha-756 019
13	Gujarat	AAC Blocks, Pipes & Fittings, Dry Mix Products	Block No. 581, 585, 586/4, Village-Golan, Valod Taluk, Dist. Tapi, Gujarat - 394 640
14	Bihar	Pipes, Tanks, HDPE Pipes	Plot No. 322, 323 (P), 399 (P) Gangapur Road, Variakalam, Fatuha, Patna, Bihar - 803 203
		Pipes, Tanks	Plot No. A/7, D9-11, Phase I, Industrial Area (BAIDA), Fatuha, Patna, Bihar - 803 201
		HDPE Pipes	Plot No. C/17-18, Phase I, Industrial Area (BAIDA), Fatuha, Patna, Bihar - 803 201
		Fittings	Plot No. NS, Near Church, Phase I, Industrial Area (BAIDA), Fatuha, Patna, Bihar - 803 201
		Fittings	Plot No. A/4, Phase I, Industrial Area (BAIDA), Fatuha, Patna, Bihar - 803 201
Wind Mill locations			
15	Gujarat	3.60MW (2x1.80MW)	Kutch District, Gujarat
16	Tamil Nadu	1.25MW	Coimbatore, Tirupur District, Tamil Nadu
17	Rajasthan	2.50MW (2x1.25MW)	Jodhpur District, Rajasthan
18	Rajasthan	2.00MW	Jaisalmer District, Rajasthan

Credit Ratings

During the year, M/s ICRA Limited ("ICRA") revised its ratings for the Company's long term and short-term facilities and assigned rating for short term - non-fund based limits. The details of the ratings are as under:

Sl. No.	Rating Agency	Type	Previous Rating	Current Rating
1	ICRA	Long-term/Short- term - Fund and Non-fund based limits	[ICRA]AA- (Stable)/ [ICRA]A1+	[ICRA]AA- (Negative)/[ICRA]A1+; reaffirmed and assigned for enhanced amount; Outlook revised to Negative from Stable
2	ICRA	Short term – Non Fund based limits	-	ICRA]A1+; assigned
3	ICRA	Long-term/ Short Term – Unallocated limits	[[ICRA]AA- (Stable)/ [ICRA]A1+	[ICRA]AA- (Negative)/[ICRA]A1+; reaffirmed and assigned for enhanced amount; Outlook revised to Negative from Stable
4	ICRA	Long-term - Fund based - Term Loan	[ICRA]AA- (Stable); assigned	[ICRA]AA- (Negative); reaffirmed and outlook revised to Negative from Stable

Other Disclosures

a. Related Party Transactions

In line with the requirements of the Companies Act, 2013 and SEBI Listing Regulations, as amended from time to time, the Company has formulated a Policy on Related Party Transactions ("RPT Policy") for identifying, reviewing, approving and monitoring of Related Party Transactions and the Company's policy relating to dealing with Related Party Transactions is uploaded on the website of the Company and can be accessed through the web link: https://cms.birlanu.com/public/media/2025/03/13/related-party-transaction-policy.pdf.

All related party transactions entered into during FY 2025-26 were on arm's length basis and in the ordinary course of business. All the related party transactions were reviewed and approved by the Audit Committee/ Board, as may be applicable. With a view to ensure continuity of day-to-day operations, an omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on arm's length basis. A statement giving details of all related party transactions entered pursuant to the omnibus approval so granted is placed before the Audit Committee on a quarterly basis for its review.

During the year under review, the Company entered into material related party transaction, i.e., payment of remuneration to Ms. Avanti Birla, a related party within the definition of Section 2(76) of the Act, occupying the office or place of profit in the Company and the same are approved by the Audit Committee, the Board and the shareholders at their respective meetings as required under the provisions of Section 177 and 188 and other applicable provisions, if any, of the Companies Act, 2013. Accordingly, the disclosure of the said related party transaction as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is made in Form AOC-2 annexed to Board's Report.

In terms of Regulation 23 of SEBI Listing Regulations, the Company submits details of related party transactions as per the specified format to the stock exchanges on a half-yearly basis.

The details of the transactions with related parties are provided in the accompanying Financial Statements. During the year there are no such materially significant related party transactions that may have potential conflict with the interests of the Company at large. Further during the year there were no transactions with the entities belonging to the promoter or promoter group which holds 10% or more shareholding in the Company.

b. Statutory compliance, penalties and strictures

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authority on all matters related to capital markets. During the last three years, no penalties or strictures have been imposed on the Company by these authorities. None of the Company's listed securities is suspended from trading.

c. Whistle Blower Policy/Vigil Mechanism

In staying true to our values of ownership and accountability, trust and mutual Respect and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of corporate governance and stakeholder responsibility.

In line with requirement of the Companies Act, 2013 and of Regulation 22 of SEBI Listing Regulations, Vigil Mechanism/Whistle Blower Policy has been formulated for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct, etc. The said Policy provides for adequate safeguard against victimization of Directors/ employees who avail of such mechanism and provides access to the Chairman of Audit Committee in exceptional cases. It is affirmed that no person has been denied access to the Audit Committee.

The Whistle Blower Policy has been placed on website of the Company and web link thereto is https://cms.birlanu.com/public/media/2025/03/13/whistle-blower-policy.pdf.

All the complaints received under Whistle Blower Policy were investigated thoroughly and detailed update including action taken, if any, on the same was presented to the Audit Committee and Statutory Auditors of the Company.

d. 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, designated persons and relatives of Directors and such designated persons. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated persons and relatives of such designated persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. Ms. Nidhi Bisaria, Company Secretary of the Company is designated as the Compliance Officer for the purpose of Code and is responsible for implementation of the Code.

e. Code of Conduct

The Company has laid down a Code of Conduct for its Directors and the Senior Management Personnel. The said Code is available on the website of the Company at https://cms.birlanu.com/public/media/2025/04/04/birlanu-code-of-coduct-for-directors-smp-07112024.pdf.

All the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2026. A declaration to this effect signed by Managing Director & CEO forms part of this report as an Annexure B.

Other Policies under the SEBI Listing Regulations

f. Policy on Archival and Preservation of Documents as required under Regulation 9 of the SEBI Listing Regulations is available on the website of the Company at https://cms.birlanu.com/public/media/2025/03/13/preservation-of-documents.pdf.

g. Policy on Determination of Materiality for Disclosure of Events or Information as per Regulation 30 of the SEBI Listing Regulations is available on the website of the Company at https://cms.birlanu.com/public/media/2025/03/13/determination-of-materiality-of-events-or-information.pdf.

h. Dividend Distribution Policy as adopted by the Company pursuant to Regulation 43A of the SEBI Listing Regulations is available on the website of the Company at https://cms.birlanu.com/public/media/2025/03/13/dividend-distribution-policy-2021.pdf.

i. Accounting treatment in preparation of financial statements

The Company has prepared the financial statements in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable.

j. CEO & CFO certification

A certificate signed by the Managing Director & CEO and Chief Financial Officer as stipulated in the Regulation 17(8) of SEBI Listing Regulations was placed before the Board along with financial statement(s) for the year ended March 31, 2026. The Board reviewed and took the same on record. The certificate is enclosed with this section as Annexure C.

k. Details of utilisation of funds raised through preferential allotment or qualified institutional placement

The Company has not raised any funds through preferential allotment or qualified institutional placement during the year under review.

l. Loans and advances in the nature of loans to firms / companies in which Directors are interested

The Company has not given any loans or advances to any firm/company in which its Directors are interested except to its wholly-owned subsidiaries and step-down subsidiaries. Details of the same forms part of standalone financial statements at Note no. 9.

m. Details of material subsidiaries including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

Name of material subsidiaries	Date of incorporation / acquisition	Place of incorporation	Name of the Statutory Auditors	Date of appointment of the Statutory Auditors
BirlaNu International GmbH, Germany	August 27, 2018	Germany	KPMG, Germany	February 13, 2026

n. Policy on material subsidiary

As per Regulation 16(1)(c) of SEBI Listing Regulations, the Company adopted a policy on material subsidiaries and placed the same on website of the Company at https://cms.birlanu.com/public/media/2025/03/13/determining-material-subsidiaries.pdf.

o. Acceptance of recommendations of Committees by the Board of Directors

In terms of the SEBI Listing Regulations, there have been no instances during the year under review, when the recommendations of any of the Committees were not accepted by the Board.

p. Total fees paid by the Company for all services rendered by the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is ₹ 190.52 lakh.

q. As per the confirmations received by the Company, during the financial year, there were no agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

r. Disclosure under Prevention of Sexual Harassment at Workplace Act, 2013

As per the requirement of Prevention of Sexual Harassment at Workplace Act, 2013 ("POSH Act") and rules made thereunder, the Company has adopted a policy on prevention, prohibition and redressal of sexual harassment of employees at workplace. The Company has also constituted Internal Committees. While maintaining the highest governance norms, the Company has appointed external independent person, Ms. Kiran Bhutada (Advocate) who has worked in this area and have the requisite experience and knowledge in handling such matters, as Member of each of the Committees. To build awareness in this area, the Company has been conducting induction/awareness programmes in the organization on a continuous basis.

During the year under review, no complaint of sexual harassment was received by the Company.

s. Compliance Certificate on Corporate Governance:

The Company has adhered to the requirements stipulated under Regulations 17 to 27 read with Para C and D of Schedule V and clauses (b) to (i) and (t) of Regulation 46(2) of SEBI Listing Regulations as applicable with regard to Corporate Governance.

A certificate from M/s B S R and Co, Chartered Accountants (FRN - 128510W), Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance for the financial year ended March 31, 2026 forms part of this report as Annexure D.

t. Mandatory Requirements:

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance.

u. Compliance with Discretionary Requirements

The status of compliance with the discretionary requirements as stated under Part E of Schedule II to the SEBI Listing Regulations are as under:

- The Board: Non-Executive Chairman has a separate office which is not maintained by the Company.
- Shareholder Rights: The quarterly/half-yearly/financial performance of the Company is made available on the Company's website at: https://birlanu.com/investor/financials.
- Modified opinion(s) in Audit Report: During the year under review, there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unmodified audit opinion.
- Separate posts of Chairperson and the Managing Director & CEO: The Chairman of the Board is a Non-executive Director and not related to the Managing Director & CEO of the Company.
- Reporting of Internal Auditor: The Audit Committee is briefed through discussions and presentations made by the Internal Auditors of the Company regarding their observations, review, comments, recommendations, etc.

For and on behalf of the Board of Directors
BirlaNu Limited

CK Birla
Chairman
DIN: 00118473

Place: New Delhi
Date: May 12, 2026

Annexure(s) to Corporate Governance Report

Annexure - A

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 of
BirlaNu Limited
(Formerly HIL Limited)
Office No 1 & 2, 7th Floor, SLN Terminus,
Sy No. 133, Near Botanical Gardens,
Gachibowli, Hyderabad-500032.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of BirlaNu Limited (Formerly HIL Limited) having CIN: L74999TG1955PLC000656 and having registered office at Office No 1 & 2, 7th Floor, SLN Terminus, Sy No. 133, Near Botanical Gardens, Gachibowli, Hyderabad - 500032 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us, we hereby certify that as on March 31, 2026, none of the following 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 or Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of the Director	DIN	Date of appointment in the Company
1	Mr. Chandrakant Birla	00118473	04.02.1980
2	Mr. Desh Deepak Khetrapal	02362633	28.10.2013
3	Dr. Arvind Sahay	03218334	08.02.2019
4	Mr. Akshat Seth	10039820	11.02.2023
5	Mr. Sunil Ramakant Bhumralkar	00177658	18.03.2024
6	Ms. Amita Birla	00837718	01.04.2024
7	Ms. Nidhi Jagat Killawala	05182060	01.04.2024
8	Prof. Janat Ghanshyam Shah	01625535	07.05.2024

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **P.S. Rao & Associates**
Company Secretaries

Mohit Gurjar
Partner
M. No. 20557; C P No: 18644
UDIN: A020557H000333441

Date: 12.05.2026
Place: Hyderabad

Annexure - B

Declaration on Code of Conduct

I, Akshat Seth, Managing Director & CEO of the Company, hereby declare that the Company has received the declarations from all the Board Members and Senior Management Personnel affirming compliance with Code of Conduct for Members of the Board and Senior Management for the financial year 2025-26.

For **BirlaNu Limited**

Akshat Seth
Managing Director & CEO
DIN: 10039820

Place: New Delhi
Date: May 12, 2026

Annexure - C

CEO CFO Certificate

(Under Regulation 17(8) of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015)

A. We have reviewed financial statements (Standalone & Consolidated) along with the cash flow statement of the Company for the financial year ended 31st March, 2026 and that to the best of our knowledge and belief we hereby certify that:

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

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

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any.

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

   a. Significant changes in internal control over financial reporting during the period;

   b. Significant changes in accounting policies during the period and the same have been disclosed in the notes to the financial statements; and

   c. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For BirlaNu Limited

	Ajay Kapadia	Akshat Seth
Place: New Delhi	Chief Financial Officer	Managing Director & CEO
Date: May 12, 2026	Membership No. 108447	DIN: 10039820

Annexure - D

Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The members of
BirlaNu Limited
(Formerly known as HIL Limited)

1. This certificate is issued in accordance with the terms of our engagement letter dated 11 August 2022 read with addendum to engagement letter dated 15 April 2026.

2. We have examined the compliance of conditions of Corporate Governance by **BirlaNu Limited (Formerly known as HIL Limited)** ("the Company"), for the year ended 31 March 2026, as stipulated in regulation 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations")

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the Listing Regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the financial year ended 31 March 2026.

6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above- mentioned Listing Regulations.

9. 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 the affairs of the Company.

Restriction on Use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirements of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R and Co**

Chartered Accountants
Firm's Registration No.: 128510W

Sulabh Kumar Kedia
Partner Membership No.: 066380
ICAI UDIN: 26066380ZOJXZX7903

Place: Mumbai
Date: 12 May 2026

Independent Auditor's Report

To
The Members of BirlaNu Limited
(Formerly known as HIL Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **BirlaNu Limited (Formerly known as HIL Limited)** (the "Company") which comprise the standalone balance sheet as at 31 March 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information in which are included the financial information of erstwhile Crestia Polytech Private Limited, Topline Industries Private Limited, Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited and Prabhu Sainath Polymers Private Limited (together referred to as the "components").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of the other auditor on separate financial information of the components for the year ended 31 March 2026, 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 31 March 2026, and its loss and other comprehensive loss, changes in equity and its cash flows 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 Act. Our responsibilities under those SAs 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 obtained by us along with the consideration of report of the other auditor referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of Matter

a. We draw attention to Note 56 of the standalone financial statements which describes the overall accounting for the Scheme of Amalgamation between the Company and the components ('the Scheme'). The Scheme has been approved by the National Company Law Tribunal ('NCLT') vide its order dated 10 March 2026 with appointed date of 05 April 2024 and a certified copy has been filed by the Company with the Registrar of Companies, Telangana. Accordingly, the amounts relating to the year ended 31 March 2026 include the impact of the business combination for the entire year and the corresponding amounts for the previous year ended 31 March 2025 have been restated by the Company after recognising the effect of the amalgamation as above.

Our opinion is not modified in respect of this matter.

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.

Revenue Recognition

See Note 23 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company derives revenue from sale of products relating to roofs, walls, pipes and constructions chemicals and others, with revenue recognized upon transfer of control in accordance with applicable accounting standards. We have identified the timing of revenue recognition towards period end and risk of revenue being recorded from fictitious customers as a key audit matter because there are variations in different sale contracts and the possibility of override of controls particularly due to pressures for achieving the performance targets for the year.	Our audit procedures included, among others: ▸ We assessed the appropriateness of the Company's revenue recognition accounting policies and their compliance with the applicable Indian Accounting Standards. ▸ We evaluated the design and implementation of and tested the operating effectiveness of key internal financial controls over revenue recognition, including controls relating to dispatch, invoicing, recording of sales transactions, cut-off adjustment and onboarding of new customers.

The key audit matter	How the matter was addressed in our audit
	▸ We tested, on a sample basis using statistical sampling, specific revenue transactions recorded around the period end date to check whether revenue has been recognized in the correct reporting period by testing the underlying documents; ▸ We tested the underlying documents relating to customer creation on a sample basis. For the samples selected using statistical sampling, we obtained confirmations from customers for year- end balances including the terms of sales and performed alternative audit procedures in case no responses were received. We have also obtained transaction-wise confirmations for sales recorded during the year for few selected customers; and ▸ We tested sample journal entries selected based on specified risk-based criteria, to identify unusual items.

Impairment of non-current investments in subsidiary

See Note 7 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company has non-current investments in its subsidiary, BirlaNu International GmbH, Germany amounting to INR 27,346.24 lakhs. The Company's investments in subsidiary are valued at cost less provision for other than temporary impairment. These investments are assessed for impairment when an indicator of impairment exists. The Management annually assesses the existence of impairment indicators and performs impairment testing if there is any indicator. In performing the impairment test, the Company has made several key assumptions, such as growth rates, discount rates and forecasted cash flows relating to the aforesaid entity. We identified impairment of non-current investment in subsidiary as a key audit matter because these estimates involve significant judgement, and the underlying assumptions are inherently uncertain.	Our audit procedures included, among others: ▸ We evaluated the design and implementation of key internal financial controls of the Company with respect to the impairment assessment of investments and tested operating effectiveness of such controls; ▸ Evaluated the impairment indicator assessment performed by the Company considering quantitative and qualitative factors; ▸ We tested budgeting procedures upon which the cash flow forecasts were based. We also compared the actual past performances with the budgeted figures; ▸ We involved internal valuation specialists to assist us in evaluating the key assumptions and methodology used by the Company, in particular those relating to the forecast of the revenue growth, EBITDA margins, terminal growth rate and discount rate. Internal valuation specialists also compared the assumptions to externally derived data in relation to key inputs such as projected economic growth, competition, cost inflation and discount rates; ▸ We assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions; and ▸ We assessed the adequacy of the disclosures including disclosures of key assumptions, judgments and sensitivities.

Impairment of Goodwill

See Note 6 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company performs impairment assessment of Goodwill under Ind AS 36 "Impairment of Assets" on an annual basis and whenever there is an indication of impairment. The aforesaid assets arose on acquisition of different businesses.	Our audit procedures included, among others: ▸ We evaluated the design and implementation of key internal financial controls of the Company with respect to the impairment assessment of Goodwill and tested operating effectiveness of such controls;

The key audit matter	How the matter was addressed in our audit
In performing the impairment test, the Company has made several key assumptions, such as growth rates, discount rates and forecasted cash flows relating to the aforesaid entity. We identified impairment of Goodwill as a key audit matter because these estimates involve significant judgement, and the underlying assumptions are inherently uncertain.	▸ We tested budgeting procedures upon which the cash flow forecasts were based. We also compared the actual past performances with the budgeted figures; ▸ We involved internal valuation specialists to assist us in evaluating the key assumptions and methodology used by the Company, in particular those relating to the forecast of the revenue growth, EBITDA margins, terminal growth rate and discount rate. Internal valuation specialists also compared the assumptions to externally derived data in relation to key inputs such as projected economic growth, competition, cost inflation and discount rates; ▸ We assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions; and ▸ We assessed the adequacy of the disclosures including disclosures of key assumptions, judgments and sensitivities.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 of 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 Management and Board of Directors are 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 Responsibilities for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the components of the Company to express an opinion on the standalone financial statements. For the components included in the standalone financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

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

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

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

Other Matters

a. We did not audit the financial information of components included in the standalone financial statements of the Company whose financial information reflects total assets (before consolidation adjustments) of INR 35,457.86 lakhs as at 31 March 2026, total revenue (before consolidation adjustments) of INR 29,358.60 lakhs and net cash inflows (before consolidation adjustments) amounting to INR 90.41 lakhs for the year ended on that date, as considered in the standalone financial statements. The separate financial information of the components have been audited by the other auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these components, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid components, is based solely on the report of such other auditor.

   Our opinion is not modified in respect of this matter.

b. The corresponding figures for the year ended 31 March 2025, in so far as it pertains to the components, have been audited by other auditor who had expressed an unmodified opinion on 17 May 2025.

   Our opinion is not modified in respect of this matter.

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(11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on consideration of the report of the other auditor we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and the report of the other auditor and proper financial information adequate for the purposes of our audit have been received from the components not audited by us except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows 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 Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 01 April 2026 and 04 April 2026, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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 and based on the consideration of the report of the other auditor on separate financial information of the components, as noted in the "Other Matters" paragraph:

a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its standalone financial statements - Refer Note 39 to the standalone financial statements.

b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 49 to the standalone financial statements.

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

d (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 61 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall 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.

(ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 61 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 16 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks and the report of the other auditor, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account which, along with access management tool, as applicable, have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

- in case of an accounting software used for maintaining general ledger and which is operated by a third party service provider, in the absence of reporting on compliance with the audit trail requirements at database level in the independent auditor's report of service organisation, we are unable to comment whether audit trail feature of the said accounting software was enabled at the database level and operated for all relevant transactions recorded in the accounting software.

Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of the audit trail feature being tampered with.

Additionally, where audit trail (edit log) facility was enabled and operated in the previous years, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R and Co**
Chartered Accountants
Firm's Registration No.:128510W

Sulabh Kumar Kedia
Partner
Membership No.: 066380
ICAI UDIN:26066380BEQDOM1040

Place: Mumbai
Date: 12 May 2026

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of BirlaNu Limited (Formerly known as HIL Limited) for the year ended 31 March 2026

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

(i) (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.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (INR in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period since when it is held	Reason for not being held in the name of the Company
Freehold Land	1.27	Faridabad Complex Administration (now known as Municipal Corporation of Faridabad)c	No	1964	Pending settlement of dispute regarding external development charges with Haryana Urban Development Authority, Faridabad.
Land	427.60	The Embassy of Union of Soviet Socialist Republics	No	1989	The process for transfer of property in the name of the Company is in progress.
Land	464.00	Aditya Polytechnic Private Limited	No	2026	Trasferred to BirlaNu Limited pursuant to the Merger of Crestia group entities with NCLT order dated 10 March 2026. The management is the process of transferring these in the name of the Company.
Building	1,220.96	Aditya Polytechnic Private Limited	No	2026	
Building	219.67	Aditya Poly Industries Private Limited	No	2026	
Building	1,321.93	Crestia Polytech Private Limited	No	2026	
Building	580.96	Prabhu Sainath Polymers Private Limited	No	2026	
Building	120.92	Topline Industries Private Limited	No	2026	
Right of Use asset	367.68	Crestia Polytech Private Limited	No	2026	
Right of Use asset	104.49	Prabhu Sainath Polymers Private Limited	No	2026	
Right of Use asset	385.22	Bihar Industrial Area Development Authority	No	2026	

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year.For goods-in-transit subsequent evidence of receipts/ deliveries has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year, except that the Company has made investments in companies and other parties during the year and provided guarantee to the companies, in respect of which the requisite information is as below.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided guarantee to any other entity as below:

Particulars	Guarantees
Aggregate amount during the year Subsidiaries*	INR 10,800.00 lakhs
Balance outstanding as at balance sheet date Subsidiaries*	INR 10,800.00 lakhs

*As per the Companies Act, 2013

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and guarantees provided during the year are not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the 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.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither given loans nor has it provided guarantee or security as specified under Section 185 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, loans given and guarantee provided to the parties covered under Section 186 of the Act, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there have been slight delays in a few cases of tax deducted at source.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Sales Tax, Value added tax, Goods and Service Tax, Income-Tax, Duty of Excise or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Disputed amount (INR in lakhs)	Amount paid under protest (INR in lakhs)	Amount paid under protest (INR	Forum where dispute is pending
Central Sales Tax Act, 1956	Sales tax/ Value added tax	3.61	0.94	1988-89 1990-91 1997-98	Supreme Court of India
Central Sales Tax Act, 1956	Sales tax/ Value added tax	115.07	28.36	1981-82 1985-86 2001-02 2012-13 2013-14 2014-15 2015-16 2016-17 2017-2022	High Court(s)
Central Sales Tax Act, 1956	Sales tax/ Value added tax	526.98	345.06	1989-2002 2007-2018	Tribunal(s)
Central Sales Tax Act, 1956	Sales tax/ Value added tax	483.18	72.61	1991-1992 1993-1995 1997-1998 1999-2000 2000-2001 2001-2006 2007-2008 2011-2012 2013-2017	Appellate authority upto commissioner's level
Goods and Services Tax Act, 2017	Goods and Service tax	2,227.40	151.28	2017-2023	Appellate authority upto commissioner's level
The Central Excise Act, 1944	Excise duty (including service tax)	107.61	17.51	2004-2009	Supreme Court of India
The Central Excise Act, 1944	Excise duty (including service tax)	89.22	4.77	2003-2004 2004-2005 2007-2008 2009-2013	High Court(s)
The Central Excise Act, 1944	Excise duty (including service tax)	172.06	9.77	2008-2018	CESTAT(s)
The Central Excise Act, 1944	Excise duty (including service tax)	204.68	1.17	2004-2009 2014-2017	Appellate authority upto commissioner's level
Income-tax Act, 1961	Income- tax	1,564.50	628.72	2005-06 2013-14	Hon'ble High Court of Telangana and Andhra Pradesh
Income-tax Act, 1961	Income- tax	1,181.58	16.10	2017-18 2019-20 2020-21 2021-22	Appellate authority upto commissioner's level
Wealth tax	Wealth tax	56.98	-	1994-95 1995-96 1996-97 1997-98 1998-99	Hon'ble High Court of Telangana and Andhra Pradesh

As explained to us, the Company did not have any disputed statutory dues on account of Provident Fund, Employees' State Insurance and Duty of Customs.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint venture (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the 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 our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

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

(d) The Company is not part of any group (as defined in the regulations made by the Reserve Bank of India). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

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

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R and Co**
Chartered Accountants
Firm's Registration No.:128510W

Sulabh Kumar Kedia
Partner
Membership No.: 066380
ICAI UDIN:26066380BEQDOM1040

Place: Mumbai
Date: 12 May 2026

Annexure B to the Independent Auditor's Report on the standalone financial statements of BirlaNu Limited (Formerly known as HIL Limited) for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

We have audited the internal financial controls with reference to financial statements of BirlaNu Limited (Formerly known as HIL Limited) ("the Company") as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date which includes internal financial controls with reference to financial information of erstwhile Crestia Polytech Private Limited, Topline Industries Private Limited, Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited and Prabhu Sainath Polymers Private Limited (together referred to as the "components").

In our opinion and based on the consideration of report on internal financial controls with reference to financial information of the components as were audited by the other auditor the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor as stated in their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial information insofar as it relates to components, is based on the corresponding report of the auditor of such components.

Our opinion is not modified in respect of this matter.

For **B S R and Co**
Chartered Accountants
Firm's Registration No.:128510W

Sulabh Kumar Kedia
Partner
Membership No.: 066380
ICAI UDIN:26066380BEQDOM1040

Place: Mumbai
Date: 12 May 2026

Standalone Balance Sheet

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

Particulars	Notes	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	78,438.99	78,507.91
(b) Capital work-in-progress	4	3,810.82	5,479.11
(c) Investment property	5	603.49	1,880.98
(d) Goodwill	6	9,071.04	9,071.04
(e) Other intangible assets	6	3,311.89	4,330.76
(f) Intangible assets under development	6	31.58	152.48
(g) Financial assets			
(i) Investments	7	31,290.61	27,387.13
(ii) Trade receivables	8	34.35	20.30
(iii) Loans	9	13,619.17	15,192.68
(iv) Other financial assets	10	1,952.79	2,348.61
(h) Other tax assets (net)		1,564.60	417.12
(i) Other non-current assets	11	2,289.66	1,590.85
Total non-current assets		**1,46,018.99**	**1,46,378.97**
Current assets			
(a) Inventories	12	38,611.94	42,120.14
(b) Financial assets			
(i) Trade receivables	8	17,287.52	17,691.26
(ii) Cash and cash equivalents	13	877.66	330.69
(iii) Bank balances other than (ii) above	14	515.01	451.12
(iv) Loans	9	4,358.13	-
(v) Other financial assets	10	1,147.05	1,102.10
(c) Other current assets	11	7,932.61	8,133.63
(d) Non-current assets classified as held for sale		3,107.52	-
Total current assets		**73,837.44**	**69,828.94**
TOTAL ASSETS		**2,19,856.43**	**2,16,207.91**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	756.81	756.81
(b) Other equity	16	1,18,543.86	1,22,241.74
TOTAL EQUITY		**1,19,300.67**	**1,22,998.55**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	16,990.10	8,790.31
(ia) Lease liabilities	18	1,069.58	1,647.82
(ii) Other financial liabilities	20	1,261.87	-
(b) Provisions	21	2,134.11	1,615.46
(c) Deferred tax liabilities (net)	34	3,928.12	3,778.23
Total non-current liabilities		**25,383.78**	**15,831.82**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	28,767.82	33,877.50
(ia) Lease liabilities	18	604.25	382.49
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	19	6,219.11	2,765.51
Total outstanding dues of creditors other than micro enterprises and small enterprises	19	20,468.60	23,818.09
(iii) Other financial liabilities	20	14,953.08	12,450.40
(b) Other current liabilities	22	3,070.53	3,054.31
(c) Provisions	21	786.98	867.48
(d) Current tax liabilities (net)		301.61	161.76
Total current liabilities		**75,171.98**	**77,377.54**
TOTAL LIABILITIES		**1,00,555.76**	**93,209.36**
TOTAL EQUITY AND LIABILITIES		**2,19,856.43**	**2,16,207.91**
Summary of material accounting policies	3		
See accompanying notes to the standalone financial statements			

As per our Report of even date attached

for **B S R and Co**
Chartered Accountants
ICAI Firm Registration Number: 128510W

Sulabh Kumar Kedia
Partner
Membership No.: 066380
Place: Mumbai
Date: 12 May 2026

for and on behalf of the Board of Directors of
BirlaNu Limited (formerly HIL Limited)
CIN No.: L74999TG1955PLC000656

CK Birla
Chairman
DIN: 00118473
Place: New Delhi

Akshat Seth
Managing Director and
Chief Executive Officer
DIN: 10039820
Place: New Delhi

Ajay Kapadia
Chief Financial Officer
Membership No.: 108447
Place: New Delhi
Date: 12 May 2026

Nidhi Bisaria
Company Secretary
Membership No.: F5634
Place: New Delhi

Standalone Statement of Profit and Loss

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

	Particulars	Notes	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
I	Revenue from operations	23	2,42,652.72	2,38,958.13
	Other income	24	8,491.72	3,456.77
	TOTAL INCOME (I)		**2,51,144.44**	**2,42,414.90**
II	**EXPENSES**			
	Cost of materials consumed	25	1,23,385.75	1,32,212.21
	Purchases of stock-in-trade	26	19,884.91	15,298.37
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	3,335.88	(1,757.95)
	Employee benefits expense	28	22,741.16	22,994.04
	Finance costs	29	3,607.63	3,678.71
	Depreciation and amortisation expenses	30	8,753.04	8,519.17
	Other expenses	31	67,220.91	63,203.65
	TOTAL EXPENSES (II)		**2,48,929.28**	**2,44,148.20**
III	**Profit/ (loss) before tax and exceptional items (I-II)**		2,215.16	(1,733.30)
IV	Exceptional Items	66	(3,479.35)	8,189.41
V	**Profit/ (loss) before tax (III+IV)**		**(1,264.19)**	**6,456.11**
VI	**Tax expense:**			
	Current tax	34	(18.73)	2,012.03
	Deferred tax	34	159.28	(915.33)
	Total Tax expense		**140.55**	**1,096.70**
VII	**Profit/ (loss) for the year (V-VI)**		**(1,404.74)**	**5,359.41**
VIII	**Other comprehensive income/ (loss)**			
	Items that will not be reclassified subsequently to profit or loss			
	(a) Remeasurements of defined benefit (liability) / asset	36	(39.01)	(106.08)
	Income-tax relating to above item		9.63	26.75
			(29.38)	**(79.33)**
	(b) Fair value changes on equity investments through other comprehensive income		1.68	7.16
	Income-tax relating to above item		(0.24)	(1.02)
			1.44	**6.14**
	Other comprehensive income/ (loss) for the year, net of tax		**(27.94)**	**(73.19)**
IX	**Total comprehensive income/ (loss) for the year (VII+VIII)**		**(1,432.68)**	**5,286.22**
X	Earnings per equity share (Face value of INR 10 each)	37		
	Basic (in INR)		(18.63)	71.07
	Diluted (in INR)		(18.63)	71.07
	Summary of material accounting policies	3		
	See accompanying notes to the standalone financial statements			

As per our Report of even date attached

for **B S R and Co**
Chartered Accountants
ICAI Firm Registration Number: 128510W

Sulabh Kumar Kedia
Partner
Membership No.: 066380
Place: Mumbai
Date: 12 May 2026

for and on behalf of the Board of Directors of
BirlaNu Limited (formerly HIL Limited)
CIN No.: L74999TG1955PLC000656

CK Birla
Chairman
DIN: 00118473
Place: New Delhi

Akshat Seth
Managing Director and
Chief Executive Officer
DIN: 10039820
Place: New Delhi

Ajay Kapadia
Chief Financial Officer
Membership No.: 108447
Place: New Delhi
Date: 12 May 2026

Nidhi Bisaria
Company Secretary
Membership No.: F5634
Place: New Delhi

Standalone Statement of Cash Flows

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

	Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
A	**Cash flows from operating activities**		
	Profit/ (loss) for the year (before tax)	(1,264.19)	6,456.11
	Adjustments for:		
	Depreciation and amortisation expense	8,753.04	8,519.17
	Rental income from investment property	(525.63)	(565.24)
	Provision for impairment of receivables, advances and other assets, net	707.80	322.98
	Impairment loss on assets held for sale	112.03	-
	Liabilities no longer required written back	(125.65)	(136.85)
	Net (gain)/ loss on sale of property, plant and equipment	-	294.33
	Unrealised foreign exchange fluctuations, net	(2,666.72)	(258.60)
	Provision for diminution in value of investments	7,420.00	-
	Gain on sale of non-current assets held for sale	(4,669.73)	(8,189.41)
	Change in fair value of financial assets measured at FVTPL, net	1,702.62	728.60
	Gain on sale of current investments net	(12.05)	(17.84)
	Employee share based payment expense / (reversal)	(2.93)	332.78
	Finance costs	3,607.63	3,678.71
	Commission on corporate guarantee given for subsidiary	(185.03)	(144.98)
	Interest income on financial assets	(109.83)	(99.75)
	Interest income from loan to subsidiary	(1,362.83)	(1,093.40)
	Interest income on tax refunds	(103.79)	(3.73)
	Government grant	-	(28.18)
	Dividend income on equity securities	(2,175.40)	(0.38)
	Operating profit before working capital adjustments	**9,099.34**	**9,794.32**
	Working capital adjustments:		
	Decrease in inventories	3,508.20	1,840.16
	Increase in trade receivables	(318.11)	(3,434.95)
	Decrease in other financial assets	39.30	500.77
	Decrease / (Increase) in other assets	593.00	(1,986.31)
	Increase / (Decrease) in trade payables	13.78	(303.94)
	Increase in other financial liabilities	1,920.07	55.77
	Increase/ (Decrease) in provisions	401.05	(476.75)
	Increase in other liabilities	15.04	413.22
	Cash generated from operating activities	**15,271.67**	**6,402.29**
	Income-tax paid (net of refund)	(886.88)	(1,605.97)
	Net cash from operating activities (A)	**14,384.79**	**4,796.32**
B	**Cash flows from investing activities**		
	Acquisition of property, plant and equipment	(8,149.42)	(9,258.16)
	Proceeds from sale of property, plant and equipment	4,702.14	7,534.42
	Advance for sale of non-current asset held for sale	11.00	87.00
	Acquisition of business	(11,372.57)	(11,052.10)
	Proceeds from sale of mutual funds	8,811.61	31,896.14
	Purchase of mutual funds	(8,799.56)	(21,648.92)
	Commission on corporate guarantee given for subsidiary	229.00	104.68
	Interest received	1,386.03	2,750.96
	Dividend received	2,175.40	0.38
	Bank balances not considered as cash and cash equivalents (net)	(75.03)	(617.37)
	Loans given to subsidiary	-	(2,788.43)
	Rent received from long-term investment in properties	525.63	565.24
	Net cash used in investing activities (B)	**(10,555.77)**	**(2,426.16)**
C	**Cash flows from financing activities***		
	Repayment of long-term borrowings	(3,188.50)	(10,647.92)
	Receipts of long-term borrowings	12,138.17	6,010.50
	Receipts/(repayment) of short-term borrowings (net)	(5,859.56)	1,630.77
	Interest on lease liabilities	(187.99)	(172.68)
	Repayment of lease liabilities	(501.02)	(586.78)
	Finance costs	(3,417.87)	(3,465.30)
	Dividend paid on equity shares	(2,265.28)	(1,699.71)

Standalone Statement of Cash Flows

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
Net cash used in financing activities (C)	**(3,282.05)**	**(8,931.12)**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	**546.97**	**(6,560.96)**
Cash and cash equivalents at the beginning of the year	330.69	6,846.25
Cash and cash equivalents through acquisition	-	45.40
Cash and cash equivalents at the end of the year	**877.66**	**330.69**

* Changes in liabilities arising from financing activities:

Particulars	As at 01 April 2025	Cash flow changes	Non-cash changes	As at 31 March 2026
Long-term borrowings	11,682.23	8,949.67	-	20,631.90
Short-term borrowings	30,985.58	(5,859.56)	-	25,126.02
Lease liabilities	2,030.31	(689.01)	332.53	1,673.83

Particulars	As at 01 April 2024	Cash flow changes	Non-cash changes	As at 31 March 2025
Long-term borrowings	13,295.22	(1,653.59)	40.60	11,682.23
Short-term borrowings	18,014.69	13,026.04	(55.15)	30,985.58
Lease liabilities	514.49	(759.46)	2,275.28	2,030.31

Note:

a) The above standalone statement of cash flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.

b) Cash and cash equivalents comprises of:

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Balances with banks:		
- On current accounts	872.69	325.63
Cash on hand	4.97	5.06
Cash and cash equivalents as per balance sheet	**877.66**	**330.69**

Summary of material accounting policies (refer note 3)

See accompanying notes to the standalone financial statements

As per our Report of even date attached

for **B S R and Co**
Chartered Accountants
ICAI Firm Registration Number: 128510W

Sulabh Kumar Kedia
Partner
Membership No.: 066380
Place: Mumbai
Date: 12 May 2026

for and on behalf of the Board of Directors of
BirlaNu Limited (formerly HIL Limited)
CIN No.: L74999TG1955PLC000656

CK Birla
Chairman
DIN: 00118473
Place: New Delhi

Akshat Seth
Managing Director and
Chief Executive Officer
DIN: 10039820
Place: New Delhi

Ajay Kapadia
Chief Financial Officer
Membership No.: 108447
Place: New Delhi
Date: 12 May 2026

Nidhi Bisaria
Company Secretary
Membership No.: F5634
Place: New Delhi

Standalone Statement of Changes in Equity

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

a. Equity share capital

Particulars	Balance at the beginning of the year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
Balance as at 31 March 2026	756.81	-	756.81	-	756.81
Balance as at 31 March 2025	756.81	-	756.81	-	756.81

b. Other equity

Particulars	Reserves and surplus					Items of OCI	Total
	Retained earnings	Securities premium	General reserve	Capital redemption reserve	Shares options outstanding account	Equity investments through OCI	
Balance at 01 April 2024	72,163.68	1,649.96	44,100.00	35.00	345.92	24.88	1,18,319.44
Total comprehensive income for the year ended 31 March 2024							
Profit for the year	5,359.41	-	-	-	-	-	5,359.41
Share based payment, net of reversal	-	-	-	-	332.78	-	332.78
Other comprehensive income/ (loss) (net of tax)	(79.33)	-	-	-	-	6.14	(73.19)
Total comprehensive income	5,280.08	-	-	-	332.78	6.14	5,619.00
Transactions with owners- Dividend	(1,696.70)	-	-	-	-	-	(1,696.70)
Balance at 31 March 2025	75,747.06	1,649.96	44,100.00	35.00	678.70	31.02	1,22,241.74
Balance at 01 April 2025	75,747.06	1,649.96	44,100.00	35.00	678.70	31.02	1,22,241.74
Total comprehensive income for the year ended 31 March 2025							
Profit/ (loss) for the year	(1,404.74)	-	-	-	-	-	(1,404.74)
Share based payment, net of reversal	-	-	-	-	(2.93)	-	(2.93)
Other comprehensive income/ (loss) (net of tax)	(29.38)	-	-	-	-	1.44	(27.94)
Total comprehensive income	(1,434.12)	-	-	-	(2.93)	1.44	(1,435.61)
Transactions with owners- Dividend	(2,262.27)	-	-	-	-	-	(2,262.27)
Balance at 31 March 2026	72,050.67	1,649.96	44,100.00	35.00	675.77	32.46	1,18,543.86

As per our Report of even date attached

for **B S R and Co**
Chartered Accountants
ICAI Firm Registration Number: 128510W

Sulabh Kumar Kedia
Partner
Membership No.: 066380
Place: Mumbai
Date: 12 May 2026

for and on behalf of the Board of Directors of
BirlaNu Limited (formerly HIL Limited)
CIN No.: L74999TG1955PLC000656

CK Birla
Chairman
DIN: 00118473
Place: New Delhi

Akshat Seth
Managing Director and
Chief Executive Officer
DIN: 10039820
Place: New Delhi

Ajay Kapadia
Chief Financial Officer
Membership No.: 108447
Place: New Delhi
Date: 12 May 2026

Nidhi Bisaria
Company Secretary
Membership No.: F5634
Place: New Delhi

Notes to the Standalone Financial Statements

for the year ended 31 March 2026
(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

1 Corporate information

BirlaNu Limited (formerly HIL Limited) ('the Company' or 'the Holding Company') is a Company domiciled in India, with its registered office situated at Level 7, SLN Terminus, Gachibowli, Hyderabad -500032, Telangana. The Company has been incorporated as a public limited company under the provisions of Companies Act, 2013 and its equity shares are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited in India.

The Company operations are broadly classified into Roofs, Walls, Pipes & Construction Chemicals and Others.

Roofs consists of manufacturing, selling and distribution of Fiber Cement Sheets, Colored Steel Sheets and Cement based Non-Asbestos Corrugated Sheets with manufacturing facilities located at Faridabad, Jasidih, Kondapalli, Wada, Sathariya and Balasore.

Walls broadly classifies into Wet-Walling Solutions and Dry-Walling Solutions, which includes manufacturing and distribution of Fly Ash Blocks, Smart Fix, Smart Bond, Panels and Boards with manufacturing facilities located at Hyderabad, Thimmapur, Faridabad, Chennai, Golan, Jhajjar, Balasore and Cuttack.

Pipes & Construction Chemicals consists of UpVC, CpVC, SWR Pipes & Fittings and Wall Putty with manufacturing facilities located at Faridabad, Thimmapur, Golan, Jhajjar and Patna.

It includes the trading of Construction Chemicals consisting of Ready-mix Plasters, Primers, Block Joining Mortars and Tile Adhesives.

During the current year, through Composite Scheme of Merger Crestia Polytech Private Limited, Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited, Prabhu Sainath Polymers Private Limited, and Topline Industries Private Limited are amalgamated into BirlaNu Limited. These companies are engaged in the business of manufacturing and trading of various types of pipes and fittings, water storage injections, molding items etc., which are classified under Pipes & Construction chemical.

Others includes Material Handling and Processing related to plant and equipment with manufacturing facilities at Hyderabad, and revenue generated through Wind Turbine Generators situated in Gujarat, Tamil Nadu and Rajasthan.

2 Basis of preparation

A. Statement of compliance

a) These standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provision of the Act on an accrual basis and going concern except for certain financial instruments which are measured at fair values, notified under the Act and Rules prescribed thereunder.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

b) The standalone financial statements were authorised for issue by the Company's Board of Directors on 12 May 2026.

c) Details of the Company's accounting policies are included in note 3.

B. Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts presented in Indian Rupees have been rounded-off to two decimal places to the nearest Lakhs except share data or as otherwise stated.

C. Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

Items	Measurement basis
- Certain financial assets and liabilities (including derivative instruments)	Fair value
- Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations
- Leases	Lease liability is measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

2 Basis of preparation (Contd..)

Items	Measurement basis
	Right-to-use asset has been measured as an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. Practical expedient on transition to exclude initial direct costs from ROU asset measurement is considered.
- Non-current assets held for sale	The assets classified as held for sale are measured at lower of carrying amounts and fair value less costs to sell at the time of classification.

Further, Net identifiable assets, goodwill and other intangibles recognised on business acquisition are measured at fair values on the date of business acquisition

D. Use of estimates and judgment

In preparing these standalone financial statements, Management has made judgements, estimates and assumptions that affect the application of Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- Note 50 – leases: whether an arrangement contains a lease;
- Note 50 – lease term: Whether the Company is reasonably certain to excise extension options.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Note 06 – impairment test of goodwill: key assumptions used in recoverable amount;
- Note 07 – impairment test of investments: key assumptions used in recoverable amount;
- Note 10 – impairment test of financial assets.
- Note 11 – impairment test of other assets;
- Note 21 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 33 – fair value consideration transferred on business acquisition and fair value of net identifiable assets on acquisition date;
- Note 34 - recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized;
- Note 36 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 55 – measurement of ECL allowance for trade receivables and finance receivables, loans and contract assets;

E. Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy

2 Basis of preparation (Contd..)

as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 05 – investment property;
- Note 42 – share based payment arrangements;
- Note 55 – financial instruments;
- Note 33 – business acquisition;
- Note 36 – Fair value of planned assets.
- Note 55 – Fair value of non-current assets held for sale.

F. Current/ Non-current classification

The Company classifies an asset as current asset when:

(a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

(b) it holds the asset primarily for the purpose of trading;

(c) it expects to realise the asset within twelve months after the reporting period; or

(d) the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

(a) it expects to settle the liability in its normal operating cycle;

(b) it holds the liability primarily for the purpose of trading;

(c) the liability is due to be settled within twelve months after the reporting period; or

(d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

3 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these standalone financial statements unless otherwise indicated.

a. Foreign currency transactions

Transactions in foreign currencies are translated into functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

- foreign currency monetary items are translated in the functional currency at the exchange rate at the reporting date.
- non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.
- non-monetary assets and liabilities denominated in a foreign currency that are measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.
- exchange differences are recognised in profit or loss in the period in which they arise, except exchange differences arising from the translation of the following items which are recognised in other comprehensive income (OCI).
- An investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss).

b. Financial instruments

i. *Recognition and initial measurement*

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

At the time of initial recognition, these financial assets (unless it is a trade receivable without a significant financing component) or financial liabilities are measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

3 Material accounting policies (Contd..)

b. Financial instruments (Contd..)

i. *Recognition and initial measurement (Contd..)*

A trade receivable without a significant financing component is initially measured at transaction price.

ii. *Classification and subsequent measurement*

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- fair value through other comprehensive income (FVOCI) - equity investment; or
- fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets in which case all affected financial assets are re-classified on first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Contract liabilities against payment have been considered as other financial liabilities. Any gain or loss on derecognition is also recognised in profit or loss.

3 Material accounting policies (Contd..)

b. Financial instruments (Contd..)

iii. *Derecognition*

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. *Offsetting*

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

v. *Derivative financial instruments*

The Company holds derivative financial instruments to hedge its foreign currency. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. Changes in the fair value of any derivative instrument are recognised immediately in the profit or loss and are included in other income or expenses.

c. Property, plant and equipment and capital work-in-progress

i. *Recognition and measurement*

Property, plant and equipment

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if 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.

Items of property, plant and equipment including capital work-in-progress are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price (after deducting trade discounts and rebates), including import duties and non-refundable purchase taxes if any, all costs directly attributable to bringing the item to its working condition, for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Freehold land is carried at historical cost less any accumulated impairment losses.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Capital work-in-progress

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at

3 Material accounting policies (Contd..)

c. Property, plant and equipment and capital work-in-progress (Contd..)

i. *Recognition and measurement (Contd..)*

each balance sheet date are disclosed as other non-current assets.

ii. *Subsequent expenditure*

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

iii. *Depreciation*

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the profit or loss.

Freehold land is not depreciated. Leasehold land and Leasehold improvements are depreciated over the period of the lease.

The estimated useful lives of items of property, plant and equipment are estimated by the management, which are equal to the life prescribed under the Schedule II of the Act, except for following assets mentioned below which are based on technical evaluation and past experience:

Plant and machinery: 19 years for continuous processing plants (CPP) as against 15 years

Certain moulds and dies: 6 / 9 years as against 8 years

Wind power generation plant: 25 years as against 22 years

The estimated useful lives of items of property, plant and equipment acquired in business combination have been considered at the remaining useful life on acquisition date (as per books of account of the acquiree).

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions / (disposals) is provided on a pro-rata basis i.e. from / (upto) the date on which asset is ready for use / (disposed off).

d. Goodwill and other intangible assets

i. *Recognition and measurement*

Goodwill

Acquisition method as per Ind AS 103 ‘Business Combinations’ is used for valuation of goodwill arising on business acquisition see note 3(v). Subsequent to initial recognition, goodwill is measured at cost, less accumulated impairment losses (see note 3(g) (ii)), if any.

Service concession arrangements

The Company recognises an intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. The fair value, at the time of initial recognition of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Subsequent to initial recognition the intangible asset is measured at cost, less any accumulated amortisation and accumulated impairment losses, if any.

Other intangible assets

Other intangible assets including acquisitions by the Company in a business combination (see note 3 (v)) are initially measured at cost if it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Such intangible assets with definite lives, are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Goodwill and intangible assets with indefinite life are not amortized but tested for impairment annually, or more frequently when there is an indication that the value of cash generating unit to which these assets have been allocated, may be impaired.

ii. *Subsequent expenditure*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iii. *Amortisation*

Goodwill and other intangible assets with indefinite lives are not subject to amortisation as per Ind AS 103 and is tested for impairment annually, or more frequently

3 Material accounting policies (Contd..)

d. Goodwill and other intangible assets (Contd..)

iii. *Amortisation (Contd..)*

when there is an indication that the value of cash-generating unit to which these assets have been allocated, may be impaired.

For other intangible assets, amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in profit or loss.

The estimated useful lives are as follows:

Assets	Years
- Service concession arrangement	25
- Computer software	5
- Brand	5
- Non-compete	5

The estimated useful life of an intangible asset in a service concession arrangement is the period from when the Company is able to charge the public for the use of the infrastructure to the end of the concession period.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

e. Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation on investment property other than perpetual leasehold land is calculated on a straight-line basis based on the useful life estimated by the management, which is equal to life prescribed in Schedule II of the Act.

Investment property is derecognised either when it has been disposed off or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. On disposal of investment property, the difference between its carrying amount and net disposal proceeds is charged or credited to the profit or loss.

Transfers to (or from) investment property are made only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

The fair values of investment property is disclosed in the notes. Fair values is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

f. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined on a moving weighted average basis, and includes expenditure in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads on normal operating capacity. In the case of raw materials, stores and spares and stock-in-trade, cost comprises of cost of purchase.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated selling expenses necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. Further, goods in transit are accounted at cost.

The comparison of cost and net realisable value is made on an item-by-item basis.

g. Impairment

i. *Impairment of financial assets*

The Company recognises loss allowances for expected credit losses on:

3 Material accounting policies (Contd..)

g. Impairment (Contd..)

i. *Impairment of financial assets (Contd..)*

- financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables, loans, contract assets are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

The Company's investments are reviewed to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, investments that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

3 Material accounting policies (Contd..)

g. Impairment (Contd..)

i. *Impairment of financial assets (Contd..)*

An impairment loss is recognised if the carrying amount of an invesment or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the profit or loss. In respect of the impairment loss that has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss has been recognised.

ii. *Impairment of non-financial assets*

The Company's non-financial assets, other than inventories and deferred tax assets, investment property are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the profit or loss. They are allocated first to reduce the carrying value of goodwill allocated to the CGU and then to reduce the carrying amount of other assets in the CGU or prorata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

h. Employee benefits

i. *Short-term employee benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed during the period as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. *Share-based payment arrangements*

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in 'Share options outstanding account' reserves in equity, over the period in which the performance and / or service conditions are fulfilled in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. Incase of cancellation of options granted before the completion of vesting period the cost is reversed in the statement of profit and loss.

iii. *Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

3 Material accounting policies (Contd..)

h. Employee benefits (Contd..)

iii. *Defined contribution plans (Contd..)*

Company providing retirement benefit in the form of provident fund and superannuation fund is a defined contribution scheme. The contributions payable to the provident fund and superannuation fund are recognised as expenses, when an employee renders the related services. The Company has no obligation, other than the contribution payable to the funds.

iv. *Defined benefit plans*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company has created an approved gratuity fund, which has taken a group gratuity cum insurance policy with Life Insurance Corporation of India (LIC), for future payment of gratuity to the employees. The Company accounts for gratuity liability of its employees including contract workers on the basis of actuarial valuation carried out at the year end by an independent actuary. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Discount rate is determined by reference to market yields government bonds, at the end of the reporting period. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

v. *Compensated absences*

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the related benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. Such entitlement is discounted to determine its present value. The obligation is measured annually by a qualified actuary on the basis of actuarial valuation using the projected unit credit method. Remeasurements are recognised in profit or loss in the period in which they arise. The obligations are presented as current liabilities in the balance sheet if the Company does not have the right at the end of the reporting period to defer the settlement for at least twelve months after the reporting date.

vi. *Other long-term employee benefits*

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method.

3 Material accounting policies (Contd..)

h. Employee benefits (Contd..)

vi. *Other long-term employee benefits (Contd..)*

Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

i. Revenue

Revenue from contract with customers

The Company generates revenue from its ordinary activities i.e., from sale of goods and services. A contract in this context shall fulfill all of the following conditions:

- Both the parties to the contract agree on the contract terms.
- Performance obligations of each of the parties is identifiable and there exists a commitment to perform their respective obligations; and
- The commercial substance or the purchase consideration is measurable and the collectability is probable.

Disaggregation of revenue

The Company disaggregates revenue from contracts with customers by the nature of sale i.e. manufactured and traded goods, solutions i.e. roofs, walls, pipes & construction chemicals and others and geographic market. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of Company's revenues and cash flows are affected by industry, market and other economic factors.

Contract balances

The Company classifies the right to consideration in exchange for sale of goods as trade receivables, advance consideration as contract liability against payment and unredeemable customer loyalty points as contract liability against performance obligation.

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration adjusted with discounts and incentives, if any, as specified in the contracts with customers. Revenue is recognised to the extent of fulfillment of each of the performance obligations to the contract. The Company recognises revenue when it transfers control over the goods or services to the customers. The following details provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers including significant payment terms and the related revenue recognition policies.

a. ***Sale of products***

(i) Nature and timing of satisfaction of performance obligations, including significant payment terms: The timing of transfer of control is driven by the individual terms of contracts. Invoices are usually payable within agreed credit terms. For customer loyalty programme refer note (b) below.

(ii) Revenue is recognised when a customer obtains control of the goods which is driven by the individual terms of contracts. For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

b. ***Customer loyalty programmes***

(i) Nature and timing of satisfaction of performance obligations including significant payment terms: Customers who purchases products may enter into Company's customer loyalty programme and earn credits. These credits are redeemed against the awards as per the terms of the programme.

(ii) The Company allocates a portion of the consideration received to loyalty credits. This allocation is based on the relative stand-alone selling prices. The amount allocated to the loyalty programme is deferred, and is recognised as revenue when loyalty points are redeemed or the likelihood of the customer redeeming the loyalty points becomes remote. The deferred revenue is included in contract liability against performance obligation.

c. ***Sale of services***

Revenue from sale of services/ service concession agreement (i.e., spply of electricity) is recognised at the point in time when electricity is supplied to the customer when it is measurable and it is probable that future economic benefits will flow to the entity in accordance with tariff provided in power purchase agreement.

3 Material accounting policies (Contd..)

j. Recognition of dividend income, interest income or expense, rental Income

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Rental income from investment property is recognised as part of other income in the Statement of profit or loss on a straight-line basis over the term of the lease.

k. Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant; they are then recognised in profit or loss as other income on a systematic basis.

l. Leases

i. *Leases as lessee*

As a lessee, the Company recognises right-of-use assets and lease liabilities for most leases – i.e. these leases are on-balance sheet. The Company decided to apply recognition exemptions to short-term leases.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in Ind AS 116. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right of use asset reflects that the Company will exercise the purchase option. In that case, estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certian adjustments to reflect the terms of the lease and type of asset lease. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change

3 Material accounting policies (Contd..)

l. Leases (Contd..)

i. *Leases as lessee (Contd..)*

in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments included in the measurement of the lease liability comprise:

a. Fixed payments including in-substance fixed payments

b. Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date

c. Amounts expected to be payable under a residual value guarantee

d. The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with the leases as an expense in the profit and loss on a straight line basis over lease term.

The Company presents right-of-use assets that do not meet the definition of Investment Property in 'Property, plant and equipment' and lease liabilities in 'Financial liabilities' in the Balance sheet.

ii. *Leases as lessor*

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

m. Income-tax

Income-tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or item recognised directly in equity or in other comprehensive income. The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

i. *Current tax*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted at the reporting date.

3 Material accounting policies (Contd..)

m. Income-tax (Contd..)

i. *Current tax (Contd..)*

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. *Deferred tax*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Current tax and deferred tax impact arising on account of merger is accounted for in the period in which the approval for scheme of merger/amalgamation is received.

n. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

o. Provision, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance costs. Expected future operating losses are not provided for.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

3 Material accounting policies (Contd..)

o. Provision, contingent liabilities and contingent assets (Contd..)

Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract which is determined based on the incremental cost of fulfilling the obligation under the contract and an allocation of other cost directly related to fulfilling the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events, the occurrence or non-occurrence of which is dependent on the happening of one or more uncertain future events not wholly within the control of the entity; or a present obligation arising from past events with no probability of future outflow of economic benefits or the outflow cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, Contingent liabilities and Contingent assets are reviewed at each reporting date.

p. Earnings per share (“EPS”)

Basic earnings per share is computed by dividing the net profit (or loss) attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit (considered in determination of basic earnings per share) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

q. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit / (loss) 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 and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

r. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

s. Non-current assets held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held for sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated. These assets are classified seperately from the other assets / liabilities in the balance sheet.

t. Investments in subsidiaries and joint ventures

Investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the profit or loss.

3 Material accounting policies (Contd..)

u. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

v. Business Combinations

(i) *Other than common control Business Combination*

In accordance with Ind AS 103, Business Combination, the Company accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Company. In determining whether a particular set of activities and assets is a business, the Company assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment (see note 3(g) (ii)). Any gain on a bargain purchase is recognised in other comprehensive income ("OCI") and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities. Items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries are combined like to like basis.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in the statement of profit and loss.

(ii) *Common control Business Combination*

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where that control is not transitory are accounted for as per the pooling of interest method. The business combination is accounted for as if the business combination had occurred at the beginning of the earliest comparative period presented or,if later, at the date that common control was established; for this purpose, comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved, and they appear in the financial statements of the Company in the same form in which they appeared in the consolidated financial statements of the Group. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

w. Recent pronouncements

Standards/ Specific amendments issued but not yet effective:

Key requirements

For accounting periods beginning on or after 1 April 2026, when an entity breaches any covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach. An entity classifies the liability as current because, at the end of the reporting period, it does not have the right to defer its settlement for at least 12 months after that date. However, an entity classifies the liability as non-current if the lender agreed by the end of the reporting period to provide a period of grace ending at least 12 months after the reporting period, within which the entity can rectify the breach and during which the lender cannot demand immediate repayment.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, ounting Estimates and Errors.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

4. Property, plant and equipment

Particulars	Freehold land (refer note (a) below)	Leasehold land	Buildings	Railway sidings	Plant and equipment (refer note (b) below)	Furniture and fittings	Office equipment	Vehicles	Right of use assets (refer note (e) below)	Total	Capital work-in-progress (refer note (f) below)
A. Cost or Deemed cost (Gross carrying amount)											
As at 01 April 2024	3,418.59	75.43	20,944.81	0.63	67,667.64	830.20	719.84	299.01	2,714.48	96,670.63	3,626.87
Acquisitions through business combination (refer note 56)	464.00	-	3,631.21	-	9,837.49	8.00	37.00	96.00	1,143.92	15,217.62	-
Additions	-	-	2,383.97	-	4,389.73	284.00	90.93	9.51	1,755.54	8,913.68	8,746.57
Disposals	(6.74)	-	(10.12)	-	(1,331.79)	(20.62)	(13.10)	(1.28)	(583.19)	(1,966.84)	-
Transfers to Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	(6,894.33)
Reclassification to non-current assets held for sale	(24.30)	-	(44.36)	-	-	-	-	-	-	(68.66)	-
As at 31 March 2025	3,851.55	75.43	26,905.51	0.63	80,563.07	1,101.58	834.67	403.24	5,030.75	1,18,766.43	5,479.11
As at 01 April 2025	3,851.55	75.43	26,905.51	0.63	80,563.07	1,101.58	834.67	403.24	5,030.75	1,18,766.43	5,479.11
Additions	-	-	2,475.36	-	6,300.13	26.57	58.46	-	727.40	9,587.92	7,729.26
Disposals	-	-	(33.59)	-	(389.00)	(28.14)	(6.32)	(4.20)	(451.27)	(912.52)	-
Transfers to Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	(9,397.55)
Reclassification to non-current assets held for sale	(38.73)	-	(1,602.22)	-	-	-	-	-	(3.86)	(1,644.81)	-
As at 31 March 2026	3,812.82	75.43	27,745.06	0.63	86,474.20	1,100.01	886.81	399.04	5,303.02	1,25,797.02	3,810.82
B. Accumulated depreciation											
As at 01 April 2024	-	75.43	4,867.98	0.51	27,229.39	540.31	525.30	166.47	810.34	34,215.73	-
For the year ended 31 March 2025	-	-	1,015.30	-	5,776.34	67.79	89.99	60.48	521.61	7,531.51	-
Disposals	-	-	(1.63)	-	(899.57)	(14.82)	(12.48)	(0.43)	(547.11)	(1,476.04)	-
Reclassification to non-current assets held for sale	-	-	(12.68)	-	-	-	-	-	-	(12.68)	-
As at 31 March 2025	-	75.43	5,868.97	0.51	32,106.16	593.28	602.81	226.52	784.84	40,258.52	-
As at 01 April 2025	-	75.43	5,868.97	0.51	32,106.16	593.28	602.81	226.52	784.84	40,258.52	-
For the year ended 31 March 2026	-	-	1,125.37	-	6,010.90	71.54	75.50	54.13	601.39	7,938.83	-
Disposals	-	-	(31.97)	-	(359.33)	(6.90)	(5.65)	(2.76)	(127.08)	(533.69)	-

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

4. Property, plant and equipment (Contd..)

Particulars	Freehold land (refer note (a) below)	Leasehold land	Buildings	Railway sidings	Plant and equipment (refer note (b) below)	Furniture and fittings	Office equipment	Vehicles	Right of use assets (refer note (e) below)	Total	Capital work-in-progress (refer note (f) below)
Reclassification to non-current assets held for sale	-	-	(305.36)	-	-	-	-	-	(0.27)	(305.63)	-
As at 31 March 2026	**-**	**75.43**	**6,657.01**	**0.51**	**37,757.73**	**657.92**	**672.66**	**277.89**	**1,258.88**	**47,358.03**	**-**
C. Net carrying amounts (A-B)											
As at 31 March 2025	3,851.55	-	21,036.54	0.12	48,456.91	508.30	231.86	176.72	4,245.91	78,507.91	5,479.11
As at 31 March 2026	**3,812.82**	**-**	**21,088.05**	**0.12**	**48,716.47**	**442.09**	**214.15**	**121.15**	**4,044.14**	**78,438.99**	**3,810.82**

Note:

a) Title deeds of immovable properties not held in the name of the Company :

Description of item of property	Gross carrying value	Title deeds held in the name of company	Whether title deed holder is a promoter, director or their relative or their employee	Property held since which date	Reason for not being held in the name of the Company
Freehold Land	1.27	Faridabad Complex Administration (now known as Municipal Corporation of Faridabad)	No	1964	Pending settlement of dispute regarding external development charges with Haryana Urban Development Authority, Faridabad.
Freehold land	464.00	Aditya Polytechnic Private Limited	No	2026	Transferred to BirlaNu Limited pursuant to the Merger of Crestia group entities with NCLT order dated 10 March 2026. The management is in the process of transferring these in the name of the Company.
Building	1,220.96	Aditya Polytechnic Private Limited	No	2026	
Building	219.67	Aditya Poly Industries Private Limited	No	2026	
Building	1,321.93	Crestia Polytech Private Limited	No	2026	
Building	580.96	Prabhu Sainath Polymers Private Limited	No	2026	
Building	120.92	Topline Industries Private Limited	No	2026	
ROU	367.68	Crestia Polytech Private Limited	No	2026	
ROU	104.49	Prabhu Sainath Polymers Private Limited	No	2026	
ROU	385.22	Bihar Industrial Area Development Authority	No	2026	

The Company has changed its name on 19 March 2025 and all the immovable properties/right of use assets prior to the change in name is held in the erstwhile names of the Company

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

4. Property, plant and equipment (Contd..)

b) Refer note 46 for details of assets purchased for Research and Development.

c) Refer note 17 for details of assets pledged against borrowings.

d) The Company has not revalued any property, plant and equipment after initial recognition, during the year ended 31 March 2026 and 31 March 2025.

e) Right of use assets comprise of the following assets:

Particulars	Buildings	Land	Plant & Equipment	Total
A. Cost or Deemed cost (Gross carrying amount)				
As at 01 April 2024	893.86	1,820.62	-	2,714.48
Acquisitions through business combination (refer note 56)	20.06	1,123.86	-	1,143.92
Additions	1,188.30	567.24	-	1,755.54
Disposals	(583.19)	-	-	(583.19)
As at 31 March 2025	**1,519.03**	**3,511.72**	**-**	**5,030.75**
As at 01 April 2025	1,519.03	3,511.72	-	5,030.75
Additions	226.53	230.09	270.78	727.40
Disposals	(442.97)	(8.30)	-	(451.27)
Reclassification to assets held for sale	-	(3.86)	-	(3.86)
As at 31 March 2026	**1,302.59**	**3,729.65**	**270.78**	**5,303.02**
B. Accumulated depreciation				
As at 01 April 2024	679.30	131.04	-	810.34
For the year ended 31 March 2025	418.51	103.10	-	521.61
Disposals	(547.11)	-	-	(547.11)
As at 31 March 2025	**550.70**	**234.14**	**-**	**784.84**
As at 01 April 2025	550.70	234.14	-	784.84
For the year ended 31 March 2026	402.55	134.85	63.99	601.39
Disposals	(127.08)	-	-	(127.08)
Reclassification to assets held for sale	-	(0.27)	-	(0.27)
As at 31 March 2026	**826.17**	**368.72**	**63.99**	**1,258.88**
C. Net carrying amounts (A-B)				
As at 31 March 2025	968.33	3,277.58	-	4,245.91
As at 31 March 2026	**476.42**	**3,360.93**	**206.79**	**4,044.14**

f) Ageing details of capital work-in-progress (CWIP) is as below*

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,779.47	29.41	1.94	-	3,810.82
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2026	**3,779.47**	**29.41**	**1.94**	**-**	**3,810.82**
Projects in progress	4,985.70	478.68	14.73	-	5,479.11
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2025	**4,985.70**	**478.68**	**14.73**	**-**	**5,479.11**

*It includes projects whose completion is overdue or has exceeded its cost compared to its original plan. Following is the completion schedule of such projects:

CWIP Projects in progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Others	120.42	-	-	-	120.42
As at 31 March 2026	**120.42**	**-**	**-**	**-**	**120.42**
Blocks packing automation	108.17	-	-	-	108.17
Others	191.05	-	-	-	191.05
As at 31 March 2025	**299.22**	**-**	**-**	**-**	**299.22**

4. Property, plant and equipment (Contd..)

No projects have been temporarily suspended as at 31 March 2026 and 31 March 2025.

CWIP includes total interest expense capitalised during the year amounting to INR 28.63 lakhs (31 March 2025: INR 96.72 lakhs).

5. Investment property

A. Reconciliation of carrying amount

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Cost or Deemed cost (Gross carrying amount) (a)		
Opening balance	2,204.89	2,204.89
Reclassification to non-current assets held for sale	(1,537.53)	-
Closing balance	**667.36**	**2,204.89**
Accumulated depreciation (b)		
Opening balance	323.91	293.54
Depreciation for the year	27.07	30.37
Reclassification to non-current assets held for sale	(287.11)	-
Closing balance	**63.87**	**323.91**
Net carrying amounts (a-b)	**603.49**	**1,880.98**
Fair value	**5,960.00**	**8,229.00**

B. Amounts recognised in profit or loss:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Rental income derived from investment properties (refer note 24)	525.63	565.24
Direct operating expenses (including repairs and maintenance)	-	-
Profit arising from investment properties before depreciation and indirect expenses	**525.63**	**565.24**
Less: Depreciation	27.07	30.37
Profit arising from investment properties before indirect expenses	498.56	534.87

C. Measurement of fair values

(i) Fair valuation hierarchy

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The valuer is a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

The fair value measurement for all of the investment property has been categorised as a level 3 fair value based on the inputs to the valuation technique used (see note 2(E)).

(ii) Valuation technique

Discounted cash flows method and Market comparable method have been used for valuation. The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth rate, vacant periods, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants, if any. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms.

D. Investment property comprises of the following:

(i) The Company along with other co-owners, has developed a plot of land at 25 Barakhamba Road, New Delhi, where the Company's share is 15%. The registration of the said plot of the value of INR 427.60 Lakhs (31 March 2025: INR 427.60 Lakhs) in the name of the Company is pending. Refer details below:

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

5. Investment property (Contd..)

Title deeds not held in the name of the Company:

Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or their relative or their employee	Property held since which date	Reason for not being held in the name of the Company
Land as at 31 March 2026 and 31 March 2025	427.60	The Embassy of Union of Soviet Socialist Republics	No	1989	The process of transfer of property in the name of the Company, is in progress.

(ii) The Company has given the investment properties located in New Delhi on operating lease to some parties. Certain lease agreements are cancellable and some are non-cancellable in nature. There are no contingent rents in the lease agreements. The lease terms are mainly for 3 to 5 years and are renewable at the option of the lessee. There are no restrictions imposed by lease agreements on realisability of the investment property. Although there are sub-lease rights given to the lessees, there are no sub-leases as on the reporting date. During the current year, property at Hyderabad have been classified as asset held for sale.

E. Refer note 44 for details of future minimum lease receipts.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

6. Goodwill and Other intangible assets

Particulars	Goodwill	Other intangible assets						Intangible assets under development (refer note (a) below)
		Softwares	Brand	Non-compete fee	Distribution Network	Service concession arrangements	Total	
Reconciliation of carrying amount								
A. Cost or Deemed cost (Gross carrying amount)								
As at 01 April 2024	747.25	2,167.65	157.76	27.35	-	1,997.94	4,350.70	518.51
Acquisitions through business combination (refer note 56)	8,323.79	0.22	1,550.00	430.00	950.00	-	2,930.22	-
Additions	-	255.75	-	-	-	-	255.75	-
Disposals	-	(1,002.07)	-	-	-	-	(1,002.07)	(129.63)
Transfers to Intangible assets	-	-	-	-	-	-	-	(236.40)
As at 31 March 2025	**9,071.04**	**1,421.55**	**1,707.76**	**457.35**	**950.00**	**1,997.94**	**6,534.60**	**152.48**
Balance at 01 April 2025	9,071.04	1,421.55	1,707.76	457.35	950.00	1,997.94	6,534.60	152.48
Additions	-	388.94	-	-	-	-	388.94	267.71
Disposals	-	(26.16)	-	-	-	-	(26.16)	-
Transfers to Intangible assets	-	-	-	-	-	-	-	(388.61)
Reclassification to non-current assets held for sale	-	-	-	-	-	(1,144.00)	(1,144.00)	-
As at 31 March 2026	**9,071.04**	**1,784.33**	**1,707.76**	**457.35**	**950.00**	**853.94**	**5,753.38**	**31.58**
B. Accumulated amortisation								
As at 01 April 2024	-	1,382.58	51.17	8.87	-	727.15	2,169.77	-
Amortisation for the year	-	453.24	134.88	91.47	190.00	87.70	957.29	-
Disposals	-	(923.22)	-	-	-	-	(923.22)	-
As at 31 March 2025	**-**	**912.60**	**186.05**	**100.34**	**190.00**	**814.85**	**2,203.84**	**-**
Balance at 01 April 2025	-	912.61	186.05	100.34	190.00	814.84	2,203.84	-
Amortisation for the year	-	295.50	134.88	91.47	190.00	75.29	787.14	-
Disposals	-	(26.17)	-	-	-	-	(26.17)	-
Reclassification to non-current assets held for sale	-	-	-	-	-	(523.32)	(523.32)	-
As at 31 March 2026	**-**	**1,181.94**	**320.93**	**191.81**	**380.00**	**366.81**	**2,441.49**	**-**
C. Net carrying amounts (A-B)								
As at 31 March 2025	9,071.04	508.95	1,521.71	357.01	760.00	1,183.09	4,330.76	152.48
As at 31 March 2026	**9,071.04**	**602.39**	**1,386.83**	**265.54**	**570.00**	**487.13**	**3,311.89**	**31.58**

6. Goodwill and Other intangible assets (Contd..)

Notes:

(a) Ageing details of intangible assets under development (IAUD) is as below*

Particulars	For intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	31.58	-	-	-	31.58
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2026	**31.58**	**-**	**-**	**-**	**31.58**
Projects in progress	127.91	16.73	7.84	-	152.48
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2025	**127.91**	**16.73**	**7.84**	**-**	**152.48**

*It includes projects whose completion is overdue or has exceeded its cost compared to its original plan. Following is the completion schedule of such projects:

Particulars	IAUD to be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Others	30.80	-	-	-	30.80
As at 31 March 2026	**30.80**	**-**	**-**	**-**	**30.80**
Others	20.67	-	-	-	20.67
As at 31 March 2025	**20.67**	**-**	**-**	**-**	**20.67**

No projects have been temporarily suspended as at 31 March 2026 and 31 March 2025.

(b) The Company has not revalued any intangible assets after initial recognition, during the year ended 31 March 2026 and 31 March 2025.

(c) Impairment

See accounting policy in note 3(g).

Impairment testing for cash generating unit containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Company's operating division which represents the lowest level within the Company at which goodwill is monitored for internal management purposes, not higher than the Company's operating segment. The goodwill acquired through business combination has been allocated to CGU "Cuttack unit" and Crestia Group which are part of the Walls and Pipes & Construction Chemicals segment of the Company, respectively. The carrying amount of goodwill as at 31 March 2026 is INR 747.25 Lakhs and INR 8,323.79 Lakhs, for Cuttack unit and Crestia group, respectively.

Following key assumptions were considered for goodwill valuation :

Particulars	For the year ended 31 March 2026		For the year ended 31 March 2025	
	Cuttack Unit	Crestia Group	Cuttack Unit	Crestia Group
Budgeted annual growth rate for 5 years (Average)	9.15%	34.50%	18.15%	38.00%
Terminal value growth rate	5.00%	5.00%	5.00%	5.00%
Budgeted EBITDA margins for 5 years (Average)	6.68%	6.52%	9.53%	6.38%
Weighted average cost of capital % (WACC) post tax	14.33%	16.50%	14.29%	16.20%

The cash flow projections include specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on the management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

Weighted average cost of capital % (WACC) = (We*Re)+(Wd*Rd)

Re = Risk free return + (market premium x beta for the Company)+ additional risk premium.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

6. Goodwill and Other intangible assets (Contd..)

Rd = Cost of debt *(1-tax rate)

We,Wd = Average debt to capital ratio

No impairment charges were recognised for the year ended 31 March 2026 and 31 March 2025. The Company has performed sensitivity analysis around the base assumptions and a reasonably possible change in key assumption would cause the Cuttack unit's carrying amount to exceed its recoverable amount as below:

Assumption	Change	Cuttack unit
		Increase / (Decrease)
Terminal growth rate	Decrease to 3% from 5%	(252.63)
WACC	Decrease by 0.5%	(162.15)
Revenue Growth rate	Decrease by 5%	(78.92)

7 Investments

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Non-current		
Interest in subsidiary		
Investment in equity instruments - unquoted- at cost less provision for other than temporary impairment		
BirlaNu International GmbH, Germany : 3,40,25,000 equity shares of Euro 1 each fully paid	27,346.24	27,346.24
(31 March 2025 : 3,40,25,000 equity shares of Euro 1 each fully paid)		
Clean Coats Private Limited : 1,67,300 equity shares of INR 10 each fully paid (refer note 33)	11,321.80	-
(31 March 2025 : Nil equity shares of INR 10 each fully paid)		
Less: Provision for investment in subsidiary (refer (a) below)	(7,420.00)	-
	31,248.04	27,346.24
Refer note 53(a) for details of subsidiary.		
Interest in joint venture		
Investment in equity instruments - unquoted - at cost less provision for other than temporary impairment		
Supercor Industries Limited, Nigeria: 41,25,000 equity shares of Naira 1 each fully paid	142.60	142.60
(31 March 2025 : 41,25,000 equity shares of Naira 1 each fully paid)		
Less: Provision for investment in joint venture	(142.60)	(142.60)
	-	-
Refer note 53(b) and 53(c) for details of joint venture.		
Investment in equity instruments - unquoted at FVOCI (refer note (b) below)		
Birla Buildings Limited - 5,000 equity shares of INR 10 each fully paid	42.57	40.89
(31 March 2025 : 5,000 equity shares of INR 10 each fully paid)		
	42.57	40.89
	31,290.61	27,387.13
Aggregate amount of unquoted non-current investments	38,853.21	27,529.73
Aggregate amount of provision for impairment in value of non-current investments	7,562.60	142.60

(a) Impairment testing for investments held in subsidiary

Basis the indicators of impairment, the Company assesses the possible impairment in the value of its investments in its wholly owned subsidiary company (BirlaNu International GmbH (Formerly HIL International GmbH)) by using discounted cash flow (DCF) method.

7 Investments (Contd..)

Following key assumptions were considered while performing the impairment testing:

Particulars	As at 31 March 2026	As at 31 March 2025
Annual growth rate for 5 years (Average)	11.41%	11.30%
Terminal value growth rate	1.00%	1.00%
Budgeted EBITDA margins for 5 years (Average)	6.08%	7.65%
Weighted average cost of capital % (WACC) post tax	16.20%	14.90%

The cash flow projections include specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on the management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

Weighted average cost of capital % (WACC) = (We*Re)+(Wd*Rd)

Re = Risk free return + (market premium x beta for the Company)+ additional risk premium.

Rd = Cost of debt *(1-tax rate)

We,Wd = Average debt to capital ratio

Owing to continuous operating losses made by the subsidiary, the Company had performed impairment assessment during the current year and has accordingly, recorded an impairment loss of INR 7,420 lakhs as an exceptional item in the statement of profit and loss (refer note 66 for details). Further, no impairment charges were recognised for the year ended 31 March 2025.

Particulars	31 March 2026
Value in use	19,926.24
Carrying value	27,346.24
Impairment loss	**7,420.00**

The Company has performed sensitivity analysis around the base assumptions and any reasonable possible change at the reporting date of the key assumptions would have affected the carrying values by the amounts as shown below:

Assumption	Change	Increase / (Decrease)
Terminal growth rate	Decrease to 0.5%	(1,631.58)
WACC	Increase by 1%	(2,851.95)
EBITDA Margin	Decrease by 5% i.e., margin reduced to 5.78%	(823.46)
Revenue Growth rate	Decrease by 5% i.e., growth rate reduced to 10.26%	(20,890.34)

(b) Equity shares designated as at fair value through other comprehensive income

The Company designated the investments shown below as equity shares at FVOCI because these equity shares represent investments that the Company intends to hold long-term for strategic purposes.

Particulars	Investment in Birla Buildings Limited	
	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Fair value at beginning of the year	40.89	33.73
Dividend income recognised during the respective year (refer note 24)	0.50	0.38
Fair value at end of the year	42.57	40.89

No strategic investments were disposed off during the year ended 31 March 2026 and 31 March 2025, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

The Company has not traded or invested in Crypto currency or Virtual currency during the year ended 31 March 2026 and 31 March 2025.

Refer note 55(A) and 55(C) for the Group's exposure to fair value measurement, credit risk and market risk.

8 Trade receivables

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Non-current		
Secured	23.30	20.30
Unsecured	1,147.29	851.19
	1,170.59	**871.49**
Less: Provision for impairment	(1,136.24)	(851.19)
	34.35	**20.30**
Current		
Secured	1,545.97	1,657.05
Unsecured (refer Note 40 for receivables from related parties)	17,031.72	16,901.63
	18,577.69	**18,558.68**
Less: Provision for impairment	(1,290.17)	(867.42)
	17,287.52	**17,691.26**

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

8 Trade receivables (Contd..)

Refer note 17 for details of trade receivables pledged against borrowings.

There are no outstanding trade receivables from directors or other officers of the Company or from firms or private companies in which director is partner or member as at 31 March 2026 and as at 31 March 2025.

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
– considered good	6,225.91	10,856.71	186.43	18.47	-	-	17,287.52
– credit impaired	41.37	197.62	282.05	378.03	267.40	123.70	1,290.17
Total undisputed trade receivables (A)	**6,267.28**	**11,054.33**	**468.48**	**396.50**	**267.40**	**123.70**	**18,577.69**
Disputed trade receivables							
– considered good	-	6.00	5.05	3.00	-	20.30	34.35
– credit impaired	-	0.02	101.32	242.21	151.73	640.96	1,136.24
Total disputed trade receivables (B)	**-**	**6.02**	**106.37**	**245.21**	**151.73**	**661.26**	**1,170.59**
As at 31 March 2026 (A+B)	**6,267.28**	**11,060.35**	**574.85**	**641.71**	**419.13**	**784.96**	**19,748.28**

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
– considered good	6,646.53	10,729.04	267.94	47.62	0.12	-	17,691.25
– credit impaired	42.15	240.84	264.39	152.22	46.70	121.13	867.43
Total undisputed trade receivables (A)	**6,688.68**	**10,969.88**	**532.33**	**199.84**	**46.82**	**121.13**	**18,558.68**
Disputed trade receivables							
– considered good	-	-	-	-	20.00	0.30	20.30
– credit impaired	-	1.60	46.81	165.15	53.27	584.36	851.19
Total disputed trade receivables (B)	**-**	**1.60**	**46.81**	**165.15**	**73.27**	**584.66**	**871.49**
As at 31 March 2025 (A+B)	**6,688.68**	**10,971.48**	**579.14**	**364.99**	**120.09**	**705.79**	**19,430.17**

There were no unbilled trade receivables as at 31 March 2026 and as at 31 March 2025.

Refer note 55 (C) for the Company's exposure to credit risk and market risk.

9 Loans

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Non-current		
Loan to subsidiary		
Unsecured, considered good (refer note 54 (b) and 40)	13,619.17	15,192.68
	13,619.17	**15,192.68**
Current		
Loan to subsidiary		
Unsecured, considered good (refer note 54 (b) and 40)	4,358.13	-
	4,358.13	**-**

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

10 Other financial assets

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Non-current		
Unsecured, considered good		
Security deposits	1,676.78	1,717.21
Bank deposits due to mature after 12 months from the reporting date *	276.01	264.87
Derivative assets- carried at FVTPL	-	366.53
	1,952.79	2,348.61
Doubtful		
Security deposits	25.00	25.00
Other receivables	644.68	644.68
	669.68	669.68
Less: Provision for doubtful other financial assets from other than related parties	(669.68)	(669.68)
	1,952.79	2,348.61

* It includes bank deposits held against bank guarantees amounting to INR 6.79 Lakhs (31 March 2025: INR 9.92 Lakhs).

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Current		
Unsecured, considered good		
Interest accrued on security deposits	79.49	73.80
Interest accrued on loan to subsidiary (refer note 40)	547.81	462.96
Commission accrued on corporate guarantee (refer note 40)	68.76	112.73
Contract assets	15.75	17.37
Other receivables	435.24	435.24
	1,147.05	1,102.10
Doubtful		
Dividend receivable	9.01	9.01
Less: Allowance for doubtful receivable (refer note 40)	(9.01)	(9.01)
	-	-
	14,147.05	1,102.10

11 Other assets

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Non-current		
Unsecured, considered good		
Capital advances	1,533.14	386.36
Advances other than capital advances		
- Balance with government authorities	719.31	1,149.93
Prepayments	37.21	54.56
	2,289.66	1,590.85
Doubtful		
Advances other than capital advances		
Advance to suppliers and service providers	160.62	160.62
	160.62	160.62
Less: Allowance for doubtful advances	(160.62)	(160.62)
	-	-
	2,289.66	1,590.85
Current		
Unsecured, considered good		
Advances other than capital advances		
- Advance to suppliers and service providers	5,338.54	5,319.74
- Advance to employees	148.87	167.28
- Balance with government authorities	1,764.22	1,886.96
Prepayments	680.98	703.66
Others		
- Non-current assets classified as held for sale	-	55.99
	7,932.61	8,133.63

12 Inventories

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
(Valued at lower of cost and net realisable value)		
Raw materials	17,602.70	16,329.28
Work-in-progress	212.49	391.47
Finished goods	17,609.25	19,842.36
Stock-in-trade	709.21	1,093.26
Stores and spares	1,713.50	1,440.20
	37,847.15	39,096.57
Inventories in transit		
Raw materials	701.77	2,399.84
Finished goods	55.19	371.90
Stock-in-trade	0.10	223.13
Stores and spares	7.73	28.70
	764.79	3,023.57
	38,611.94	42,120.14

The write down of finished goods to net realisable value during the year amounted to INR 351.53 Lakhs (31 March 2025: INR 300.90 Lakhs). The write down are included in changes in inventories of finished goods.

Refer note 17 for details of inventories pledged against borrowings.

13 Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Cash on hand	4.97	5.06
Balances with banks		
- on current accounts	872.69	325.63
	877.66	330.69

14 Bank balances other than Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Unpaid dividend accounts	73.67	76.68
Deposits with banks with original maturity of more than 3 months but remaining maturity of less than 12 months*	441.34	374.44
	515.01	451.12

* It includes bank deposits held against bank guarantees amounting to INR 273.89 Lakhs (31 March 2025: INR 115.16 Lakhs).

15 Share capital

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Authorised share capital		
95,00,000 (31 March 2025: 95,00,000) equity shares of INR 10 each	950.00	950.00
50,000 (31 March 2025: 50,000) preference shares of INR 100 each	50.00	50.00
	1,000.00	1,000.00
Issued, subscribed and fully paid-up capital		
75,40,899 (31 March 2025: 75,40,899) equity shares of INR 10 each fully paid-up	754.09	754.09
Forfeited shares (amount originally paid-up)	2.72	2.72
	756.81	756.81

15 Share capital (Contd..)

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	31 March 2026		31 March 2025	
	Number of shares	Amount INR In Lakhs	Number of shares	Amount INR In Lakhs
Shares outstanding at the beginning of the year	75,40,899	754.09	75,40,899	754.09
Shares issued on exercise of Employee Stock Option Scheme	-	-	-	-
Shares outstanding at the end of the year	75,40,899	754.09	75,40,899	754.09

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

15 Share capital (Contd..)

(ii) Rights, preferences and restrictions attached to the equity shares

The Company has only one class of equity shares having a face value of INR 10/- each. Accordingly, all equity shares rank equal with regard to dividends and share in the Company's residual assets on winding up. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Particulars of shareholders holding more than 5% of total number of equity shares

Equity shares of INR 10 each, fully paid-up	31 March 2026		31 March 2025	
	Number of shares	% of Holding	Number of shares	% of Holding
Mr. Chandrakant Birla*	30,59,212	40.57%	51,376	0.68%
Central India Industries Limited	NA	NA	10,74,634	14.25%
Orient Paper and Industries Limited	NA	NA	9,06,360	12.02%

As per records of the Company, including its register of shareholders/ members, the above shareholding represents both legal and beneficial ownership of shares.

*Shareholding less than 5% in previous year.

(iv) Shares reserved for issue under Option

For details of shares reserved for issue under Employee Stock Option Schemes of the Company, refer note 42.

(v) Equity shares of INR 10 each, held by promoters at the end of the year

Sl. No.	Name of the promoter	31 March 2026			31 March 2025		
		Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
1	Mr. Chandrakant Birla	30,59,212	40.57%	5,854.55%	51,376	0.68%	-
2	Amer Investments (Delhi) Limited	-	-	-100.00%	3,08,763	4.09%	-
3	Hitaishi Investments Limited	-	-	-100.00%	67,066	0.89%	-
4	Hyderabad Agencies Private Limited	-	-	-100.00%	4,100	0.05%	-
5	Orient Paper and Industries Limited	-	-	-100.00%	9,06,360	12.02%	-
6	Universal Trading Company Limited	-	-	-100.00%	4,000	0.05%	-
7	Central India Industries Limited	-	-	-100.00%	10,74,634	14.25%	-
8	Gwalior Finance Corporation Limited	-	-	-100.00%	96,200	1.28%	-
9	Ranchi Enterprises and Properties Limited	-	-	-100.00%	4,500	0.06%	-
10	Ashok Investment Corporation Limited	-	-	-100.00%	3,17,743	4.21%	-
11	Shekhavati Investments and Traders Limited	-	-	-100.00%	2,24,470	2.98%	-
		30,59,212	40.57%	0.00%	30,59,212	40.57%	-

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

16 Other equity

(A) Reserves and surplus

(i) Securities premium

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Balance at the commencement of the year	1,649.96	1,649.96
Add: Premium received on exercise of employee stock options	-	-
	1,649.96	1,649.96

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) General reserve

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Balance at the commencement of the year	44,100.00	44,100.00
Add: Amount transferred from surplus balance in the standalone statement of profit and loss	-	-
	44,100.00	44,100.00

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

(iii) Capital redemption reserve

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Balance at the commencement of the year	35.00	35.00
Add: Additions during the year	-	-
	35.00	35.00

Capital redemption reserve was created for redemption of preference shares and the balance represents the unutilised amount after complete redemption of the same.

(iv) Share options outstanding account

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Balance at the commencement of the year	678.70	345.92
Less: Transferred to securities premium on exercise of stock options	-	-
Add: Share based payment expenses (refer note 28)	(2.93)	332.78
	675.77	678.70

The Company has formulated equity-settled share-based payment plans for certain categories of employees of the Company. Refer Note 42 for further details on these plans

(v) Retained earnings

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Balance at the commencement of the year	75,747.06	72,163.68
Add: Profit/ (loss) for the year	(1,404.74)	5,359.41
Items of other comprehensive income directly recognised in retained earnings		
- Remeasurement of defined benefit (asset) / liability, net of tax	(29.38)	(79.33)
Amount available for appropriations	**74,312.94**	**77,443.76**
Less : Appropriations		
Final dividend on equity shares (amount per share INR 30.00 (31 March 2025: INR 22.50))	(2,262.27)	(1,696.70)
Total appropriations	**(2,262.27)**	**(1,696.70)**
Total retained earnings	**72,050.67**	**75,747.06**
Total reserves and surplus (A)	**1,18,511.40**	**1,22,210.72**

16 Other equity (Contd..)

(B) Other comprehensive income ("OCI")

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Equity investments through OCI		
Balance at the commencement of the year	31.02	24.88
Changes in fair value	1.44	6.14
Total other comprehensive income (B)	**32.46**	**31.02**
Total (A+B)	**1,18,543.86**	**1,22,241.74**

Dividends

After the reporting dates, the following dividends on equity shares were proposed by the Board of Directors subject to the approval at the Annual General Meeting; the dividends have not been recognised as liabilities.

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Dividend on equity shares (amount per equity share INR 15.00 (31 March 2025: INR 30.00))	1,131.13	22,62.27

Dividend paid during the year ended 31 March 2026 includes an amount of INR 30.00 per equity share towards final dividend for the year ended 31 March 2025. Dividend paid during the year ended 31 March 2025 includes an amount of INR 22.50 per equity share towards final dividend for the year ended 31 March 2024.

The Board of Directors of the Company have recommended a final dividend of INR 15 per share (150%) on 12 May 2026 for the financial year ended 31 March 2026. There was no interim dividend declared during the financial year ended 31 March 2026.

17 Borrowings

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Non-current borrowings		
Secured		
Term loan from banks	16,990.10	8,790.31
	16,990.10	**8,790.31**
Current borrowings		
Secured		
From bank		
- Working capital loan	9,911.98	9,995.18
Term loan from banks		
- Current maturities of term loan*	3,641.80	2,891.92
	13,553.78	**12,887.10**
Unsecured		
Loans repayable on demand		
From banks		
- Working capital loan*	15,214.04	20,019.29
From banks		
- Buyers' credit	-	971.11
	15,214.04	**20,990.40**
	28,767.82	**33,877.50**
Total Borrowings	**45,757.92**	**42,667.81**

**Includes an amount of INR 43.25 Lakhs for year ended 31 March 2026 (31 March 2025: INR 69.30 Lakhs), towards the interest accrued but not due.*

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

17 Borrowings (Contd..)

Borrower	Lender	Nature of loan	Amount As at		Interest rate (P.a.)		Repayment terms	Security	Remarks
			31 March 2026	31 March 2025	31 March 2026	31 March 2025			
BirlaNu Limited (formerly HIL Limited)	Federal bank	Term loan	2,842.50	3,790.00	7.43%	8.40%	12 quarterly instalments of INR 236.87 lakhs each from June 2026 to March 2029	Charge on identified fixed assets	The Company has partly prepaid the loan amounting to INR 3,600 lakhs
	HDFC Bank	Term loan	3,750.00	4,750.00	7.13%	8.14%	15 quarterly instalments of INR 250 lakhs each from April 2026 to October 2029	Charge on identified fixed assets	
	RBL Bank	Term loan	10,354.17	-	7.88%	-	15 quarterly instalments of INR 164 to 802 lakhs each from May 2026 to October 2031	Charge on identified fixed assets - Yet to registered.	
	HSBC Limited	Working Capital loan	2,500.00	-	6.87%	7.26% - 8.90%	Range from 7 to 90 days	Unsecured	
	HDFC Bank	Working Capital loan	-	4,000.00	7.34%	7.36% -8.18%	Range from 7 to 90 days	Unsecured	Repaid during the year
	Kotak Mahindra bank	Working Capital loan	4,500.00	2,000.00	7.19%	7.75% - 8.35%	Range from 7 to 90 days	Unsecured	
	Federal bank	Working Capital loan	4,500.00	8,000.00	7.26%	7.75% - 8.25%	Range from 7 to 90 days	Unsecured	
	RBL Bank	Working Capital loan	2,500.00	-	6.80%	7.75% - 8.25%	Range from 7 to 90 days	Unsecured	
	ICICI bank	Working Capital loan	-	3,450.00	7.36%	7.40% - 8.07%	Range from 7 to 90 days	Unsecured	
	YES bank	Working Capital loan	-	2,500.00	7.04%	7.50% - 8.27%	Range from 7 to 90 days	Unsecured	
	HDFC bank	Buyer's credit	-	971.11	-	4.82%- 5.92%	120 to 150 days	Unsecured	
	Axis Bank	Working Capital loan	794.88	792.65	7.75%	9.00%	Repayable on demand	Secured against Stock & Receivables	
	State Bank of India	Term loan	78.98	195.51	9.15%	10.15%	Repayable in remaining 09 instalments, with the final instalment due by December 2026.	Secured against fixed assets	

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

17 Borrowings (Contd..)

Borrower	Lender	Nature of loan	Amount As at		Interest rate (P.a.)		Repayment terms	Security	Remarks
			31 March 2026	31 March 2025	31 March 2026	31 March 2025			
	State Bank of India	Term loan	23.34	60.19	8.65%	10.15%	Repayable in remaining 08 instalments, with the final instalment due by November 2026.	Secured against fixed assets	
	State Bank of India	Cash Credit	397.23	300.10	9.15%	10.15%	Repayable on demand	Secured against Stock & Receivables	
	ICICI Bank	RTL-LC	733.68	-	8.60%	-	16 quarterly instalments ranging INR 36.68 lakhs to INR 55.03 lakhs from November 2026 to August 2030	Movables Fixed Assets of the Company both present and future with minimum security cover of 1.25 times	
	ICICI Bank	RTL	500.00	-	8.60%	-	16 quarterly instalments ranging INR 25 lakhs to INR 37.50 lakhs from November 2026 to August 2030	Movables Fixed Assets of the Company both present and future with minimum security cover of 1.25 times	
	ICICI Bank	RTL	400.00	-	8.60%	-	16 quarterly instalments ranging INR 20 lakhs to INR 30 lakhs from November 2026 to August 2030	Movables Fixed Assets of the Company both present and future with minimum security cover of 1.25 times	
	State Bank of India	Cash Credit	495.26	253.52	9.15%	10.15%	Repayable on demand	Secured against Stock & Receivables	
	State Bank of India	Term loan	1,049.78	1,347.51	9.15%	10.15%	Repayable in remaining 42 instalments, with the final instalment due by September 2029	Secured against Fixed assets	

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

17 Borrowings (Contd..)

Borrower	Lender	Nature of loan	Amount As at		Interest rate (P.a.)		Repayment terms	Security	Remarks
			31 March 2026	31 March 2025	31 March 2026	31 March 2025			
	Small Industries Bank of India (SIDBI)	Term loan	230.78	307.70	9.46%	8.25%	Repayable in remaining 36 instalments, with the final instalment due by March 2029	Secured against Machinery	
	Small Industries Bank of India (SIDBI)	Term loan	81.46	125.95	8.55%	8.45%	Repayable in remaining 16 instalments, with the final instalment due by July 2027	Secured against Machinery	
	Small Industries Bank of India (SIDBI)	Term loan	53.17	79.81	8.50%	8.45%	Repayable in remaining 24 instalments, with the final instalment due by March 2028	Secured against Machinery	
	Small Industries Bank of India (SIDBI)	Term loan	36.93	53.97	8.55%	8.45%	Repayable in remaining 20 instalments, with the final instalment due by November 2027	Secured against Machinery	
	Axis Bank	Cash Credit	862.40	468.94	7.75%	9.00%	Repayable on demand	Secured against Stock & Receivables	
	Axis Bank	Working Capital Loan	3,560.00	3,560.00	7.25%	8.50%	Repayable on demand	Secured against Stock & Receivables	
	ICICI Bank	Term Loan	-	145.81	-	9.20%	Paid on 31 July 2025		
	Axis Bank	Term loan	454.00	718.00	7.75%	9.00%	Repayable in remaining 20 instalments, with the final instalment due by December 2027.	Secured against fixed assets	
	Axis Bank	Term loan	43.11	107.78	7.75%	9.00%	Repayable in remaining 08 instalments, with the final instalment due by November 2026.	Secured against fixed assets	
	Axis Bank	Cash Credit	996.73	964.95	7.75%	9.00%	Repayable on demand	Secured against Stock & Receivables	

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

17 Borrowings (Contd..)

Borrower	Lender	Nature of loan	Amount As at		Interest rate (P.a.)		Repayment terms	Security	Remarks
			31 March 2026	31 March 2025	31 March 2026	31 March 2025			
	ICICI Bank	WC-OTSTL	-	2,200.00	-	8.50%	Paid on 26 June 2025		
	ICICI Bank	WC-OTSTL	-	400.00	-	8.90%	Paid on 22 August 2025		
	ICICI Bank	WC-OTSTL	-	400.00	-	9.90%	Paid on 04 September 2025		
	ICICI Bank	WC-OTSTL	1,000.00	-	8.15%	-	Repayable on 30 June 2026 (365 Days)	Secured against Stock & Receivables	
	ICICI Bank	WC-OTSTL	1,200.00	-	8.15%	-	Repayable on 22 September 2026 (365 Days)	Secured against Stock & Receivables	
	ICICI Bank	WC-OTSTL	400.00	-	8.15%	-	Repayable on 24 September 2026 (365 Days)	Secured against Stock & Receivables	
	ICICI Bank	WC-OTSTL	400.00	-	8.15%	-	Repayable on 10 November 2026 (365 Days)	Secured against Stock & Receivables	
	ICICI Bank	Cash Credit	976.27	655.00	8.75%	9.25%	Repayable on demand	Secured against Stock & Receivables	

(a) The Company’s borrowings are subject to compliance with certain pre-defined financial and other covenants, whereby the Company is required to meet certain specified financial ratios and other commitments/measures. During the current period, the Company has complied with the requirements of these loan agreements as at or for the year ended 31 March 2026 except for certain covenants in respect of the borrowings from Federal Bank, HDFC Bank, RBL Bank, ICICI bank, Axis Bank and Kotak Mahindra bank. The management, has however, obtained necessary waivers from these lenders waiving the aforesaid breaches during the year ended 31 March 2026. Accordingly, these borrowings have been continued to be classified in accordance with their originally agreed repayment schedule in these financial statements.

(b) In respect of the following charges, the Company is in the process of collecting no due certificate from the respective parties and the same is expected to get closed in the next financial year. The charges on these loans are open with Registrar of Companies (ROC) Hyderabad:

1. Indian Oil Corporation Limited amounting to INR 4 Lakhs.

(c) There were no delays / defaults in repayment of dues or delays in payment of interest to banks and financial institutions.

(d) Quarterly returns or statements of current assets filed by the Company to the banks are in agreement with the books of account.

Refer note 55 (C) for the Company's exposure to interest rate and liquidity risks.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

18 Lease liabilities

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Non-current		
Lease liabilities (refer note 50)	1,069.58	1,647.82
	1,069.58	1,647.82
Current		
Lease liabilities (refer note 50)	604.25	382.49
	604.25	382.49

19 Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Total outstanding dues of micro enterprises and small enterprises (MSME) (refer note 41)	6,219.11	2,765.51
Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note 40 for payables to related parties)	20,468.60	23,818.09
	26,687.71	26,583.60

Ageing of Trade Payables as at 31 March 2026:

Particulars	Unbilled dues	Not due	Outstanding for following periods from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	3,400.78	2,745.74	20.08	24.06	28.45	6,219.11
(ii) Others	5,552.31	11,705.59	2,708.34	61.23	230.75	140.61	20,398.83
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	69.77	69.77
As at 31 March 2026	**5,552.31**	**15,106.37**	**5,454.08**	**81.31**	**254.81**	**238.83**	**26,687.71**

Ageing of Trade Payables as at 31 March 2025:

Particulars	Unbilled dues	Not due	Outstanding for following periods from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1,907.26	855.02	-	-	-	2,762.28
(ii) Others	5,001.83	14,055.52	4,248.68	269.75	31.71	140.83	23,748.32
(iii) Disputed dues - MSME	-	3.23	-	-	-	-	3.23
(iv) Disputed dues - Others	-	-	-	-	-	69.77	69.77
As at 31 March 2025	**5,001.83**	**15,966.01**	**5,103.70**	**269.75**	**31.71**	**210.60**	**26,583.60**

Refer note 55 (C) for the Company's exposure to interest rate and liquidity risks.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

20 Other financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Non-current		
Liabilities on business acquisition	50.00	-
Derivative liabilities - carried at FVTPL	1,261.87	-
	1,311.87	-
Current		
Capital creditors (refer note 41)	1,439.20	781.80
Unpaid dividend*	73.67	76.68
Sundry deposits	4,663.92	4,627.05
Derivative liabilities - carried at FVTPL	392.07	320.89
Contract liability against performance obligation	1,436.99	1,399.07
Contract liability against payment	3,642.11	2,036.26
Liabilities on business acquisition	744.84	843.93
Other financial liabilities- discounts and commissions	2,510.28	2,364.72
	14,903.08	12,450.40

* Amount lying in unpaid / unclaimed dividend account shall be credited to Investor Education and Protection Fund as per the timelines prescribed under the Companies Act, 2013 with due approvals.

21 Provisions

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Non-current		
Provision for employee benefits		
- Gratuity (refer note 36(b))	1,133.79	676.00
- Compensated absences	1,000.32	939.46
	2,134.11	1,615.46
Current		
Provision for employee benefits		
- Compensated absences	160.29	141.48
- Other long-term employee benefit plans	-	49.30
- Employee related other costs (refer note 51)	-	49.97
Other provisions		
- Provision for litigations (refer note 51)	236.69	236.73
- Provision- others (refer note 51)	390.00	390.00
	786.98	867.48

22 Other liabilities

Particulars	As at 31 March 2026	As at 31 March 2025 (Refer Note 56)
Current		
Statutory liabilities	1,664.36	1,717.92
Advance for sale of non-current asset held for sale	88.18	87.00
Other liabilities	1,317.99	1,249.39
	3,070.53	3,054.31

23 Revenue from operations

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
Revenue from contracts with customers		
Sale of products		
-Finished goods	2,21,310.74	2,18,616.77
-Traded goods	20,589.20	19,167.83
Sale of services		
-Service concession arrangements (refer note 43)	218.47	151.18
Other operating revenues		
-Scrap sales	408.66	885.50
-Liabilities no longer required, written back	125.65	136.85
	2,42,652.72	2,38,958.13

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

23 Revenue from operations (Contd..)

Disaggregation of revenue

Particulars	Reportable segments for the year ended 31 March 2026			
	Roofs	Walls	Pipes & Construction chemicals	Others
By sources of revenue				
Revenue from contracts with customers	1,13,681.26	60,789.57	67,138.19	509.39
Other operating revenues	249.59	168.97	115.73	0.02
	1,13,930.85	**60,958.54**	**67,253.92**	**509.41**
By geographical markets				
- India	1,13,169.22	60,477.02	67,225.11	509.41
- Others	761.63	481.52	28.81	-
	1,13,930.85	**60,958.54**	**67,253.92**	**509.41**
By major product lines				
- Cement based products: sheets, panels, boards	1,13,930.85	28,194.03	-	-
- Pipes and Fittings	-	-	49,490.29	-
- Putty, Construction chemical and dry mix	-	313.42	17,763.63	-
- Fly ash blocks	-	32,451.09	-	-
- Others	-	-	-	509.41
	1,13,930.85	**60,958.54**	**67,253.92**	**509.41**
Timing of revenue recognition				
Products transferred at a point in time	1,13,930.85	60,958.54	67,253.92	509.41
Products and services transferred over time	-	-	-	-
	1,13,930.85	**60,958.54**	**67,253.92**	**509.41**

Particulars	Reportable segments for the year ended 31 March 2025			
	Roofs	Walls	Pipes & Construction chemicals	Others
By sources of revenue				
Revenue from contracts with customers	1,12,869.65	53,512.03	71,323.62	230.58
Other operating revenues	544.54	360.65	111.12	5.94
	1,13,414.19	**53,872.68**	**71,434.74**	**236.52**
By geographical markets				
- India	1,12,729.90	53,448.57	71,408.69	231.82
- Others	684.29	424.11	26.05	4.70
	1,13,414.19	**53,872.68**	**71,434.74**	**236.52**
By major product lines				
- Cement based products: sheets, panels, boards	1,13,414.19	22,709.26	-	-
- Pipes and Fittings	-	-	53,647.16	-
- Putty, Construction chemical and dry mix	-	463.27	17,787.58	-
- Fly ash blocks	-	30,588.01	-	-
- Others	-	112.14	-	236.52
	1,13,414.19	**53,872.68**	**71,434.74**	**236.52**
Timing of revenue recognition				
Products transferred at a point in time	1,13,414.19	53,872.68	71,434.74	236.52
Products and services transferred over time	-	-	-	-
	1,13,414.19	**53,872.68**	**71,434.74**	**236.52**

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

23 Revenue from operations (Contd..)

Reconciliation of revenue recognised from contract with customers with contract prices

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue as per contracted price	2,52,873.21	2,47,430.63
Less: Contract liability against performance obligation	1,436.99	1,399.07
Less: Discounts	9,317.81	8,095.78

Contract balances

The following table provides information about the receivables, contract assets and contract liabilities from contracts with customers:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Trade receivables (refer note 8)	19,748.28	19,430.17
Contract assets (refer note 10)	15.75	17.37
Contract liabilities (refer note 20)	5,079.10	3,435.33

- Trade receivables are the amounts receivable by the Company from the Revenues from Contracts with customers and other operating revenues.
- The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date.
- The contract liabilities primarily relate to the advance consideration received from customers and contract liabilities arising from loyalty programmes of the Company. The amount of INR 3,380.26 Lakhs included in contract liabilities at 31 March 2025 have been recognised as revenue during the year ended 31 March 2026 (31 March 2025: INR 4,023.81 Lakhs).

No information provided about remaining performance obligations as at 31 March 2026 and 31 March 2025 that have an original expected duration of one year or less, as allowed by Ind AS 115.

Invoices are generated at the point in time. Invoices are usually payable within 0 to 90 days.

24 Other income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
Dividend income on equity securities - at FVOCI- investment held at reporting date	0.50	0.38
Dividend income from subsidiary	2,174.90	-
Gain on sale of current investments, net	12.05	17.84
Interest income under the effective interest method on financial assets at amortised cost	109.83	99.75
Interest income from loan to subsidiary at amortised cost	1,362.83	1,093.40
Commission on corporate guarantee given for subsidiary	185.03	144.98
Interest on tax refunds	103.79	3.73
Rental income		
From investment property	525.63	565.24
From others	10.39	9.72
Net gain on sale of property, plant and equipment	729.08	-
Net gain on foreign currency transactions	2,928.31	1,164.45
Government grant	-	28.18
Miscellaneous income	235.33	143.84
Subsidy received	114.05	185.26
	8,491.72	3,456.77

25 Cost of materials consumed

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
Inventory of materials at the beginning of the year	18,729.12	21,018.26
Add: Acquisitions through business combination (refer note 56)	-	1,271.66
Add: Purchases during the year	1,22,961.10	1,28,651.41
Less: Inventory of materials at the end of the year	(18,304.47)	(18,729.12)
	1,23,385.75	1,32,212.21

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

26 Purchases of stock-in-trade

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
Purchases of stock-in-trade	19,884.91	15,298.37

27 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
Inventories at the beginning of the year		
Finished goods	20,214.26	17,895.16
Stock-in-trade	1,316.39	417.09
Work-in-progress	391.47	586.49
	21,922.12	18,898.74
Inventories at the end of the year		
Finished goods	17,664.44	20,214.26
Stock-in-trade	709.31	1,316.39
Work-in-progress	212.49	391.47
	18,586.24	21,922.12
Changes in inventories	3,335.88	(3,023.38)
Add: Inventories acquired through business combinations (refer note 56)	-	1,260.54
Add: Finished goods of trial run production capitalised	-	4.89
	3,335.88	(1,757.95)

28 Employee benefits expense (refer note 36(c))

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
Salaries, wages and bonus	19,981.94	20,193.74
Contribution to provident and other funds (refer note 36(a))	928.48	958.68
Employee share based payment expense - equity settled (refer note 42)	(2.93)	332.78
Gratuity expenses (refer note 36(b))	807.16	367.71
Staff welfare expenses	1,026.51	1,141.13
	22,741.16	22,994.04

29 Finance costs

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
Interest expenses on long-term loans measured at amortised cost	1,059.25	1,004.22
Interest expenses on working capital loans measured at amortised cost	2,291.57	2,259.96
Interest expenses on other financial liabilities measured at amortised cost	0.91	39.83
Interest expenses on lease liabilities	187.99	172.68
Interest expenses on income-tax	1.77	0.90
Interest expenses on security deposits and others	50.51	170.27
Other borrowing costs	15.63	30.85
	3,607.63	3,678.71

30 Depreciation and amortisation expenses

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
Depreciation of property, plant and equipment (refer note 4)	7,337.44	7,009.90
Amortisation of intangible assets (refer note 6)	787.14	957.29
Depreciation on investment property (refer note 5)	27.07	30.37
Depreciation on right of use assets (refer note 4)	601.39	521.61
	8,753.04	8,519.17

31 Other expenses

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
Consumption of stores and spares	4,492.16	4,464.10
Power and fuel	10,209.03	9,681.92
Contract wages	7,611.74	7,695.22
Repairs and maintenance		
Plant and equipment (excluding stores and spares consumption)	908.49	1,003.02
Buildings	368.84	315.22
Others	1,988.17	1,712.13
Carriage outwards	23,725.55	21,921.66
Packing expenses	1,061.34	1,087.06
Rent (refer note 50)	740.77	728.38
Rates and taxes	732.58	692.85
Insurance	332.36	261.33
Professional, consultancy and legal expenses (refer note (i) below)	2,985.63	2,612.10
Advertisement and sales promotion	4,796.15	3,979.75
Travelling and conveyance	2,448.00	2,528.24
Commission on sales	149.69	342.61
Directors' commission	15.75	32.22
Directors' fee	58.00	84.50
Donations*	-	400.00
Net loss on sale of property, plant and equipment	-	294.33
Provision for impairment of receivables, advances and other assets, net	707.80	322.98
Impairment loss on assets held for sale	112.03	-
Fair value loss on financial assets measured at fair value through profit and loss	1,702.62	728.60
Expenditure on corporate social responsibility (refer note 32)	199.15	331.88
Miscellaneous	1,875.06	1,983.55
	67,220.91	63,203.65

*Donations include INR NIL contribution made to Electoral Trust (31 March 2025: INR 300 Lakhs).

Note:

(i) Payment to auditors (included in professional, consultancy and legal expenses) (exclusive of taxes)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
As auditor		
Statutory audit fee	58.00	58.00
Tax audit fee	6.00	6.00
Limited review of quarterly results	39.00	39.00
Consolidation	23.00	50.00
For other services		
For certification	11.15	7.90
For reimbursement of expenses	12.87	13.00
	150.02	173.90

32 Details of corporate social responsibility expenditure

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
a) Gross amount required to be spent by the Company during the year	199.15	331.57
Less: Adjustment of excess spent during the previous financial years	-	(18.09)
Net amount required to be spent by the Company during the year	199.15	313.47
b) Amount approved by the board to be spent during the year	199.15	318.50
c) Amount spent during the year (in cash) :		
i) Construction/ acquisition of any asset	-	-
ii) On purposes other than (i) above	210.92	313.47
iii) Nature of CSR activities		
Promoting health care including preventive health care		
Promoting education		
Community Development		
d) Related party transactions	-	-
e) Shortfall /(excess) at the end of the year	(11.77)	-
f) Movements in provision of liability created	-	-

33 Acquisition

On 7 November 2025, the Company had entered into a Share purchase agreement (SPA) with shareholders of Clean Coats Private Limited ('Clean Coats') for purchase of the shares of Clean Coats at a total purchase consideration of INR 11,321.80 lakhs. Post completion of the agreed closing conditions, the Company obtained control over the Clean Coats effective 11 November 2025.

34 Income-tax

(A) Amount recognised in the statement of profit and loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
Current tax	1,135.11	2,140.63
Income-tax for earlier years	(1,153.84)	(128.60)
Deferred tax attributable to temporary differences	159.28	(915.33)
Tax expenses	**140.55**	**1,096.70**

(B) Amount recognised in other comprehensive income ("OCI")

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
Deferred tax related to items recognised in OCI		
Deferred tax income / (expense) on remeasurements of defined benefit (asset) / liability	9.63	26.75
Deferred tax (expense) / income on fair value gain on investments in equity instruments through OCI	(0.24)	(1.02)
Deferred tax income / (expense) recognised in OCI	**9.39**	**25.73**

(C) Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 (Refer Note 56)
Profit before tax	(1,264.19)	6,456.11
Enacted tax rate in India	25.168%	25.168%
Tax using the Company's domestic tax rate	(318.17)	1,624.87
Tax effect of:		
Non-deductible tax expenses	1,919.09	874.48
Tax impact on amalgamation	(422.54)	-
Rate difference	(473.47)	(823.86)
Recognition of tax allowances	(51.70)	(478.55)
Others	(522.05)	2.62
	131.16	**1,199.58**
Adjustments in respect of income-tax for earlier years	-	(128.60)
Income-tax expense recognised in the standalone statement of profit and loss	**131.16**	**1,070.98**

(D) The major components of deferred tax liabilities/ assets arising on account of timing differences are as follows:

Particulars	31 March 2026	31 March 2025 (Refer Note 56)
Deferred tax liabilities		
Excess of depreciation / amortisation on fixed assets under income-tax law over depreciation / amortisation provided in books of account	6,678.36	7,172.86
Fair value gain on derivatives	-	12.25
Right of use assets	851.72	977.30
Others	5.85	5.86
Total deferred tax liabilities (A)	**7,535.93**	**8,168.27**
Deferred tax assets		
Allowable for tax purposes on payment basis	1,403.92	1,607.51
Fair value loss on derivatives	416.26	-
Provision for doubtful trade receivables	857.81	679.66
Lease liabilities	421.27	513.29
Others	508.55	1,589.58
Total deferred tax assets (B)	**3,607.81**	**4,390.04**
Net deferred tax liability (A-B)	**3,928.12**	**3,778.23**

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

34 Income-tax (Contd..)

(E) Movement in temporary differences:

Particulars	Balance as at 01 April 2024	Acquired on business combination	Recognised in profit or loss during 2024-25	Recognised in OCI during 2024-25	Balance as at 31 March 2025	Recognised in profit or loss during 2025-26	Recognised in OCI during 2025-26	Balance as at 31 March 2026
Deferred tax liabilities								
Excess of depreciation / amortisation on fixed assets under income-tax law over depreciation / amortisation provided in books of account	5,274.57	2,144.07	(245.78)	-	7,172.86	(494.50)	-	6,678.36
Fair valuation gain in derivatives	-	-	12.25	-	12.25	(12.25)	-	-
Right of use assets	313.13	313.96	350.21	-	977.30	(125.58)	-	851.72
Others	10.05	-	(5.22)	1.02	5.86	(0.25)	0.24	5.85
Total deferred tax liabilities (A)	**5,597.75**	**2,458.03**	**111.46**	**1.02**	**8,168.27**	**(632.58)**	**0.24**	**7,535.93**
Deferred tax assets								
Allowable for tax purposes on payment basis	1,559.44	-	48.07	-	1,607.51	(203.59)	-	1,403.92
Fair value loss on derivatives	-	-	-	-	-	416.26	-	416.26
Provision for doubtful trade receivables	592.58	-	87.09	-	679.66	178.15	-	857.81
Lease liabilities	129.49	153.36	230.44	-	513.29	(92.02)	-	421.27
Others	187.70	319.22	1,055.92	26.75	1,589.58	(1,090.66)	9.63	508.55
Carry forward losses	-	394.73	(394.73)		-	-	-	-
Total deferred tax assets (B)	**2,469.21**	**867.31**	**1,026.79**	**26.75**	**4,390.04**	**(791.86)**	**9.63**	**3,607.81**
Net deferred tax (asset) / liability (A-B)	**3,128.54**	**1,590.72**	**(915.33)**	**(25.73)**	**3,778.23**	**159.28**	**(9.39)**	**3,928.12**

35 Operating segments

The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of paragraph 3 of Ind AS 108 'Operating Segments', no disclosures related to segment are presented in these standalone financial statements.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

36 Employee benefits

The Company has the following post-employment benefit plans:

(a) Defined contribution plan

The following amount has been recognised as an expense in standalone statement of profit and loss on account of contribution to provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

Particulars	31 March 2026	31 March 2025 (Refer Note 56)
Contribution to provident fund and other fund	904.36	931.97
Contribution to employees state insurance schemes	24.12	26.71
	928.48	**958.68**

(b) Defined benefit plan

In accordance with the applicable law, the Company provides for Gratuity and has created the Employees' Gratuity Fund Scheme (the Gratuity Plan), covering eligible employees. Liabilities with regard to such Gratuity Plan are determined by an actuarial valuation as at the end of the year and are charged to the standalone statement of profit and loss. This defined benefit plans expose the Company to actuarial risks, such as liquidity risk, interest rate risk, investment risk, etc.

Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Liquidity Risk: This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

The Gratuity plan is administered through Group Gratuity Scheme with Life Insurance Corporation of India ("LIC"). Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service or part thereof in excess of six months.

The Company has determined that, in accordance with the terms and conditions of the gratuity plan, and in accordance with statutory requirements (including minimum funding requirements) of the plan of the relevant jurisdiction, the present value of refund or reduction in future contributions is not lower than the balance of the total fair value of the plan assets less the total present value of obligations. As such, no decrease in the defined benefit asset is necessary at 31 March 2026 (31 March 2025: no decrease in defined benefit asset). Project unit credit method has been used for valuation.

i. Reconciliation of the net defined benefit (asset) / liability

The following tables summarises the components of net benefit expense recognised in the standalone statement of profit and loss, the funded status and amount recognised in the standalone balance sheet for the gratuity plan:

Particulars	31 March 2026	31 March 2025 (Refer Note 56)
Reconciliation of present value of defined benefit obligation		
Balance at the beginning of the year	3,116.91	2,683.67
Acquired through business combination (refer note 56)	-	104.47
Current service cost	372.46	335.08
Interest cost	213.19	194.72
Re-measurement (or actuarial) (gain) / loss arising from:		
- change in demographic assumptions	-	-
- change in financial assumptions	(89.91)	107.75
- experience variance (i.e. actual experience vs assumptions)	126.35	8.27
Past service cost	384.16	-
Benefits paid	(479.93)	(317.05)
Transfer In / (Out)*	88.24	-
Balance at the end of the year	**3,731.47**	**3,116.91**
Reconciliation of the present value of plan assets		
Balance at the beginning of the year	2,440.91	2,268.53
Interest income	162.65	162.08
Contributions paid into the plan	0.34	0.37
Benefits paid	(3.65)	(0.01)

Notes to the Standalone Financial Statements

for the year ended 31 March 2026
(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

36 Employee benefits (Contd..)

(b) Defined benefit plan (Contd..)

i. Reconciliation of the net defined benefit (asset) / liability (Contd..)

Particulars	31 March 2026	31 March 2025 (Refer Note 56)
Return on plan assets, excluding amount recognised in net interest expense	(2.57)	9.94
Balance at the end of the year	**2,597.68**	**2,440.91**
Net defined benefit liability recognised in standalone balance sheet	**1,133.79**	**676.00**
Expense recognised in standalone statement of profit and loss		
Current and Past service cost	756.62	335.08
Net interest cost on the net defined benefit liability	50.54	32.63
	807.16	**367.71**
Remeasurements recognised in other comprehensive income		
Actuarial loss / (gain) on defined benefit obligation	36.44	116.02
Return on plan assets, excluding amount recognised in net interest expense	2.57	(9.94)
	39.01	**106.08**

Plan assets

Plan assets comprises of the following:

Particulars	31 March 2026	31 March 2025 (Refer Note 56)
Fund managed by LIC	100%	100%

**Represents liability transferred to the Company in relation to employees taken over from other group company.*

ii. Actuarial assumptions

Principal acturial assumptions at the reporting date(expressed as weighted averages):

Particulars	31 March 2026	31 March 2025 (Refer Note 56)
Discount rate	6.6% to 7%	6.55% to 6.65%
Future salary growth	7% to 8%	7% to 8%
Attrition rate	7% to 39%	7% to 39%
Mortality rate (as a % of Indian Assured Lives Mortality 2012-14 (IALM) for FY 2025-26 and FY 2024-25)	100.00%	100.00%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the market yields of high quality corporate bonds on the valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

iii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation and current service cost by the amounts shown below:

Particulars	31 March 2026		31 March 2025 (Refer Note 56)	
	Increase	Decrease	Increase	Decrease
Effect of 1% change in the assumed discount rate	3,476.56	4,010.55	2,812.06	3,249.29
Effect of 1% change in the assumed salary growth rate	4,005.01	3,476.56	3,243.92	2,812.70
Effect of 50% change in the assumed attrition rate	3,649.83	3,830.22	2,962.28	3,117.32
Effect of 50% change in the assumed mortaility rate	3,641.55	3,646.14	3,014.79	3,015.84

36 Employee benefits (Contd..)

iii. Sensitivity analysis (Contd..)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

There are no changes in the methods and assumptions used in preparing the sensitivity analysis from the previous year.

Expected contributions to the plan for the next annual reporting period

The Company expects to contribute a sum of INR 1,459.55 Lakhs to the plan for the next annual reporting period (31 March 2025: INR 929.96 Lakhs).

Maturity profile of the defined benefit obligation

Expected cash flows on undiscounted basis

Particulars	As at 31 March 2026	31 March 2025 (Refer Note 56)
Within 1 year	503.32	476.76
2 to 5 years	1,627.84	1,303.03
6 to 10 years	1,575.49	1,266.16
More than 10 years	3,170.37	2,503.70

As at 31 March 2026, the weighted average duration of the defined benefit obligation was 7 years (31 March 2025: 7 years).

(c) Impact of Labour Code

On 21 November 2025, the Government of India notified the four Labour Codes - the Code on Wages 2019, the Industrial Relations Code 2020, the Code on Social Security 2020, the Occupational Safety, Health and Working Conditions Code 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to change in regulations. The Company has assessed and accounted the incremental impact of these changes of INR 384 lakhs during the year ended 31 March 2026 based on the information to the extent available in accordance with the guidance provided by the Institute of Chartered Accountants of India. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

37 Earnings per share ("EPS")

Particulars	31 March 2026	31 March 2025 (Refer Note 56)
(a) Net profit attributable to the equity shareholders	(1,404.74)	5,359.41
(b) Weighted average number of equity shares outstanding during the year (in absolute number)	75,40,899	75,40,899
(c) Effect of potential equity shares on employee stock options outstanding*	-	-
(d) Weighted average number of equity shares outstanding for computing diluted earnings per share [(b) + (c)] (in absolute number)	75,40,899	75,40,899
(e) Nominal value of equity shares (in INR)	10.00	10.00
(f) Basic earnings per share (in INR) [(a)/(b)]	(18.63)	71.07
(g) Diluted earnings per share (in INR) [(a)/(d)]	(18.63)	71.07

*As at 31 March 2026: 167,927 (31 March 2025: 65,656) options were excluded from the diluted weighted average number of equity share calculation because their effect would have been anti-dilutive.

The average market value of the Company's shares for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the year during which the options were outstanding.

38 Capital commitments

Particulars	31 March 2026	31 March 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	5,610.98	713.14

Notes to the Standalone Financial Statements

for the year ended 31 March 2026
(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

38 Capital commitments (Contd..)

Other commitments

(i) The Company has issued a corporate guarantee of Euro 27.12 million (31 March 2025: Euro 33.705 million) at a commission of 0.50% p.a. on the outstanding guarantee amount, in favour of the wholly owned subsidiary company, BirlaNu International GmbH (Formerly HIL International GmbH), Germany on 27 September 2023 in respect of the loan taken by the subsidiary from ICICI Bank UK PLC, Germany. Further, the Holding Company has taken a Stand by Letter of Credit (SBLC) on 04 July 2025 from ICICI bank Limited, India in order to facilitate working capital demand loan aggregating up to EUR 10.29 million to BirlaNu International GmbH from ICICI bank UK PLC, Germany at a service fee of 0.53% p.a on the total outstanding loan amount utilised. Holding company has extended an unconditional letter of financial support to BirlaNu International GmbH (formerly HIL International GmbH) and its subsidiaries ('the subsidiary group') to the extent necessary for the subsidiary group. This will enable the subsidiary group to continue to operate their business and meet their financial obligations for the foreseeable future and specifically at least until 31 December 2027. The Company will continue to make available such funds as are needed by the Subsidiary group.

39 Contingent liabilities

A. Contingent liabilities (not provided for) in respect of:

Particulars	31 March 2026	31 March 2025
(a) Demand raised by the Income-tax authorities, being disputed by the Company*	1,181.10	1,181.10
(b) Demands raised by sales tax and Goods and service taxes authorities, being disputed by the Company**	2,894.07	10,247.35
(c) Demands (including penalties) raised by excise authorities, being disputed by the Company***	657.89	698.37
(d) Appeal filed by the Company before the High Court of Judicature of Andhra Pradesh against the decision of appeal in favour of the Income-tax department pertaining to wealth tax matter.	56.98	56.98
(e) Pending cases with High Court where Income-tax department has preferred appeals	935.11	1531.36
(f) Demand for property tax, being disputed by the Company^	-	-
(g) Other claims against the Company not acknowledged as debts****	262.31	271.11

(h) There are other civil matters against the Company of which one such case is pertaining to certain mining activity performed by the Company in the past. The National Green Tribunal ("NGT"), New Delhi, disposed off the above case in the earlier year, directing that the restoration of mine to be carried out by State of Jharkhand; and filing of claims by the victims before the District Judge, Chaibasa for adjudication. Aggrieved by some of the findings in the aforesaid Orders and subsequent Orders passed by NGT, the Company filed a Civil Appeal before the Honourable Supreme Court of India. The Honourable Supreme Court of India directed to issue notice to other parties and maintain status in the meantime. During the earlier year, the district mining officer, Chaibasa, has sought payment of environment compensation of INR 1,344 lakhs from the Company which is in wilful disobedience of the aforesaid order passed by the Honourable Supreme Court. The Company has responded accordingly. In view of the aforesaid Status Quo Order the further proceedings before NGT are being adjourned from time to time. Management believes that the final outcome of the above matter is not expected to be material on the financial statements.

39 Contingent liabilities (Contd..)

A. Contingent liabilities (not provided for) in respect of: (Contd..)

* Income-tax demand comprises of demand from the Indian tax authorities upon completion of their assessment. The tax demands are mainly on account of disallowance of the benefit on research & development expenses, other expenses not allowed.

** The demands raised by the sales tax authority are mainly towards enhancement of turnover due to certain disallowances, entry tax on stock transfers and local sales tax demand upon completion of assessment and various other miscellaneous cases raised by the respective state authorities.

**During the earlier years, the Company received demands from Goods and Services Tax Department, Government of Tamil Nadu, Chennai amounting to INR 7,630 Lakhs for the period 01 July 2017 to 31 March 2023, with regards to HSN (Harmonized System Nomenclature) Classification code of one of the product sold by the Company. The Company challenged the said Orders by filing Appeals before Deputy Commissioner (Appeals), Chennai. Aggrieved by the order of the Appellate Authority confirming the demand, the Company had challenged the said Orders in the Honourable High Court of Madras by filing writ petition. During the current year, the Company has received a favourable order from Honourable High Court directing to quash the impugned orders.

*** The demand raised by the excise authority is mainly towards excise duty demand including interest and penalty towards disallowance of availment of CENVAT credit and wrong classification of products as taxable versus exempt product.

**** Other claims against the Company not acknowledged as debt mainly includes liability towards fuel surcharge adjustment disputed with electricity board for the financial year 2008-09 and 2009-10.

^ Greater Hyderabad Municipal Corporation ("GHMC") had served property tax demand notices on the Company claiming outstanding property tax to the tune of INR 1,083 lakhs and the same was considered as contingent liability. The Company challenged the said demand notices in the Honourable High Court of Telangana ("High Court"). During the earlier year, the Honourable High Court has passed an order directing GHMC to reassess the tax dues subject to compliance of applicable laws. The original tax dues stand disposed in view of fresh tax computation within the provision of law. While the Company is awaiting fresh demand notice from GHMC consequent to the order of Honourable High Court, the management has created adequate provision basis its own assessment.

The Company is contesting various claims and demands and the Management believes that its position will likely be upheld in the process and accordingly no expense has been accrued in the standalone financial statements for such claims and demands received as the ultimate outcome of this process will not have a material adverse effect on the Company's standalone financial statements.

Pending resolution of the aforesaid respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its standalone financial statements. The Company does not expect any reimbursements in respect of the above contingent liabilities.

B. On 28 February 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. However, considering that there are numerous interpretative issues relating to retrospective application of this judgement, the Company has made a provision for provident fund contribution based on the best estimate during the earlier year. The Company will evaluate its position and update its provision, if required, on receiving further clarity on the subject.

40 Related parties

A. List of related parties and nature of relationship

Name of the related party	Nature of relationship	Country	% of Holding as at	
			31 March 2026	31 March 2025 (Refer Note 56)
Supercor Industries Limited (refer note 53(b))	Joint venture	Nigeria	33%	33%
BirlaNu International GmbH (refer note 53(a))	Wholly owned subsidiary	Germany	100%	100%
Parador Holding GmbH (refer note 53(a))	Step-down subsidiary	Germany	100%	100%
Parador GmbH	Step-down subsidiary	Germany	100%	100%
Parador Parkettwerke GmbH	Step-down subsidiary	Austria	100%	100%
Parador UK Ltd	Step-down subsidiary	United Kingdom	100%	100%
Parador INC. (incorporated on 24 January 2025)	Step-down subsidiary	United States of America	100%	100%
Parador (Shanghai) Trading Co., Ltd.	Joint venture	China	50%	50%
Clean Coats Private Limited (refer note 53(a))	Wholly owned Subsidiary	India	100%	NA

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

40 Related parties (Contd..)

A. List of related parties and nature of relationship (Contd..)

Name of the related party	Nature of relationship
Key Management personnel (KMP)	
Mr. Akshat Seth	Chief Executive Officer ("CEO") and Managing Director ("MD")
Mr. Ajay Kapadia	Chief Financial Officer
Ms. Nidhi Bisaria	Company Secretary
Non-Executive Directors and Independent Directors	
Mr. Chandrakant Birla	Chairman (Non-executive Director)
Mr. Desh Deepak Khetrapal	Non-executive Director
Ms. Gauri Rasgotra	Independent Director (till 08 May 2024)
Mr. Sunil Ramakant Bhumralkar	Independent Director
Dr. Arvind Sahay	Independent Director
Ms. Amita Birla	Non-executive Director (w.e.f. 01 April 2024)
Ms. Nidhi Jagat Killawala	Independent Director (w.e.f. 01 April 2024)
Prof. Janat Ghanshyambhai Shah	Independent Director (w.e.f. 07 May 2024)
List of other related parties with whom there are transactions	
Birla Buildings Limited	Other related parties
CK Birla Corporate Services Limited	Other related parties
GMMCO Limited	Other related parties
National Engineering Industries Limited	Other related parties
Orient Cement Limited	Other related parties
Orient Electric Limited	Other related parties
Orient Paper and Industries Limited	Other related parties
CK Birla Healthcare Private Limited	Other related parties
Central India Industries Limited	Other related parties
Innovative Infra & Mining Solutions Limited	Other related parties
Ms. Avanti Birla	Relative of Promoter
Amer Investments (Delhi) Limited	Other related parties
Ashok Investment Corporation Limited	Other related parties
Hitaishi Investments Limited	Other related parties
Hyderabad Agencies Private Limited	Other related parties
Gwalior Finance Corporation Limited	Other related parties
Ranchi Enterprises and Properties Limited	Other related parties
Shekhavati Investments and Traders Limited	Other related parties
Universal Trading Company Limited	Other related parties
Khaitan & Co	Other related parties
Khaitan & Co	Other related parties
Khaitan & Co LLP	Other related parties
Khaitan & Co AOR	Other related parties

B. Transactions with related parties^

Related party	Nature of transactions	31 March 2026	31 March 2025 (Refer Note 56)
Non-Executive Directors and Independent Directors	Sitting fees, reimbursements and commission	73.75	116.72
	Dividend Paid	15.41	11.56
Key Management personnel (KMP)			
	- Salaries*/ Managerial remenuration	1,137.46	1,040.70
	- Gratuity	55.40	50.85
	- Compensated absences	63.16	32.37
Relative of Promoter			
Ms. Avanti Birla	-Salaries*	218.59	200.46
	-Gratuity	6.62	14.45
	-Compensated absences	1.15	17.15
Parador GmbH, Germany	Purchase of goods	285.00	90.02

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

40 Related parties (Contd..)

B. Transactions with related parties^ (Contd..)

Related party	Nature of transactions	31 March 2026	31 March 2025 (Refer Note 56)
BirlaNu International GmbH, Germany	Interest income on loan	1,362.83	1,093.40
	Interest received on loan	1,348.26	2,664.76
	Commission on Corporate Guarantee	185.03	144.98
	Commission on Corporate Guarantee received	242.60	106.76
	Loans given ^^	-	2,788.43
Clean Coats Pvt Ltd	Purchase of Goods	19.01	-
	Purchase of Services	2.07	-
	Dividend Received	2,174.90	-
GMMCO Limited	Purchase of goods	25.82	7.26
	Purchase of services	10.25	20.63
Orient Electric Limited	Sales of finished goods	-	0.78
National Engineering Industries Limited	Rent and maintainence charges	419.12	416.78
	Reimbursements	29.48	-
Birla Buildings Limited	Rent and maintainence charges	-	48.71
	Rent received	1.01	0.24
	Purchase of services	33.65	-
	Reimbursements	14.27	-
	Dividend received	0.50	0.38
CK Birla Corporate Services Limited	Professional services received	684.13	675.22
	Brand usage charges	54.13	66.52
	Reimbursements	5.38	-
Orient Paper and Industries Limited	Rent received	54.66	54.66
	Sale of finished goods	3.37	3.37
	Dividend paid	271.91	203.93
Orient Cement Limited	Rent received	-	69.46
	Sales of finished goods	-	0.39
	Purchase of goods	-	6.86
Khaitan & Co	Professional services received	-	5.10
Khaitan & Co	Professional services received	111.39	62.41
Khaitan & Co LLP	Professional services received	74.87	81.81
Khaitan & Co AOR	Professional services received	11.13	6.66
Innovative Infra & Mining Solutions Limited	Purchase of Services	12.00	-
Central India Industries Limited	Dividend paid	322.39	241.79
CK Birla Healthcare Private Limited	Purchase of services	22.99	14.99
Amer Investments (Delhi) Limited	Dividend paid	92.63	69.47
Ashok Investment Corporation Limited	Dividend paid	95.32	71.49
Hitaishi Investments Limited	Dividend paid	20.12	15.09
Hyderabad Agencies Private Limited	Dividend paid	1.23	0.92
Gwalior Finance Corporation Limited	Dividend paid	28.86	21.65
Ranchi Enterprises and Properties Limited	Dividend paid	1.35	1.01
Shekhavati Investments and Traders Limited	Dividend paid	67.34	50.51
Universal Trading Company Limited	Dividend paid	1.20	0.90

40 Related parties (Contd..)

C. Balances outstanding^

Related party	Details	31 March 2026	31 March 2025 (Refer Note 56)
Supercor Industries Limited, Nigeria	Dividend receivable on investments#	9.01	9.01
Non-Executive Directors and Independent Directors	Commission	15.75	32.22
Key Management personnel (KMP)			
	- Salaries*/ Managerial remenuration	315.40	288.78
	- Gratuity	106.24	50.85
	- Compensated absences	93.36	32.37
Relative of Promoter			
Ms. Avanti Birla	- Salaries*	44.73	41.04
	- Gratuity	21.07	14.45
	- Compensated absences	18.30	17.15
Parador GmbH, Germany	Trade payable	243.38	83.35
BirlaNu International GmbH, Germany**	Loan given	17,977.30	15,192.68
	Interest accrued on loan given	547.81	462.96
	Commission on Corporate Guarantee receivable	68.76	111.59
	Guarantee given on behalf of subsidiary	47,522.72	31,034.50
GMMCO Limited	Trade payable	6.95	1.72
Birla Buildings Limited	Rent payable	1.69	1.33
	Rent receivable	-	0.28
CK Birla Corporate Services Limited	Trade payables	28.73	42.87
CK Birla Healthcare Private Limited	Trade payables	5.26	16.19
Orient Cement Limited	Trade receivable	-	0.46
National Engineering Industries Limited	Rent payable	2.39	6.17
Innovative Infra & Mining Solutions Limited	Trade payable	0.24	-
Clean Coats Private Limited	Trade payable	10.01	-
Khaitan & Co	Trade payable	-	0.57
Khaitan & Co LLP	Trade payable	-	7.23

During earlier year, the Company made provision for the dividend receivable amounting to INR 9.01 Lakhs from Supercor Industries Limited ("Supercor") as the receipt of same is considered to be doubtful. Further, the Company has also made provision for value of investment in Supercor in the books of account amounting to INR 142.60 Lakhs.

* Payment of insurance costs are made for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable, therefore, not included above.

** The related party loan given to BirlaNu International GmbH, Germany in the earlier year, was for the purpose of partly financing the acquisition of 100% shareholding of Parador Holding GmbH, Germany. The outstanding loan amount is repayable in three instalments starting 16 August 2027 upto 16 August 2029. The said loan carries an interest rate of 8% p.a. (31 March 2025: 8% p.a.).

^^ During the earlier year, the Company has given a loan and a corporate guarantee (CG) at a commission of 0.50% p.a on the outstanding CG amount to BirlaNu International GmbH, Germany. During the current year, the Company has taken a Stand by Letter of Credit (SBLC) from ICICI bank Limited, India in order to facilitate working capital demand loan aggregating up to EUR 10.29 million to BirlaNu International GmbH from ICICI bank UK PLC, Germany at service fee of 0.53% p.a on the total outstanding loan amount utilised.

^ Disclosures are including Goods and Services Tax, wherever applicable.

41 Details of dues to Micro Enterprises and Small Enterprises as per Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

The information as required under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	31 March 2026	31 March 2025
(a) The principal amount remaining unpaid to any supplier as at the end of each accounting year [(including INR 383.20 Lakhs shown under capital creditors (31 March 2025: INR 297.87 Lakhs) and INR 8.06 Lakhs (31 March 2025: INR 57.15 Lakhs) shown under liabilities on business acquisition]	6,610.37	3,120.53
(b) The interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-
(c) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
(d) The amount of 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 MSMED Act, 2006;	Nil	Nil
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(f) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues 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.	Nil	Nil

42 Share based payments

A. Description of share-based payment arrangements

Employee stock option scheme (equity-settled)

The Company provides share-based payment schemes to its eligible employees as identified in the employee stock option schemes. The relevant details of these schemes and the grants are as below:

On 27 January 2023, the Nomination and Remuneration cum Compensation Committee of the Board of Directors of the Company approved the HIL Employees Stock Option Scheme 2023 (ESOP scheme 2023) for issue of stock options to identified employees of the Company. Subsequently, the scheme was approved by the Shareholders of the Company on 04 April 2023, through Postal Ballot process.

On 17 May 2025, the Nomination and Remuneration cum Compensation Committee of the Board of Directors of the Company approved the amendement to BirlaNu Limited Employee Stock Options Scheme 2019 (ESOP scheme 2019) for issue of stock options to identified employees of the Company. Subsequently, the scheme was approved by the Shareholders of the Company on 31 July 2025, through Postal Ballot process.

According to the scheme, eligible employees identified by the Nomination and Remuneration cum Compensation Committee are entitled to options, subject to satisfaction of the prescribed vesting conditions.

The relevant terms of the grant as mentioned in the ESOP scheme 2019 and ESOP scheme 2023 are as below:

Particulars	ESOP scheme 2023			ESOP scheme 2019
	Grant I	Grant II	Grant III	Grant I
Date of grant	15 July 2023	19 October 2023	19 October 2023	13 February 2026
Number of options outstanding	56,054	1,742	7,860	11,0131
Vesting period	40% - 16 July 2024	40% - 19 October 2024	40% - 19 October 2025	40% - 13 February 2027
	60% - 01 April 2025	60% - 19 October 2025	60% - 19 October 2026	60% - 31 March 2028
Exercise period	4 years from the respective dates of vesting	4 years from the respective dates of vesting	4 years from the respective dates of vesting	4 years from the respective dates of vesting

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

42 Share based payments (Contd..)

Particulars	ESOP scheme 2023			ESOP scheme 2019
	Grant I	Grant II	Grant III	Grant I
Exercise price (INR)	2,999.50	2,931.00	2,931.00	1,803.80
Weighted average market price (INR)	1,075.72	1,171.22	1,302.37	546.17

B. Measurement of fair values

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans measured based on the Black Scholes valuation model are as follows:

As at 31 March 2025

Particulars	ESOP scheme 2023					
	Grant I		Grant II		Grant III	
	Tranche 1	Tranche 2	Tranche 1	Tranche 2	Tranche 1	Tranche 2
Grant date	15 July 2023		19 October 2023		19 October 2023	
Fair value at grant date (INR)	1,075.72	1,075.72	1,171.22	1,171.22	1,302.37	1,302.37
Exercise price (INR)	2,999.50	2,999.50	2,931.00	2,931.00	2,931.00	2,931.00
Expected volatility (weighted average volatility)	41.25%	46.84%	45.35%	45.35%	44.48%	44.48%
Risk-free interest rate (based on government bonds)	6.91%	6.93%	7.28%	7.28%	7.30%	7.30%
Time to maturity (in years)	5.00	5.72	5.00	6.00	6.00	7.00
Expected dividends yields	1.79%	1.79%	0.85%	0.85%	0.85%	0.85%

As at 31 March 2026

Particulars	ESOP scheme 2023					
	Grant I		Grant II		Grant III	
	Tranche 1	Tranche 2	Tranche 1	Tranche 2	Tranche 1	Tranche 2
Grant date	15 July 2023		19 October 2023		19 October 2023	
Fair value at grant date (INR)	1,075.72	1,075.72	1,171.22	1,171.22	1,302.37	1,302.37
Exercise price (INR)	2,999.50	2,999.50	2,931.00	2,931.00	2,931.00	2,931.00
Expected volatility (weighted average volatility)	41.25%	46.84%	45.35%	45.35%	44.48%	44.48%
Risk-free interest rate (based on government bonds)	6.91%	6.93%	7.28%	7.28%	7.30%	7.30%
Time to maturity (in years)	5.00	5.72	5.00	6.00	6.00	7.00
Expected dividends yields	1.79%	1.79%	0.85%	0.85%	0.85%	0.85%

Particulars	ESOP scheme 2019	
	Grant I	
	Tranche 1	Tranche 2
Grant date	13 February 2026	
Fair value at grant date (INR)	546.17	546.17
Exercise price (INR)	1,803.80	1,803.80
Expected volatility (weighted average volatility)	34.58%	34.58%
Risk-free interest rate (based on government bonds)	6.04%	6.04%
Time to maturity (in years)	5.00	6.00
Expected dividends yields	1.66%	1.66%

The expected life of the stock is based on current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome. The weighted average remaining contractual life for the stock options outstanding is 2.73 years (31 March 2025: 3.90 years) for ESOP 2023 and 5.55 years for ESOP 2019.

42 Share based payments (Contd..)

C. Reconciliation of outstanding share options

The details of activity under "ESOP scheme 2023 and ESOP scheme 2019" are summarised below:

Particulars	31 March 2026 No. of options	31 March 2025 No. of options
Outstanding at the beginning of the year	65,656	65,656
Granted during the year	1,10,131	-
Cancelled during the year	7,860	-
Vested and exercised during the year	-	-
Outstanding at the end of the year	1,67,927	65,656

There are no share exercised during the year ended 31 March 2026 and 31 Mach 2025.

43 Service concession arrangement

On 21 March 2011, the Company entered into a service concession agreement with Gujarat Urja Vikas Nigam Limited (the grantor) to provide the service of generation of electricity and selling the same to grantor. The Power Plant was commissioned and available for use on 18 April 2011. Under the terms of the agreement, the Company will sell all available capacity of electricity generated from the 1.8 MW wind power plant at village Vandhiya, Gujarat for a period of 25 years at a fixed rate of INR 3.56 per kwh for delivered energy as certified by state electricity authority of Gujarat state load dispatch center ("SLDC"), starting from 18 April 2011 (commercial operation date). The Company will be responsible for any maintenance services required during the concession period. The Company does not expect major repairs to be necessary during the concession period.

On 24 September 2014, the Company entered into a service concession agreement with Ajmer Vidyut Vitran Nigam Limited (the grantor) to provide the service of generation of electricity and selling the same to grantor. The Power Plant was commissioned and available for use on 30 September 2014. Under the terms of the agreement, the Company will sell all available capacity of electricity generated from the 2 MW wind power plant at village Rajgarh, district Jaisalmer for a period of 25 years at a fixed rate of INR 5.31 per kwh for the delivered energy conforming the standards as approved by Rajasthan Electricity Regulatory Commission ("RERC"), starting from 30 September 2014 (commercial operation date). The Company will be responsible for any maintenance services required during the concession period. The Company does not expect major repairs to be necessary during the concession period.

The Company recognised service concession arrangement with Gujarat Urja Vikas Nigam Limited and Ajmer Vidyut Vitran Nigam Limited under intangible asset model, on the basis that the Company will receive variable amount of revenue from the respective DISCOMs in Gujarat and Rajasthan depending upon the actual amount of electricity generated and supplied to the respective DISCOMs. The DISCOMs has not assured any minimum amount of proceeds to the Company. The Company bears the demand risk and the right to receive cash from the DISCOMs is not unconditional i.e. it depends upon the actual amount of electricity generated and supplied to the DISCOMs.

The service concession agreements with the Gujarat Urja Vikas Nigam Limited and Ajmer Vidyut Vitran Nigam Limited does not contain a renewal option. The standard rights of the grantor to terminate the agreement in both the arrangements include poor performance by the Company and the event of a material breach of the terms of the agreement by the Company. The standard rights of the Company to terminate the agreement in both the arrangements include failure of the grantor to make payment under the agreement and a material breach by the grantor of the terms of the agreement.

During the year, the Company has recorded revenue of INR 218.46 Lakhs (31 March 2025: INR 151.18 Lakhs) on generation of power, and recorded pofit /(loss) of INR (4.88) Lakhs (31 March 2025: INR 22.96 Lakhs) after considering the impairment of assets amounting to INR 122 lakhs.

44 Leases - In the capacity of lessor

The Company has given certain properties under non-cancellable leases to various parties. The Company has classified these leases as operating leases because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Following are the details of future minimum lease receivables under the agreements:

Particulars	31 March 2026	31 March 2025
Not later than one year	203.40	252.91
Later than one year and not later than five years	719.98	23.41
Later than five years	75.00	-

45 Capital management

The Company aims to maintain a strong capital base so as to maintain the confidence of all stakeholders and to sustain future development of the business.

In order to maintain the capital structure, the Company monitors the return on capital, as well as the level of dividends to equity shareholders. The Company aims to

45 Capital management (Contd..)

manage its capital efficiently so as to safeguard its ability to continue as going concern and to optimise returns to all its shareholders. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves and debt represents non-current borrowings and current borrowings.

The Company's total debt to equity ratio at the reporting dates were as follows:

Particulars	31 March 2026	31 March 2025
Total debt (borrowings)	45,757.92	42,667.81
Total debt (A)	**45,757.92**	**42,667.81**
Total equity	1,19,300.67	1,22,998.55
Total equity (B)	**1,19,300.67**	**1,22,998.55**
Total debt to total equity ratio (A/B)	**0.38**	**0.35**

46 Expenditure incurred on research and development

Revenue expenditure debited to respective heads of accounts includes expenditure incurred on Research and Development during the year amounting to INR 739.94 Lakhs (31 March 2025: INR 706.26 Lakhs) and assets / equipment purchased for research activities of INR 2.03 Lakhs (31 March 2025: INR 118.92 Lakhs) disclosed under Property, plant and equipment.

47 Expenditure during construction period (included in capital work-in-progress)

Particulars	31 March 2026	31 March 2025
Balance brought forward (A)	**345.07**	**-**
Expenditure incurred during the year		
Cost of material consumed	16.72	11.34
Employee benefits expense	112.17	121.98
Consumption of stores and spares	-	1.44
Contract wages	8.96	6.22
Power and fuel	48.56	25.57
Finance cost	93.13	98.19
Repairs and maintenance		
Plant and machinery (excluding stores and spares consumption)	1.84	-
Rent	-	11.56
Rates and taxes	32.87	6.58
Excise duty on stocks	-	-
Insurance	1.02	2.88
Professional, consultancy and legal expenses	2.66	-
Travelling and conveyance	22.28	66.75
Miscellaneous	7.53	8.47
Total expenditure during construction period (B)	**347.74**	**360.98**
Less: Turnover (C)	20.20	11.02
Less: Stocks of finished goods out of trial run production (D)	-	4.89
Total (A+B-C-D)	**672.61**	**345.07**
Allocated to property, plant and equipment	424.58	-
Balance carried forward	248.03	345.07

48 The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprise during the financial year and expects such records to be in existence latest by 31 October 2026, as required by law. The Management confirms that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

49 The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts (including derivative contracts), if any, has been made in the books of account.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

50 Leases - In the capacity of lessee

The following tables summarise the movement in lease liabilities :

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning	2,030.31	514.49
Acquisition through business combination	-	673.66
Additions	502.30	1,467.91
Interest expenses	187.99	172.68
Deletions	(357.76)	(38.97)
Repayment of principal and interest lease liabilities	(689.01)	(759.46)
Balance at the end	**1,673.83**	**2,030.31**

As at balance sheet date, the Company is not exposed to future cash flows for extension / termination options, residual value guarantees and leases not commenced to which lessee is committed.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Company has taken certain rented premises on lease with contract terms within one year. These leases are short-term in nature and the Company has elected not to recognise right-of-use-assets and lease liabilities for these assets. The Company has incurred following expenses relating to short-term leases for which the recognition exemption has been applied (refer note 31).

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Expenses relating to short term leases (refer note 31)	740.77	728.38
Expenses relating to low value leases	-	-

The following are the amounts recognised in standalone statement of profit and loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation on Right-of-use assets	601.39	521.61
Interest expenses	187.99	172.68
	789.38	**694.29**

Amounts recognised in Statement of Cash flows

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Repayment of principal and interest lease liabilities	689.01	759.46
	689.01	**759.46**

Total minimum lease payments are as follows:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Not later than 1 year	602.62	537.44
Later than 1 year and not later than 5 years	708.82	1,094.41
More than 5 years	2,365.75	2,392.87

51 Other provisions

Particulars	Opening balance	Created during the year	Utilised during the year	Closing balance	Current	Non-current
(i) For the year ended 31 March 2026						
Provision for employee related other costs [refer note (a) below]	49.97	195.17	(245.14)	-	-	-
Provision for litigations [refer note (b) below]	236.73	-	(0.04)	236.69	236.69	-
Provision - others [refer note (c) below]	390.00	-	-	390.00	390.00	-
	676.70	**195.17**	**(245.18)**	**626.69**	**626.69**	**-**
(ii) For the year ended 31 March 2025						
Provision for employee related other costs [refer note (a) below]	13.32	49.97	(13.32)	49.97	49.97	-
Provision for litigations [refer note (b) below]	253.92	11.35	(28.54)	236.73	236.73	-
Provision - others [refer note (c) below]	390.00	-	-	390.00	390.00	-
	657.24	**61.32**	**(41.86)**	**676.70**	**676.70**	**-**

(a) There are no wage agreements that are pending as at 31 March 2026.

(b) Provision for litigations represents provision towards potential liability against various ongoing indirect tax cases based on Company's internal assessment.

(c) Provision - others represents provision towards possible obligation against certain past events for which the expected outflow is certain.

52 Particulars of hedged foreign currency exposure as at the balance sheet date

The details of forward contracts outstanding at the year end are as follows:

Particulars	Currency	Number of contracts	Amount in foreign currency	Purpose
As at 31 March 2026	EUR	18	1,65,00,000	For hedging of loan receivables
As at 31 March 2025	USD	38	2,34,64,704	For hedging of current and future trade payables
	EUR	18	1,65,00,000	For hedging of loan receivables
	USD	1	8,16,500	For hedging of current and future capital payables

53 Investment

a) Interest in subsidiary

(i) The Company incorporated a wholly owned subsidiary “BirlaNu International GmbH (Formerly HIL International GmbH)” at Germany on 04 July 2018 which acquired 100% shareholding of Parador Holding GmbH, Germany through sale and purchase agreement dated 11 July 2018 and completed the acquisition on 27 August 2018.

(ii) The Company had entered into a Share purchase agreement (SPA) with shareholders of Clean Coats Private Limited ('Clean Coats') for purchase of the shares of Clean Coats. Post completion of the agreed closing conditions, the Company obtained 100% control over the Clean Coats effective 11 November 2025 at a total purchase consideration of INR 11,321.80 lakhs.

53 Investment (Contd..)

b) Interest in joint venture

The Company's interest in a joint venture company is as follows:

Name of the joint venture company	Country of incorporation	Proportion of ownership interest	For the year ended on	Description of Interest
Supercor Industries Limited	Nigeria	33%	31 December 2025	JV established for manufacture of asbestos cement sheets

The Company's share of the assets, liabilities, income and expenses of the jointly controlled entity as at and for the years ended 31 December 2025 and 2024 are as follows:

Proportion of Company's interest in a joint venture company

Particulars	31 December 2025 (Unaudited)*	31 December 2024 (Unaudited)*
Assets		
Non-current assets	-	-
Current assets	-	-
Liabilities		
Non-current liabilities	-	-
Current liabilities	-	-
Income		
Revenue from operations	-	-
Other income	-	-
Expenses		
Raw materials consumed	-	-
Manufacturing and other expenses	-	-
Interest and financial charges	-	-
Depreciation expense	-	-
Provision for tax	-	-
Proposed dividend	-	-
Contingent liabilities	-	-
Capital commitments	-	-

* Data not available. Refer note (c) below

During the year ended 31 March 2026 and 31 March 2025, the Company did not receive any dividend from Supercor Industries Limited.

c) The Company in financial year 1979-80 had invested in Supercor Industries Limited, Nigeria ("Supercor"). Supercor suspended its operations from November 2015 and closed its offices because of which it has not prepared any financial statements since then. Therefore, the Company has been unable to incorporate the requisite financial information, if any, of Supercor in its consolidated financial statements as required under Section 129(3) of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company's investment in Supercor as at 31 March 2026 amounts to INR NIL (31 March 2025: INR NIL), after considering the provision for diminution in value of investments amounting to INR 142.60 Lakhs (31 March 2025: INR 142.60 Lakhs). During the earlier year, on the basis of the request filed by the Company, an intimation was received from Reserve Bank of India for suspension of the Unique Identification Number allotted to Supercor. The Management does not foresee any future liability on account of any claim, with respect to Supercor over and above the amount invested in Supercor.

54 Disclosures pertaining to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

a) The Company has made investment in the following Companies:

Entity	As at 01 April 2025	Allotment / purchases during the year	Sold during the year	Provision for diminution	As at 31 March 2026
Investment in equity instruments					
BirlaNu International GmbH, Germany	27,346.24	-	-	7,420.00	19,926.24
Supercor Industries Limited, Nigeria (refer note 53 (c))	-	-	-	-	-
Clean Coats Private Limited	-	11,321.80	-	-	11,321.80

Entity	As at 01 April 2024	Allotment / purchases during the year	Sold during the year	Provision for diminution	As at 31 March 2025
Investment in equity instruments					
BirlaNu International GmbH, Germany	27,346.24	-	-	-	27,346.24
Supercor Industries Limited, Nigeria (refer note 53 (c))	-	-	-	-	-

b) The Company has given unsecured interest bearing loans to its following subsidiary (details are excluding interest accrued but not due) :

Entity	As at 01 April 2025	Given / (repaid) during the year	Impact of foreign exchange translation	As at 31 March 2026*	Maximum balance outstanding during the year
BirlaNu International GmbH, Germany	15,192.68	-	2,784.62	17,977.30	17,977.30

Entity	As at 01 April 2024	Given / (repaid) during the year**	Impact of foreign exchange translation	As at 31 March 2025*	Maximum balance outstanding during the year
BirlaNu International GmbH, Germany	12,136.08	2,788.43	268.17	15,192.68	15,192.68

*Restated at the closing conversion rate as the loan was given in foreign currency.

The above loan given to BirlaNu International GmbH (Formerly HIL International GmbH), Germany was for the purpose of partly financing acquisition of 100% shareholding of Parador Holding GmbH, Germany. The outstanding loan amount is repayable in three instalments starting 16 August 2027 upto 16 August 2029. The said loan carries an interest rate of 8% p.a. (31 March 2025: 8% p.a.).

** The Company has given a long-term loan of Euro 3 million (INR 2,788.43 Lakhs) to its wholly owned subsidiary (WOS) BirlaNu International GmbH (Formerly HIL International GmbH), Germany on 01 October 2024 for the purpose of meeting its financial requirements especially the working capital requirements. The same is outstanding as at the year end. The said loan carries an interst rate of 8% p.a.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

55 Financial instruments - fair values and risk management

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

31 March 2026

Particulars	Notes	Carrying amount					Fair value			
		FVTPL	FVOCI	Other financial assets -amortised cost	Other financial liabilities - amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Investments in equity instruments	7	-	42.57	-	-	42.57	-	-	42.57	42.57
		-	42.57	-	-	42.57	-	-	42.57	42.57
Financial assets not measured at fair value										
Trade receivables	8	-	-	17,321.87	-	17,321.87	-	-	-	-
Loans	9	-	-	17,977.30	-	17,977.30	-	-	-	-
Other financial assets	10	-	-	3,099.84	-	3,099.84	-	-	-	-
Cash and cash equivalents	13	-	-	877.66	-	877.66	-	-	-	-
Other bank balances	14	-	-	515.01	-	515.01	-	-	-	-
		-	-	39,791.68	-	39,791.68	-	-	-	-
Financial liabilities measured at fair value										
Derivative liabilities	20	1,653.94	-	-	-	1,653.94	-	1,653.94	-	-
		1,653.94	-	-	-	1,653.94	-	1,653.94	-	-
Financial liabilities not measured at fair value										
Borrowings	17	-	-	-	45,757.92	45,757.92	-	-	-	-
Lease liabilities	18	-	-	-	1,673.83	1,673.83	-	-	-	-
Trade payables	19	-	-	-	26,687.71	26,687.71	-	-	-	-
Other financial liabilities	20	-	-	-	14,561.01	14,561.01	-	-	-	-
		-	-	-	88,680.47	88,680.47	-	-	-	-

The fair value of trade receivables, loans, other financial assets, cash and cash equivalents, other bank balances, trade payables, borrowings, lease liabilities, other financial liabilities, approximate their carrying amount largely due to short-term nature of these instruments.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

55 Financial instruments - fair values and risk management (Contd..)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

31 March 2025

Particulars	Notes	Carrying amount					Fair value			
		FVTPL	FVOCI	Other financial assets -amortised cost	Other financial liabilities - amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Derivative assets	10	366.53	-	-	-	366.53	-	366.53	-	366.53
Investments in equity instruments	7	-	40.89	-	-	40.89	-	-	40.89	40.89
		366.53	**40.89**	**-**	**-**	**407.42**	**-**	**366.53**	**40.89**	**407.42**
Financial assets not measured at fair value										
Trade receivables	8	-	-	17,711.56	-	17,711.56	-	-	-	-
Loans	9	-	-	15,192.68	-	15,192.68	-	-	-	-
Other financial assets	10	-	-	3,084.18	-	3,084.18	-	-	-	-
Cash and cash equivalents	13	-	-	330.69	-	330.69	-	-	-	-
Other bank balances	14	-	-	451.12	-	451.12	-	-	-	-
		-	**-**	**36,770.23**	**-**	**36,770.23**	**-**	**-**	**-**	**-**
Financial liabilities measured at fair value										
Derivative liabilities	20	320.89	-	-	-	320.89	-	320.89	-	320.89
		320.89	**-**	**-**	**-**	**320.89**	**-**	**320.89**	**-**	**320.89**
Financial liabilities not measured at fair value										
Borrowings	17	-	-	-	42,667.81	42,667.81	-	-	-	-
Lease liabilities	18	-	-	-	2,030.31	2,030.31	-	-	-	-
Trade payables	19	-	-	-	26,583.60	26,583.60	-	-	-	-
Other financial liabilities	20	-	-	-	12,129.51	12,129.51	-	-	-	-
		-	**-**	**-**	**83,411.23**	**83,411.23**	**-**	**-**	**-**	**-**

The fair value of trade receivables, loans, other financial assets, cash and cash equivalents, other bank balances, trade payables, borrowings, lease liabilities, other financial liabilities, approximate their carrying amount largely due to short-term nature of these instruments.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

55 Financial instruments - fair values and risk management (Contd..)

B. Measurement of fair values

i. Valuation technique and significant unobservable inputs

Derivative assets / liabilities: The fair value is determined using forward exchange rates at the reporting date and present value calculations based on high credit quality yield curve in the respective currencies.

Investment in equity instruments: The fair value is determined based on the value determined as per discounted cash flows approach as on the reporting date.

ii. Transfer between Level 1 and 2

There have been no transfers from Level 2 to Level 1 or vice-versa in 2025-26 and no transfers in either direction in 2024-25.

iii. Level 3 fair values

Particulars	FVOCI Equity securities
Balance at 01 April 2024	33.73
Net change in fair value (unrealised)	7.16
Balance at 31 March 2025	**40.89**
Balance at 01 April 2025	40.89
Net change in fair value (unrealised)	1.68
Balance at 31 March 2026	**42.57**

Sensitivity analysis

For the fair values of FVOCI equity securities, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects:

Particulars	OCI, net of tax	
	Increase	Decrease
2025-26		
Annual growth rate (2.5% movement)	8.80	(19.49)
2024-25		
Annual growth rate (2.5% movement)	81.67	(18.85)

B. Measurement of fair values - assets held for sale

i. Fair value hierarchy

The non-recurring fair value measurement for the assets held for sale has been considered as level 2 based on the quotations received from third party.

ii. Valuation technique

The management has obtained the quotations for sale of assets classifed as held for sale from independent third party

C. Financial risk management

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

a) Liquidity risk

b) Market risk

c) Credit risk

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

55 Financial instruments - fair values and risk management (Contd..)

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and deployment of risk management framework. The Board of Directors has adopted a Risk Policy, which empowers the management to access and monitoring the risk management parameters along with action taken and the same is updated to Board of Directors.

The Company's risk management policies are established to identify and analyse the risks being faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risk faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the result of which are reported to the audit committee.

a) Liquidity risk

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

As disclosed in Note 17, the Company has a secured bank loan that contains a loan covenant. A future breach of covenant may require the Company to repay the loan earlier than indicated. Under the agreement, the covenant is monitored on a regular basis by the treasury department and regularly reported to the Management to ensure compliance with the agreement.

The interest payments on variable interest rate loans reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables). The Company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts reflect the principal amounts that are gross and undiscounted, and exclude the impact of netting agreements.

31 March 2026

Particulars	Carrying amount	Contractual Cash flows				
		Total	Upto 1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Term loan from banks including interest accrued but not due	20,631.90	21,003.51	3,875.86	3,944.67	10,705.53	2,477.45
Working capital loan from banks including interest accrued but not due and Buyers' credit	25,126.02	25,126.02	25,126.02	-	-	-
Trade payables	26,687.71	26,687.71	26,687.71	-	-	-
Liabilities on business acquisition	794.84	794.84	794.84	-	-	-
Capital creditors	1,439.20	1,439.20	1,439.20	-	-	-
Unpaid dividend	73.67	73.67	73.67	-	-	-

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

55 Financial instruments - fair values and risk management (Contd..)

Particulars	Carrying amount	Contractual Cash flows				
		Total	Upto 1 year	1-2 years	2-5 years	More than 5 years
Security deposits	4,663.92	4,663.92	4,663.92	-	-	-
Lease Liabilities	1,673.83	3,677.19	602.62	278.03	430.79	2,365.75
Contract liabilities	5,079.10	5,079.10	5,079.10	-	-	-
Other financial liabilities	2,510.28	2,510.28	2,510.28	-	-	-
	88,680.47	**91,055.44**	**70,853.22**	**4,222.70**	**11,136.32**	**4,843.20**
Derivative financial liabilities						
Derivative liabilities	1,653.94	1,653.94	1,653.94	-	-	-
	1,653.94	**1,653.94**	**1,653.94**	**-**	**-**	**-**

31 March 2025

Particulars	Carrying amount	Contractual Cash flows				
		Total	Upto 1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Term loan from Bank	11,682.23	13,753.78	3,710.32	3,297.42	6,746.04	-
Working capital loan from banks including interest accrued but not due	30,985.58	30,985.58	30,985.58	-	-	-
Trade payables	26,583.60	26,583.60	26,583.60	-	-	-
Liabilities on business acquisition	843.93	843.93	843.93		-	-
Capital creditors	781.80	781.80	781.80	-	-	-
Unpaid dividend	76.68	76.68	76.68	-	-	-
Security deposits	4,627.05	4,627.05	4,627.05	-	-	-
Lease Liabilities	2,030.31	3,583.18	419.47	227.27	679.80	2,256.64
Contract liabilities	3,435.33	3,435.33	3,435.33	-	-	-
Other financial liabilities	2,364.72	2,364.72	2,364.72	-	-	-
	83,411.23	**87,035.65**	**73,828.48**	**3,524.69**	**7,425.84**	**2,256.64**
Derivative financial liabilities						
Derivative liabilities	320.89	320.89	320.89	-	-	-
	320.89	**320.89**	**320.89**	**-**	**-**	**-**

b) *Market risk*

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

The Company uses derivatives to manage market risks.

i) *Foreign currency risk*

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated. The functional currency for the Company is Indian Rupees. The currencies in which these transactions are primarily denominated is US dollars and Euros. The Company does not enter into any derivative instruments for trading or speculative purposes.

Currency risks related to the principal amounts of the Company's US dollar trade payables and Euro loan and interest receivables have been hedged using forward contracts that mature on or before the same dates as the payables and receivables are due for repayment. These contracts are designated as derivatives.

Generally, borrowings are denominated in currencies that matter the cash flows generated by the underlying operations of the Company. In addition, interest on borrowings is denominated in the currency of the borrowing. This provides an economic hedge without derivatives being entered into and therefore, hedge accounting is not applied in these circumstances.

55 Financial instruments - fair values and risk management (Contd..)

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Exposure to currency risk*

The summary of data about the Company's exposure to unhedged currency risk (based on notional amounts) as reported to the management is as follows:

Particulars	Currency	As at 31 March 2026			As at 31 March 2025		
		Value in foreign currency	Exchange rate	Amount INR in Lakhs	Value in foreign currency	Exchange rate	Amount INR in Lakhs
Trade payables	EUR	2,23,379	108.95	243.37	-	-	-
	USD	28,59,688	94.77	2,710.13	-	-	-
Interest accrued on loan to subsidiaries	EUR	5,02,795	108.95	547.79	5,02,795	92.08	462.96
Commission accrued on corporate guarantee	EUR	63,109	108.95	68.76	-	92.08	-

Derivative assets and liabilities

Foreign currency exposures of the Company are hedged by way of forward contracts. These contracts are entered with Banks with AA+, based on crisil ratings. Therefore, no risk is expected.

*Refer note 52 for details of hedged foreign currency exposure of the Company, the same are reported as derivative assets and liabilities under financial assets and financial liabilities.

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR, US dollar or Euro against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars		Profit or loss		Equity, net of tax	
		Strengthening	Weakening	Strengthening	Weakening
31 March 2026					
(1% movement)	EUR	8.60	(8.60)	6.43	(6.43)
(1% movement)	USD	27.10	(27.10)	20.28	(20.28)
31 March 2025					
(1% movement)	EUR	4.63	(4.63)	3.46	(3.46)

ii) *Interest rate risk*

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31 March 2026	31 March 2025
Variable rate borrowings including current maturities	45,714.67	42,598.51
Total borrowings	**45,714.67**	**42,598.51**

Particulars	Impact on profit and loss	
	31 March 2026	31 March 2025
1% increase in interest rate	(457.15)	(425.99)
1% decrease in interest rate	457.15	425.99

The interest rate sensitivity is based on the closing balance of loans from banks.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

55 Financial instruments - fair values and risk management (Contd..)

c) *Credit risk*

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

Trade receivables :

Customer credit risk is managed by the respective department subject to Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits as defined by the Company. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis. The calculation is based on historical data of credit losses. The following table provides information about the exposure to credit risk and expected credit loss (ECL) for trade receivables.

As at 31 March 2026

Particulars	Weighted average loss rate	Gross carrying amount	Impairment loss allowance	Credit impaired
Less than 90 days	0.79%	16,802.77	133.53	No
90 - 180 days	20.10%	524.85	105.48	No
180 - 270 days	45.87%	220.13	100.97	Yes
270 - 360 days	79.61%	354.72	282.40	Yes
360 - 450 days	92.01%	438.78	403.73	Yes
450 - 540 days	95.58%	112.16	107.21	Yes
540 - 630 days	98.40%	111.08	109.30	Yes
More than 630 days	100.00%	1,183.79	1,183.79	Yes
		19,748.28	**2,426.41**	

As at 31 March 2025

Particulars	Weighted average loss rate	Gross carrying amount	Impairment loss allowance	Credit impaired
Less than 90 days	0.61%	16,437.73	139.03	No
90 - 180 days	11.87%	1,214.41	145.56	No
180 - 270 days	33.45%	455.59	229.54	Yes
270 - 360 days	48.00%	127.72	77.79	Yes
360 - 450 days	60.29%	200.82	170.74	Yes
450 - 540 days	74.08%	70.71	59.49	Yes
540 - 630 days	85.36%	64.45	56.76	Yes
More than 630 days	98.92%	858.74	839.70	Yes
		19,430.17	**1,718.61**	

Trade receivables :

The Company uses an allowance matrix to measure the ECL of trade receivables from individual customers, which comprise a very large number of small balances. Based on the industry practice and the business environment in which the entity operates, Management considers that the trade receivables are in default if the payments are more than 180 days past due.

Loss rates are based on actual credit loss experience over the past 5 years.

The ageing analysis of the receivables has been considered from the date the invoice falls due.

Trade receivables :

Particulars	< 180 days	>180 days	Provision	Total
31 March 2026	17,327.63	2,420.65	(2,426.41)	17,321.87
31 March 2025	17,660.15	1,770.01	(1,718.61)	17,711.56

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

55 Financial instruments - fair values and risk management (Contd..)

The movement in the allowance for impairment in respect of trade receivables is as follows:

Particulars	31 March 2026	31 March 2025
Balance as at 01 April	1,718.61	1,372.28
Amounts written off	-	-
Net remeasurement of loss allowance	707.80	346.33
Balance as at 31 March	**2,426.41**	**1,718.61**

The Group's exposure to credit risk for trade and finance lease receivables and contract assets by geographic region was as follows

Particulars	Carrying amount	
	As at 31 March 2026	As at 31 March 2025
India	19,498.87	19,229.02
Others	249.41	201.14
	19,748.28	**19,430.17**

Security deposits

Security deposits are primarily given to electricity authorities of states across India. Recoverability of these deposits is probable and no risk is expected.

Contract assets

Contract assets are the unbilled revenues to the state electricity boards of Gujarat, Rajasthan and Tamil Nadu, towards the sale of electricity generated from Wind Turbine Generators of the Company, situated at those locations. Refer Note 43 for details. Recoverability of these receivables is probable and no risk is expected.

Loans and interest accrued on loans to subsidiary

The Company has advanced interest bearing long term loans to its wholly owned subsidiary (WOS) BirlaNu International GmbH (Formerly HIL International GmbH). Receipt of the principal and interest amounts of these loans is probable and no risk is expected.

Corporate guarantee fee receivables

During the year ended 31 March 2026, the Company has taken a Stand by Letter of Credit (SBLC) on 04 July 2025 from ICICI bank Limited, India in order to facilitate working capital demand loan aggregating up to EUR 10.29 million to BirlaNu International GmbH from ICICI bank UK PLC, Germany. The facility is extended for a period of 1 year to BirlaNu International GmbH and carries a service fee of 0.53% p.a on the total outstanding loan amount utilised. Further, during the earlier year, the Company has given a corporate guarantee (CG) at a commission of 0.50% p.a on the outstanding CG amount to BirlaNu International GmbH, Germany.

Other receivables

The balances under other receivables is primarily the dividend receivables from the Company's investment in Supercor. As Supercor is inoperative (refer note 53(c)) the Company has considered the entire balances as credit impaired in its books.

Cash and cash equivalents and other bank balances

The cash and cash equivalents and other bank balances are held with banks. Credit risk on cash and cash equivalents and deposits with banks and financial institutions are generally low as the said deposits have been made with the banks and financial institutions who have been assigned high credit rating by international and domestic credit rating agencies.

Derivatives

The derivatives are entered into with bank and financial institutions who have been assigned high credit rating by international and domestic credit rating agencies.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

56 Amalgamation

The Kolkata Bench of the National Company Law Tribunal ("NCLT") vide its order dated 10 March 2026, has approved the Scheme of Amalgamation (the "Scheme") of Crestia Polytech Private Limited, Topline Industries Private Limited, Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited and Prabhu Sainath Polymers Private Limited (together referred to as transferor companies) with the Company with an appointed date of 05 April 2024, under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder. The said Scheme has become effective from 10 March 2026 on compliance of all the conditions precedent mentioned therein. Consequently, the transferor companies got amalgamated with the Company w.e.f. 05 April 2024. The transferor companies are engaged in the business of manufacturing and trading of various types of pipes and fittings, water storage injections, molding items etc.

The amalgamated entity is under common control and thus, the accounting of the said amalgamation has been done applying Pooling of interest method as prescribed in Appendix C of Ind AS 103 'Business Combinations' with effect from 5 April 2024 since the Company has acquired control over transferor companies on 5 April 2024.

While applying Pooling of Interest method, the Company has recorded all assets, liabilities and reserves including goodwill attributable to the transferor companies at their respective carrying values as appearing in the consolidated financial statements of the Company immediately prior to the amalgamation.

The previous year figures of standalone balance sheet, standalone statement of profit and loss (including other comprehensive income), Standalone statement of changes in equity and standalone statement of cash flows have been restated as if the amalgamation has taken place from the date of acquisition of control over transferor companies i.e., 5 April 2024 as required under Appendix C of Ind AS 103.

Below is the summary of restatement of previous year figures::-

Particulars	Crestia Polytech Private Limited	Topline Industries Private Limited	Aditya Polytechnic Private Limited	Prabhu Sainath Polymers Private Limited	Aditya Poly Industries Private Limited	Adjustment	Total
Total assets taken over	10,171.99	2,992.12	3,467.21	3,476.30	1,686.58	11,895.71	33,689.91
Total liabilities taken over	9,077.53	5,874.74	3,133.85	3,687.08	2,107.55	2,087.29	25,968.04
Net assets taken over	**1,094.46**	**(2,882.62)**	**333.36**	**(210.78)**	**(420.97)**	**9,808.42**	**7,721.87**
Cancellation of investment made in Transferor companies							16,045.66
Difference between investment value and net assets (after reducing reserves) accounted as Goodwill							8,323.79

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

56 Amalgamation (Contd..)

The impact of the above merger on the previously reported balance sheet as at 31 March 2025 is as follows

Particulars	BirlaNu Limited (Pre-merger)	Topline Industries Private Limited	Crestia Polytech Private Limited	Aditya Polytechnic Private Limited	Prabhu Sainath Polymers Private Limited	Aditya Poly Industries Private Limited	Adjustment	Year ended 31 March 2025 (Merged)
Assets								
Total Non current assets	1,36,045.35	807.44	10,813.48	2,606.99	2,241.90	482.31	(6,618.50)	1,46,378.97
Total current assets	66,889.00	2,398.36	5,955.35	693.08	1,007.81	672.83	(7,787.49)	69,828.94
Total Assets	**2,02,934.35**	**3,205.80**	**16,768.83**	**3,300.07**	**3,249.71**	**1,155.14**	**(14,405.99)**	**2,16,207.91**
Equity and liabilities								
Shareholders' funds	1,26,759.72	(3,787.61)	7,087.43	332.88	917.24	(627.65)	(7,683.46)	1,22,998.55
Total non-current liabilities	11,878.96	318.19	1,956.54	196.01	537.94	9.05	935.13	15,831.82
Total current liabilities	64,295.67	6,675.22	7,724.85	2,771.19	1,794.53	1,773.72	(7,657.64)	77,377.54
Total equity and liabilities	**2,02,934.35**	**3,205.80**	**16,768.82**	**3,300.08**	**3,249.71**	**1,155.12**	**(14,405.97)**	**2,16,207.91**

The impact of the above merger on the previously reported statement of profit and loss as at 31 March 2025 is as follows:

Particulars	BirlaNu Limited (Pre-merger)	Topline Industries Private Limited	Crestia Polytech Private Limited	Aditya Polytechnic Private Limited	Prabhu Sainath Polymers Private Limited	Aditya Poly Industries Private Limited	Adjustment	Year ended 31 March 2025 (Merged)
Total revenue	2,34,233.07	15,395.97	11,972.46	2,973.95	2,023.62	1,845.85	(26,030.02)	2,42,414.90
Total expenses	2,31,597.83	16,600.58	13,044.72	3,530.13	2,296.75	2,116.75	(25,038.57)	2,44,148.20
Profit before tax and exceptional items	**2,635.24**	**(1,204.61)**	**(1,072.26)**	**(556.18)**	**(273.13)**	**(270.90)**	**(991.45)**	**(1,733.30)**
Exceptional item	8,189.41	-	-	-	-	-	-	8,189.41
Profit before tax from continuing operations	**10,824.65**	**(1,204.61)**	**(1,072.26)**	**(556.18)**	**(273.13)**	**(270.90)**	**(991.45)**	**6,456.11**
Tax expense	1,729.43	(308.15)	(184.11)	142.93	1.78	(64.21)	(220.97)	1,096.70
Profit after tax	**9,095.22**	**(896.46)**	**(888.15)**	**(699.11)**	**(274.91)**	**(206.69)**	**(770.48)**	**5,359.41**
Other comprehensive income								
Other comprehensive income for the year, net of tax	**(47.84)**	**(8.52)**	**(10.24)**	**(1.36)**	**(4.87)**	**(0.36)**	**-**	**(73.19)**
Total comprehensive income for the year	**9,047.38**	**(904.98)**	**(898.39)**	**(700.47)**	**(279.78)**	**(207.05)**	**(770.48)**	**5,286.22**

56 Amalgamation (contd..)

The impact of the above merger on the previously reported statement of cashfl ows for the year ended March 31, 2025 is as follows:

Particulars	BirlaNu Limited (Pre-merger)	Topline Industries Private Limited	Crestia Polytech Private Limited	Aditya Polytechnic Private Limited	Prabhu Sainath Polymers Private Limited	Aditya Poly Industries Private Limited	Adjustment	Year ended 31 March 2025 (Merged)
Cashflows from operating activities	5,546.44	(2,393.00)	890.45	(299.81)	(495.87)	288.71	1,259.40	4,796.32
Cashflows used in investing activities	(5,821.92)	12.39	(6,165.37)	(108.14)	(2,264.53)	(634.44)	12,555.85	(2,426.16)
Cashflows from financing activities	(6,307.22)	2,363.81	5,310.40	410.42	2,765.10	348.17	(13,821.80)	(8,931.12)
Total	**(6,582.70)**	**(16.80)**	**35.48**	**2.47**	**4.70**	**2.44**	**(6.55)**	**(6,560.96)**

Note: The total amount of revenues and loss before taxes relating to Crestia Group for the year ended 31 March 2026 included in the financial statements is INR 14,489.03 lakhs and INR 2,720.20 lakhs, respectively.

57 Ratios

Sl. No.	Particulars	Formulae	Numerator	Denominator	Unit	31 March 2026	31 March 2025 (Refer Note 56)	Variance	Reasons for Variance*
a.	Current ratio	Current assets/ Current liabilities	Current assets	Current liabilities	Times	0.98	0.90	8.84%	
b.	Debt equity ratio	Total debt/ Shareholders equity	Current Borrowings + Non-current borrowings	Total equity	Times	0.38	0.35	10.57%	
c.	Debt service coverage ratio	Earnings available for debt service/ Debt service	Net profit after tax + Interest + Depreciation and amortization +/- Loss or gain on sale of property, plant & equipment- Exceptional Items	Interest + Lease interest payments + Current lease liabilities + Current borrowings	Times	0.42	0.25	63.02%	Increased profit resulted in decrease in variance
d.	Return on equity	Net Profits after taxes/ Average shareholder's equity	Net profits after taxes-Exceptional items	Average shareholder's equity	%	1.71%	-2.34%	-173.24%	Increased profit resulted in decrease in variance
e.	Inventory turnover ratio	Sales/ Average inventory	Net sales	Average inventory	Times	6.01	5.72	5.09%	
f.	Trade receivables turnover ratio	Sales/ Average accounts receivable	Net sales	Average accounts receivable	Times	12.39	13.93	-11.06%	
g.	Trade payables turnover ratio	Purchases/ Average accounts payable	Purchases	Average accounts payable	Times	5.54	5.89	-5.92%	

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

57 Ratios (Contd..)

Sl. No.	Particulars	Formulae	Numerator	Denominator	Unit	31 March 2026	31 March 2025 (Refer Note 56)	Variance	Reasons for Variance*
h.	Net capital turnover ratio	Sales/ Working capital	Net sales	Current assets - Current liabilities	Times	(181.82)	(31.66)	474.38%	Owing to increase in the current assets from previous year on account of some portion of loan to subsidiary classified as current
i.	Net profit ratio	Net profits after taxes/ Net sales	Net profits after taxes- Exceptional items	Net sales	%	0.85%	-1.18%	-172.19%	Increased operational profit during the year
j.	Return on capital employed	Earning before interest and taxes / Capital employed	Earning before interest and taxes	Total equity - Intangible assets - Intangible assets under development + Non current borrowing + Current borrowings + Deferred tax liabilities	%	3.52%	1.18%	198.08%	Variance due to increase in the operational profit
k.	Return on investment (Mutual fund)	Income generated from mutual funds/ Average mutual funds invested	Income generated from mutual funds	Average mutual funds invested	%	4.46%	6.65%	-32.93%	Decreased return owing to investment market unstability during the current year.
l.	Return on investment (Fixed deposit)	Income generated from fixed deposits/ Average fixed deposits held	Income generated from fixed deposits	Average fixed deposits held	%	5.58%	5.35%	4.26%	

** Reason for variance is given for ratios having % change more than 25%.*

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

58 Benami property

There are no proceeding initiated or pending against the Company as at 31 March 2026 and 31 March 2025, under Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016).

59 Wilful defaulter

The Company is not declared a wilful defaulter by any bank or financial Institution or other lender.

60 Undisclosed incomes

The Company has no such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year or previous year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other provisions of the Income Tax Act, 1961).

61 (i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

(ii) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

62 Struck off companies

The Company has entered into transactions with the companies struck off as per Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956. Below are the details of balances outstanding:

Sl. No	Name of the struck off company	Nature of transactions with struck off company	Balances as at 31 March 2026	Relationship with the struck off company
1	Quality Buildcon Private Limited	Sales	4.86	None
		Contract liability against payment	0.02	None
2	Asma Infratech Private Limited	Receivables	4.11	None
3	Flora Enterprises Private Limited	Sales	12.23	None
4	Paramount PEB Projects Private Limited	Payable	0.36	None
5	Bluepeter Shipping Private Limited	Payable	0.01	None
6	Citizen Securities Private Limited	Shares held by struck off company	1,350 shares	Shareholder

63 There are no loans or advances in the nature of loans granted to promoters, directors, KMP's and the related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person, that are :

a) repayable on demand; or

b) without specifying any terms or period of repayment

64 Compliance with number of layers of companies prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026
(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

65 Pursuant to the provisions of Sections 230 and 233, and all other applicable provisions, if any, of the Companies Act, 2013, and in accordance with the enabling provisions of the Memorandum of Association and Articles of Association of Clean Coats Private Limited (herein after referred to as the 'Transferor Company'), and BirlaNu Limited (formerly known as 'HIL Limited') (herein after referred to as the 'Transferee Company'), and after securing the required approvals from the Board of Directors in their meetings held on 13 February 2026, subject to the requisite approval of the shareholders / creditors of the respective Companies, the transferor companies and transferee company have filed the necessary 'Company Applications' seeking approval of the Scheme of Amalgamation of the Transferor Company with the Transferee Company before the Hon'ble National Company Law Tribunal ('NCLT'), the Mumbai Bench and the Hyderabad Bench. Hon'ble NCLT Mumbai bench and Hyderabad bench, through their order dated 07 May 2026 and 29 April 2026, respectively dispensed with the requirement of holding shareholders and creditors meeting. Company is in the process initiating the further proceedings.

66 Exceptional items

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
a) Gain on sale of non-current assets held for sale (refer note below)	3,940.65	8,189.41
b) Provision for diminution in value of investment in subsidiary (refer note 7 for details)	(7,420.00)	-
	(3,479.35)	8,189.41

Note: Certain land and buildings classified under non-current assets held for sale as identified in the previous year have been sold during the year.

67 Ministry of Corporate Affairs had approved the application for the change of the Company's name from 'HIL Limited' to 'BirlaNu Limited,' effective 19 March 2025.

As per our Report of even date attached

for **B S R and Co**
Chartered Accountants
ICAI Firm Registration Number: 128510W

Sulabh Kumar Kedia
Partner
Membership No.: 066380
Place: Mumbai
Date: 12 May 2026

for and on behalf of the Board of Directors of
BirlaNu Limited (formerly HIL Limited)
CIN No.: L74999TG1955PLC000656

CK Birla
Chairman
DIN: 00118473
Place: New Delhi

Akshat Seth
Managing Director and
Chief Executive Officer
DIN: 10039820
Place: New Delhi

Ajay Kapadia
Chief Financial Officer
Membership No.: 108447
Place: New Delhi
Date: 12 May 2026

Nidhi Bisaria
Company Secretary
Membership No.: F5634
Place: New Delhi

Independent Auditor's Report

To
The Members of **BirlaNu Limited**
(Formerly known as HIL Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **BirlaNu Limited (Formerly known as HIL Limited**) (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its joint venture, which comprise the consolidated balance sheet as at 31 March 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information in which are included the financial information of erstwhile Crestia Polytech Private Limited, Topline Industries Private Limited, Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited and Prabhu Sainath Polymers Private Limited (together referred to as the "components"), (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditor on consolidated financial statements of a subsidiary and the report of the other auditor on separate financial information of the components for the year ended 31 March 2026 as audited by the other auditors, the aforesaid consolidated 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 consolidated state of affairs of the Group and its joint venture as at 31 March 2026, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of report of other auditor on the financial information of components audited by them and report of other auditor on the consolidated financial statements of a subsidiary, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of Goodwill and Brand with indefinite useful life

See Note 6 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Holding Company performs impairment assessment of Goodwill and Brand under Ind AS 36 "Impairment of Assets" on an annual basis and whenever there is an indication of impairment. The aforesaid assets arose on acquisition of different businesses. The Holding Company has assessed the useful life of the Brand also as indefinite. In performing the impairment test, the Holding Company has made several key assumptions, such as growth rates, discount rates and forecasted cash flows relating to the aforesaid entity. We identified impairment of Goodwill and Brand as a key audit matter because these estimates involve significant judgement, and the underlying assumptions are inherently uncertain.	Our audit procedures included, among others: ▸ We evaluated the design and implementation of key internal financial controls of the Holding company with respect to the impairment assessment of Goodwill and Brand with indefinite life and tested operating effectiveness of such controls; ▸ We tested budgeting procedures upon which the cash flow forecasts were based. We also compared the actual past performances with the budgeted figures;

The key audit matter	How the matter was addressed in our audit
	▸ We involved internal valuation specialists to assist us in evaluating the key assumptions and methodology used by the Holding Company, in particular those relating to the forecast of the revenue growth, EBITDA margins, terminal value growth rate and discount rate. Internal valuation specialists also compared the assumptions to externally derived data in relation to key inputs such as projected economic growth, competition, cost inflation and discount rates; ▸ We assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions; and ▸ We assessed the adequacy of the disclosures including disclosures of key assumptions, judgments and sensitivities.

Revenue recognition

See Note 23 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group derives revenue from sale of products relating to roofs, walls, pipes and constructions chemicals, floors and others, with revenue recognized upon transfer of control in accordance with applicable accounting standards. We have identified the timing of revenue recognition towards period end (for the Group) and risk of revenue being recorded from fictitious customers (for Holding company) as a key audit matter because there are variations in different sale contracts and the possibility of override of controls particularly due to pressures for achieving the performance targets for the year.	Our audit procedures included, among others: ▸ We assessed the appropriateness of the Group's revenue recognition accounting policies and their compliance with the applicable Indian ▸ Accounting Standards. ▸ We evaluated the design and implementation of and tested the operating effectiveness of key internal financial controls over revenue recognition, including controls relating to dispatch, invoicing, recording of sales transactions, cut-off adjustment and onboarding of new customers. ▸ We tested, on a sample basis using statistical sampling, specific revenue transactions recorded around the period end date to check whether revenue has been recognized in the correct reporting period by testing the underlying documents; ▸ We tested the underlying documents relating to customer creation on a sample basis. For the samples selected using statistical sampling, we obtained confirmations from customers for year- end balances including the terms of sales and performed alternative audit procedures in case no responses were received. We have also obtained transaction-wise confirmations for sales recorded during the year for few selected customers; and ▸ We tested sample journal entries selected based on specified risk-based criteria, to identify unusual items.

Accounting for business combination

See Note 33 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Accounting for business combinations requires determination of the fair value of net assets acquired and intangibles recognized as a part of acquisition. An inappropriate amount is assigned as part of Purchase Price Allocation including Goodwill arising on such business combination.	Our audit procedures included, among others: ▸ We assessed the appropriateness of the business combination accounting and compliance with Indian Accounting Standards; ▸ We evaluated the design and implementation of key internal financial controls of the Company with respect to the business combination accounting and test the operating effectiveness of such controls;

The key audit matter	How the matter was addressed in our audit
Fair value of identifiable assets acquired and liabilities assumed as part of the business combination are accounted as per Ind AS 103 as at the acquisition date. The cash flow projections and fair value workings involves estimates determined by the management using significant judgements. We identified business combination accounting as a Key audit matter and Significant risk because these estimates involve significant judgement, and the underlying assumptions are inherently uncertain.	▸ We obtained the purchase price allocation report to assess the fair value allocated to the net assets acquired including the identified intangible assets and resultant goodwill; ▸ We tested the Management's estimates and judgment used in arriving at the fair value of intangible assets recognised and resultant Goodwill; ▸ We have involved valuation specialists to assist us in evaluating the key assumptions and methodology used by the management, in particular those relating to the fair valuation of tangible assets, value of identified intangible assets, discount rates used in the projections and testing the mathematical accuracy of the projected financial information calculation; ▸ We have verified the appropriateness of working capital balances acquired and obtained the closing statement agreed by the earlier shareholders of the acquired entities and the Company; and ▸ We have verified the adequacy of disclosures made in the financial statements, as required by relevant Indian Accounting Standards.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's reports thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and the respective Management and Board of Directors of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and the respective Management and Board of Directors of its joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and the respective Board of Directors of its joint venture are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated 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 judgment and maintain professional skepticism throughout the audit. We also:

- 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.
- 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 Group and its joint venture to cease to continue as a going concern.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entity or business activity within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditors. For the other entities and components included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company 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.

Other Matters

a. We did not audit the financial information of components, whose financial information reflects total assets (before consolidation adjustments) of INR 35,457.86 lakhs as at 31 March 2026, total revenues (before consolidation adjustments) of INR 29,358.60 lakhs and net cash inflows (before consolidation adjustments) amounting to INR 90.41 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial information has been audited by other auditor whose report has been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these components and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid components, is based solely on the report of the other auditor.

   We did not audit the financial statements of six subsidiaries (including step down subsidiaries), whose financial statements reflects total assets (before consolidation adjustments) of INR 125,708.89 lakhs as at 31 March 2026, total revenues (before consolidation adjustments) of INR 128,676.40 lakhs and net cash outflows (before consolidation adjustments) amounting to INR 4,498.69 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub- section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

b. The financial information of one subsidiary, whose financial information reflect total assets (before consolidation adjustments) of INR 2,373.41 lakhs as at 31 March 2026, total revenues (before consolidation adjustments) of INR 2,049.01 lakhs and net cash inflows (before consolidation adjustments) amounting to INR 177.03 lakhs for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditor. The consolidated financial statements also include the Group's share of net loss of INR 5.88 lakhs for the year ended 31 March 2026, as considered in the consolidated financial statements, in respect of one joint venture, whose financial information has not been audited by us or by other auditor. These unaudited financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary and joint venture, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial information certified by the Management.

c. We draw attention to Note 33 of the consolidated financial statements which describes the accounting for the acquisition of subsidiary company by the Holding Company. The financial information of the aforesaid acquired subsidiary company as on the acquisition date has been audited by M/s. Kothari Mody Kenia and Associates whose report dated 12 February 2026 had expressed an unmodified opinion.

Our opinion is not modified in respect of this matter.

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(11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on consolidated financial statements of such subsidiaries and components, as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except that the back-up of Oracle Financial Consolidation and Close Cloud Service tool which form part of the 'books of account and other relevant books and papers in electronic mode' have not been maintained on the servers physically located in India and for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements .

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

e. On the basis of the written representations received from the directors of the Holding Company as on 01 April 2026 and 04 April 2026 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A) (b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

B. 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 and based on the consideration of the reports of the other auditors on consolidated financial statements of the subsidiaries and components, as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group and its joint venture. Refer Note 39 to the consolidated financial statements.

b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer Note 49 to the consolidated financial statements in respect of such items as it relates to the Group and its joint venture.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary company incorporated in India during the year ended 31 March 2026.

d (i) The management of the Holding Company represented to us that, to the best of their knowledge and belief, as disclosed in the Note 60 to the consolidated financial statements, 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 Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company represented to us that, to the best of their knowledge and belief, as disclosed in the Note 60 to the consolidated financial statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our or the other auditor notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 16 to the consolidated financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks and that performed by the other auditor of the components whose financial information have been audited by them, except for the instances mentioned below, the Holding Company have used accounting softwares for maintaining its books of account which, along with access management tool, as applicable, has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

- in case of an accounting software used by Holding Company for maintaining general ledger which is operated by a third party service provider, in the absence of reporting on compliance with the audit trail requirements at database level in the independent auditor's report of service organisation, we are unable to comment whether audit trail feature of the said accounting software was enabled at the database level and operated for all relevant transactions recorded in the accounting software.
- in case of an accounting software used by the Holding Company for maintaining the books of account relating to consolidation which is operated by a third-party software service provider, in the absence of reporting on compliance with the audit trail requirements

at database level in the independent auditor's report of service organisation, we are unable to comment whether audit trail feature of the said accounting software was enabled at the database level and operated through out the year for all relevant transactions recorded in the accounting software.

Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of the audit trail feature being tampered with.

Additionally, where audit trail (edit log) facility was enabled in the previous years, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditor of such subsidiary company incorporated in India which were not audited by us, the remuneration paid/payable during the current year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director by the Holding Company and its subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R and Co**
Chartered Accountants
Firm's Registration No.:128510W

Sulabh Kumar Kedia
Partner
Membership No.: 066380
ICAI UDIN:26066380SZBJVH6398

Place: Mumbai
Date: 12 May 2026

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of BirlaNu Limited (Formerly known as HIL Limited) for the year ended 31 March 2026

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

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, has unfavourable/ qualified remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Sub sidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	BirlaNu Limited (formerly HIL Limited)	L74999TG1955PLC000656	Holding Company	Clause (i)(c)

For **B S R and Co**
Chartered Accountants
Firm's Registration No.:128510W

Sulabh Kumar Kedia
Partner
Membership No.: 066380
ICAI UDIN:26066380SZBJVH6398

Place: Mumbai
Date: 12 May 2026

Annexure B to the Independent Auditor's Report on the consolidated financial statements of BirlaNu Limited (Formerly known as HIL Limited) for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

In conjunction with our audit of the consolidated financial statements of BirlaNu Limited (Formerly known as HIL Limited) (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company in which are included internal financial controls with reference to financial information of erstwhile Crestia Polytech Private Limited, Topline Industries Private Limited, Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited and Prabhu Sainath Polymers Private Limited (together referred to as the "components"), and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion and based on the consideration of report of the other auditor on internal financial controls with reference to financial information of the components, as were audited by the other auditor, the Holding Company and such company incorporated in India which is its subsidiary company, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls 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 and Board of Directors' Responsibilities for Internal Financial Controls

The Holding Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the relevant components in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to components, is based on the corresponding report of the auditor of such components.

The internal financial controls with reference to financial information insofar as it relates to one subsidiary company, which is a company incorporated in India and included in these consolidated financial statements, have not been audited either by us or by other auditor. In our opinion and according to the information and explanations given to us by the Management, such unaudited subsidiary company is not material to the Holding Company.

Our opinion is not modified in respect of this matter.

For **B S R and Co**
Chartered Accountants
Firm's Registration No.:128510W

Sulabh Kumar Kedia
Partner
Membership No.: 066380
ICAI UDIN:26066380SZBJVH6398

Place: Mumbai
Date: 12 May 2026

Consolidated Balance Sheet

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	1,38,488.85	1,32,282.33
(b) Capital work-in-progress	4	3,994.46	5,500.46
(c) Investment property	5	603.49	1,880.98
(d) Goodwill	6	28,156.85	22,963.24
(e) Other intangible assets	6	15,843.98	11,319.86
(f) Intangible assets under development	6	44.86	152.48
(g) Financial assets			
(i) Investments	7	43.06	41.30
(ii) Trade receivables	8	34.35	20.30
(iii) Loans	9	3,083.68	2,692.88
(iv) Other financial assets	10	1,969.51	2,364.73
(h) Deferred tax assets(net)	34	35.60	600.97
(i) Other tax assets (net)		1,589.07	417.10
(j) Other non-current assets	11	2,292.74	1,613.76
Total non-current assets		**1,96,180.50**	**1,81,850.39**
Current assets			
(a) Inventories	12	68,656.92	68,323.68
(b) Financial assets			
(i) Investments	7	-	-
(ii) Trade receivables	8	20,684.86	19,957.25
(iii) Cash and cash equivalents	13	4,893.05	7,628.97
(iv) Bank balances other than (iii) above	14	609.31	451.12
(v) Other financial assets	10	2,822.95	4,479.49
(c) Other tax assets (net)		267.88	540.43
(d) Other current assets	11	9,867.89	9,336.02
(e) Non-current assets classified as held for sale		3,107.52	-
Total current assets		**1,10,910.38**	**1,10,716.96**
TOTAL ASSETS		**3,07,090.88**	**2,92,567.35**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	756.81	756.81
(b) Other equity	16	1,10,281.24	1,20,387.97
Equity attributable to the owners of the Company		**1,11,038.05**	**1,21,144.78**
Non-controlling interest		-	-
TOTAL EQUITY		**1,11,038.05**	**1,21,144.78**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	30,100.05	25,655.39
(ia) Lease liabilities	18	23,067.69	22,163.25
(ii) Other financial liabilities	20	1,311.87	-
(b) Provisions	21	4,398.06	3,858.66
(c) Deferred tax liabilities (net)	34	7,565.81	5,633.32
(d) Other non-current liabilities	22	595.60	532.11
Total non-current liabilities		**67,039.08**	**57,842.73**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	55,132.85	45,343.00
(ia) Lease Liabilities	18	2,868.11	2,786.74
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	19	6,428.67	2,765.51
Total outstanding dues of creditors other than micro enterprises and small enterprises	19	37,593.78	40,050.54
(iii) Other financial liabilities	20	18,142.78	15,597.59
(b) Other current liabilities	22	4,367.31	4,273.83
(c) Provisions	21	4,178.64	2,600.89
(d) Current tax liabilities (net)		301.61	161.74
Total current liabilities		**1,29,013.75**	**1,13,579.84**
TOTAL LIABILITIES		**1,96,052.83**	**1,71,422.57**
TOTAL EQUITY AND LIABILITIES		**3,07,090.88**	**2,92,567.35**
Summary of material accounting policies	3		
See accompanying notes to the consolidated financial statements			

As per our Report of even date attached

for **B S R and Co**
Chartered Accountants
ICAI Firm Registration Number: 128510W

for and on behalf of the Board of Directors of
BirlaNu Limited (formerly HIL Limited)
CIN No.: L74999TG1955PLC000656

Sulabh Kumar Kedia
Partner
Membership No.: 066380
Place: Mumbai
Date: 12 May 2026

CK Birla
Chairman
DIN: 00118473
Place: New Delhi

Akshat Seth
Managing Director and
Chief Executive Officer
DIN: 10039820
Place: New Delhi

Ajay Kapadia
Chief Financial Officer
Membership No.: 108447
Place: New Delhi
Date: 12 May 2026

Nidhi Bisaria
Company Secretary
Membership No.: F5634
Place: New Delhi

Consolidated Statement of Profit and Loss

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

	Particulars	Notes	For the year ended 31 March 2026	For the year ended 31 March 2025
I	Revenue from operations	23	3,73,039.69	3,61,522.79
	Other income	24	5,471.49	2,947.41
	TOTAL INCOME (I)		**3,78,511.18**	**3,64,470.20**
II	**EXPENSES**			
	Cost of materials consumed	25	1,86,442.55	1,91,295.01
	Purchases of stock-in-trade	26	24,057.79	19,054.33
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	3,663.26	1,180.38
	Employee benefits expense	28	58,626.28	52,902.62
	Finance costs	29	6,823.27	6,824.28
	Depreciation and amortisation expense	30	15,140.40	14,407.96
	Other expenses	31	99,293.49	91,233.14
	TOTAL EXPENSES (II)		**3,94,047.04**	**3,76,897.72**
III	**Loss before exceptional items, share of loss of equity accounted investee and tax expense (I-II)**		**(15,535.86)**	**(12,427.52)**
IV	**Exceptional items**	**54**	**3,940.65**	**8,189.41**
V	**(Loss)/ Profit before share of loss of equity accounted investee and tax expense (III+IV)**		**(11,595.21)**	**(4,238.11)**
VI	**Share of loss of equity accounted investee (net of tax)**	**53**	**(5.88)**	**(107.62)**
VII	**(Loss)/ Profit before tax (V+VI)**		**(11,601.09)**	**(4,345.73)**
VIII	**Tax expense:**			
	Current tax	34	(88.91)	2,267.91
	Deferred tax	34	443.94	(3,323.29)
	Total tax (benefit) / expense		**355.03**	**(1,055.38)**
IX	**(Loss)/ Profit for the year (VII-VIII)**		**(11,956.12)**	**(3,290.35)**
X	**Other comprehensive income/ (loss)**			
	Items that will not be reclassified subsequently to profit or loss			
	(a) Remeasurements of defined benefit (liability) / asset	36	523.10	(218.93)
	Income-tax relating to above item		(160.15)	58.11
			362.95	**(160.82)**
	(b) Equity investments through other comprehensive income - net change in fair value	7	1.68	7.16
	Income-tax relating to above item		(0.24)	(1.02)
			1.44	**6.14**
	Items that will be reclassified subsequently to profit or loss			
	(a) Exchange difference in translating financial statements of foreign operations	16	3,750.20	669.84
	Other comprehensive income for the year, net of tax		**4,114.59**	**515.16**
XI	**Total comprehensive (loss) / income for the year (IX + X)**		**(7,841.53)**	**(2,775.19)**
XII	(Loss) / Profit attributable to:			
	Owners of the Company		(11,956.12)	(3,290.35)
	Non-controlling interests		-	-
	(Loss) / Profit for the year		**(11,956.12)**	**(3,290.35)**
XIII	Other comprehensive income attributable to:			
	Owners of the Company		4,114.59	515.16
	Non-controlling interests		-	-
	Other comprehensive income for the year		**4,114.59**	**515.16**
XIV	Total comprehensive attributable to:			
	Owners of the Company		(7,841.53)	(2,775.19)
	Non-controlling interests		-	-
	Total comprehensive income / (loss) for the year		**(7,841.53)**	**(2,775.19)**
XV	Earnings per equity share (Face value of INR 10 each)	37		
	Basic (in INR)		(158.55)	(43.63)
	Diluted (in INR)		(158.55)	(43.63)
	Summary of material accounting policies	3		
	See accompanying notes to the consolidated financial statements			

As per our Report of even date attached

for **B S R and Co**
Chartered Accountants
ICAI Firm Registration Number: 128510W

Sulabh Kumar Kedia
Partner
Membership No.: 066380
Place: Mumbai
Date: 12 May 2026

for and on behalf of the Board of Directors of
BirlaNu Limited (formerly HIL Limited)
CIN No.: L74999TG1955PLC000656

CK Birla
Chairman
DIN: 00118473
Place: New Delhi

Akshat Seth
Managing Director and
Chief Executive Officer
DIN: 10039820
Place: New Delhi

Ajay Kapadia
Chief Financial Officer
Membership No.: 108447
Place: New Delhi
Date: 12 May 2026

Nidhi Bisaria
Company Secretary
Membership No.: F5634
Place: New Delhi

Consolidated Statement of Cash Flows

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

	Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
A	**Cash flows from operating activities**		
	(Loss)/ Profit for the year before tax	(11,601.09)	(4,345.73)
	Adjustments for:		
	Depreciation and amortisation expense	15,140.40	14,407.96
	Rental income from investment property	(525.63)	(565.24)
	Provision for impairment of receivables, advances and other assets, net	842.66	304.49
	Liabilities no longer required written back	(125.66)	(136.85)
	Bad debts written off	35.60	90.37
	Provision for diminution in value of investments	112.03	-
	Net gain on sale of property, plant and equipment	-	301.21
	Unrealised foreign exchange fluctuations, net	(2,805.58)	(547.82)
	Gain on sale of non-current assets held for sale	(4,625.08)	(8,189.41)
	Share of loss of equity accounted investee	5.88	107.62
	Change in fair value of financial assets measured at FVTPL, net	1,720.56	875.10
	Gain on sale of current investments net	(12.05)	(17.84)
	Employee share based payment expense / (reversal)	(2.93)	332.78
	Finance costs	6,823.27	6,824.28
	Interest income	(244.49)	(222.01)
	Interest income on tax refunds	(103.79)	(3.73)
	Government grant	-	(28.18)
	Dividend income on equity securities	(0.53)	(0.40)
	Operating profit before working capital adjustments	**4,633.57**	**9,186.60**
	Working capital adjustments:		
	Decrease in inventories	4,808.77	6,295.14
	Increase in trade receivables	(509.57)	(3,771.57)
	Decrease / (Increase) in other financial assets	2,284.86	(411.37)
	Decrease / (Increase) in other assets	222.93	(2,183.37)
	(Decrease) / Increase in trade payables	(2,198.73)	191.23
	Increase / (Decrease) in other financial liabilities	1,438.55	(723.28)
	Increase / (Decrease) in provisions	1,784.66	(464.92)
	(Decrease) / Increase in other liabilities	(183.46)	1,717.77
	Cash generated from operating activities	**12,281.58**	**9,836.23**
	Income-tax paid (net of refund)	(426.66)	(1,627.58)
	Net cash generated from operating activities (A)	**11,854.92**	**8,208.65**
B	**Cash flows from investing activities**		
	Acquisition of property, plant and equipment	(9,221.96)	(12,353.15)
	Proceeds from sale of investment property	280.05	-
	Proceeds from sale of property, plant and equipment	4,828.02	7,605.22
	Advance for sale of non-current asset held for sale	11.00	87.00
	Proceeds from sale of mutual funds	8,811.61	31,896.14
	Purchase of mutual funds	(8,799.48)	(21,651.97)
	Purchase of shares in subsidiary	(11,323.47)	(11,052.11)
	Interest received	235.28	208.48
	Dividend received	0.53	0.40
	Bank balances not considered as cash and cash equivalents	(169.33)	(617.37)
	Loans given	96.66	68.44
	Rent received from long-term investment in properties	525.63	565.24
	Net cash used in investing activities (B)	**(14,725.46)**	**(5,243.68)**
C	**Cash flows from financing activities***		
	Repayment of long-term borrowings	(7,032.66)	(11,763.79)
	Receipts of long-term borrowings	12,138.17	6,010.50
	Receipts of short-term borrowings (net)	3,622.46	6,802.58
	Finance costs	(5,342.19)	(5,166.41)
	Interest on lease liabilities	(1,525.23)	(1,442.88)
	Repayment of lease liabilities	(2,725.10)	(1,751.11)
	Dividend paid on equity shares	(2,265.28)	(1,699.71)

Consolidated Statement of Cash Flows

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Net cash used in financing activities (C)	**(3,129.83)**	**(9,010.82)**
Net decrease in cash and cash equivalents (A+B+C)	**(6,000.37)**	**(6,045.85)**
Cash and cash equivalents at the beginning of the year	7,628.97	13,459.02
Cash and cash equivalents through acquisition	2,216.43	45.40
Effect of changes in foregin currency fluctuation on cash and cash equivalents	1,048.02	170.40
Cash and cash equivalents at the end of the year	**4,893.05**	**7,628.97**

* Changes in liabilities arising from financing activities:

Particulars	As at 01 April 2025	Cash flow changes	Non-cash changes	As at 31 March 2026
Long-term borrowings	33,751.59	5,105.51	2,618.76	41,475.86
Short-term borrowings	37,246.80	3,622.46	2,887.78	43,757.04
Lease liabilities	24,949.99	(4,250.33)	5,236.14	25,935.80

Particulars	As at 01 April 2024	Cash flow changes	Non-cash changes	As at 31 March 2025
Long-term borrowings	35,867.95	(5,753.29)	3,636.93	33,751.59
Short-term borrowings	18,914.23	6,802.58	11,529.99	37,246.80
Lease liabilities	22,818.30	(3,193.99)	5,325.68	24,949.99

Note:

a) The above consolidated statement of cash flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.

b) Cash and cash equivalents comprises of:

	As at 31 March 2026	As at 31 March 2025
Balances with banks:		
- On current accounts	4,876.65	7,616.88
Cash on hand	16.40	12.09
Cash and cash equivalents as per balance sheet	**4,893.05**	**7,628.97**

Summary of material accounting policies (refer note 3)

See accompanying notes to the consolidated financial statements

As per our Report of even date attached

for **B S R and Co**
Chartered Accountants
ICAI Firm Registration Number: 128510W

Sulabh Kumar Kedia
Partner
Membership No.: 066380
Place: Mumbai
Date: 12 May 2026

for and on behalf of the Board of Directors of
BirlaNu Limited (formerly HIL Limited)
CIN No.: L74999TG1955PLC000656

CK Birla
Chairman
DIN: 00118473
Place: New Delhi

Akshat Seth
Managing Director and
Chief Executive Officer
DIN: 10039820
Place: New Delhi

Ajay Kapadia
Chief Financial Officer
Membership No.: 108447
Place: New Delhi
Date: 12 May 2026

Nidhi Bisaria
Company Secretary
Membership No.: F5634
Place: New Delhi

Consolidated Statement of Changes in Equity

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

a. Equity share capital

Particulars	Balance at the beginning of the year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
Balance as at 31 March 2026	756.81	-	756.81	-	756.81
Balance as at 31 March 2025	756.81	-	756.81	-	756.81

b. Other equity

Particulars	Reserves and surplus					Items of OCI		Total
	Retained earnings	Securities premium	General reserve	Capital redemption reserve	Shares options outstanding account	Equity investments through OCI	Exchange differences on translation of foreign operations	
Balance at 01 April 2024	74,607.56	1,649.96	44,100.00	35.00	345.92	24.88	3,763.76	1,24,527.08
Total comprehensive income for the period ended 31 March 2025								
Profit/ (loss) for the year	(3,290.35)	-	-	-	-	-	-	(3,290.35)
Share based payment, net of reversal	-	-	-	-	332.78	-	-	332.78
Other comprehensive income (net of tax)	(160.82)	-	-	-	-	6.14	669.84	515.16
Total comprehensive income/ (loss)	(3,451.17)	-	-	-	332.78	6.14	669.84	(2,442.41)
Transactions with owners- Dividend	(1,696.70)	-	-	-	-	-	-	(1,696.70)
Balance at 31 March 2025	69,459.69	1,649.96	44,100.00	35.00	678.70	31.02	4,433.60	1,20,387.97
Balance at 01 April 2025	69,459.69	1,649.96	44,100.00	35.00	678.70	31.02	4,433.60	1,20,387.97
Total comprehensive income for the period ended 31 March 2026								
Profit/ (loss) for the year	(11,956.12)	-	-	-	-	-	-	(11,956.12)
Share based payment, net of reversal	-	-	-	-	(2.93)	-	-	(2.93)
Other comprehensive income (net of tax)	362.95	-	-	-	-	1.44	3,750.20	4,114.59
Total comprehensive income/ (loss)	(11,593.17)	-	-	-	(2.93)	1.44	3,750.20	(7,844.46)
Transactions with owners- Dividend	(2,262.27)	-	-	-	-	-	-	(2,262.27)
Balance at 31 March 2026	55,604.25	1,649.96	44,100.00	35.00	675.77	32.46	8,183.80	1,10,281.24

As per our Report of even date attached

for **B S R and Co**
Chartered Accountants
ICAI Firm Registration Number: 128510W

Sulabh Kumar Kedia
Partner
Membership No.: 066380
Place: Mumbai
Date: 12 May 2026

for and on behalf of the Board of Directors of
BirlaNu Limited (formerly HIL Limited)
CIN No.: L74999TG1955PLC000656

CK Birla
Chairman
DIN: 00118473
Place: New Delhi

Akshat Seth
Managing Director and
Chief Executive Officer
DIN: 10039820
Place: New Delhi

Ajay Kapadia
Chief Financial Officer
Membership No.: 108447
Place: New Delhi
Date: 12 May 2026

Nidhi Bisaria
Company Secretary
Membership No.: F5634
Place: New Delhi

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

1 Corporate information

BirlaNu Limited (formerly HIL Limited) ('the Company' or 'the Holding Company') is a Company domiciled in India, with its registered office situated at Level 7, SLN Terminus, Gachibowli, Hyderabad -500032, Telangana. The Company has been incorporated as a public limited company under the provisions of Companies Act, 2013 and its equity shares are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited in India. These consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as "the Group") and the Group's interest in joint ventures.

The following subsidiaries and joint ventures are considered in the consolidated financial statements of the Company:

Name of the Company	Country of incorporation	% of equity interest
Subsidiary		
BirlaNu International GmbH	Germany	100%
Clean Coats Private Limited	India	100%
Step down subsidiaries		
Parador Holding GmbH	Germany	100%
Parador GmbH	Germany	100%
Parador Parkettwerke GmbH	Austria	100%
Parador UK Limited	England	100%
Parador INC.	United States of America	100%
Joint ventures		
Parador (Shanghai) Trading Co., Ltd.	China	50%

Note: In addition to above, the Company has a 33% equity interest in Supercor Industries Limited, Nigeria. The same has not been consolidated in these consolidated financial statements for the reasons described in note 53(a).

The Group operations are broadly classified into Roofs, Walls, Pipes & Construction chemicals, Floors and Others.

Roofs consists of manufacturing, selling and distribution of Fiber Cement Sheets, Colored Steel Sheets and Cement based Non-Asbestos Corrugated Sheets with manufacturing facilities located at Faridabad, Jasidih, Kondapalli, Wada, Sathariya and Balasore.

Walls broadly classifies into Wet-Walling Solutions and Dry-Walling Solutions, which includes manufacturing and distribution of Fly Ash Blocks, Smart Fix, Smart Plaster, Smart Bond, Panels, and Boards with manufacturing facilities located at Hyderabad, Thimmapur, Faridabad, Chennai, Golan, Jhajjar, Balasore and Cuttack.

Pipes & Construction chemicals consists of UpVC, CpVC, SWR Pipes & Fittings and Wall Putty with manufacturing facilities located at Faridabad, Thimmapur, Golan, Jhajjar and Patna. It includes the trading of Construction Chemicals consisting of Ready-mix Plasters, Primers, Block Joining Mortars and Tile Adhesives.

Floors consists of Laminate, ClickBoard, Panels and Mouldings, Engineered, Resilient and Designer with manufacturing facilities located at Coesfeld, Germany and Gussing, Austria.

Others includes Material Handling and Processing related to plant and equipment with manufacturing facilities at Hyderabad, and revenue generated through Wind Turbine Generators situated in Gujarat, Tamil Nadu and Rajasthan.

2 Basis of preparation

A. Statement of compliance

a) These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provision of the Act under the historical cost convention on an accrual and going concern basis except for certain financial instruments which are measured at fair values, notified under the Act and Rules prescribed thereunder.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

b) The consolidated financial statements were authorised for issue by the Company's Board of Directors on 12 May 2026.

c) Details of the Group's material accounting policies are included in note 3.

B. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts presented in Indian Rupees have been rounded-off to two decimal places to the nearest Lakhs except share data or as otherwise stated.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

2. Basis of preparation (Contd..)

C. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

Items	Measurement basis
- Certain financial assets and liabilities (including derivative instruments)	Fair value
- Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligations
- Leases	Lease liability is measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application. Right-to-use asset has been measured as an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. Practical expedient on transition to exclude initial direct costs from ROU asset measurement is considered.
- Non-current assets held for sale	The assets classified as held for sale are measured at lower of carrying amounts and fair value less costs to sell at the time of classification.

Further, Net identifiable assets, goodwill and other intangibles recognised on business acquisition are measured at fair values on the date of business acquisition.

D. Use of estimates and judgment

In preparing these consolidated financial statements, Management has made judgements, estimates and assumptions that affect the application of Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- Note 54 – leases: whether an arrangement contains a lease;
- Note 54 – lease term: Whether the Company is reasonably certain to excise extension options.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Note 06 – impairment test of goodwill and intangible asset with indefinite life: key assumptions used in recoverable value;
- Note 10 – impairment test of financial assets.
- Note 11 – impairment test of other assets;
- Note 21 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 33 – fair value consideration transferred on business acquisition and fair value of net identifiable assets on acquisition date;
- Note 34 - recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized;
- Note 36 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 56 – measurement of ECL allowance for trade receivables and finance receivables, loans and contract assets;

E. Measurement of fair values

A number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

2. Basis of preparation (Contd..)

E. Measurement of fair values (Contd..)

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 05 – investment property;
- Note 42 – share based payment arrangements;
- Note 56 – financial instruments
- Note 33 – business acquisition.
- Note 36 – Fair value of planned assets.
- Note 56 – Fair value of non-current assets held for sale.

F. Current/ Non-current classification

The Group classifies an asset as current asset when:

(a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

(b) it holds the asset primarily for the purpose of trading;

(c) it expects to realise the asset within twelve months after the reporting period; or

(d) the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

(a) it expects to settle the liability in its normal operating cycle;

(b) it holds the liability primarily for the purpose of trading;

(c) the liability is due to be settled within twelve months after the reporting period; or

(d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

3 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements unless otherwise indicated.

a. Basis of consolidation

i. *Business combination*

(i) Other than common control Business Combination

In accordance with Ind AS 103, Business Combination, the Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment (see note 3(h)). Any gain on a bargain purchase is recognised in other comprehensive income ("OCI") and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as

3 Material accounting policies (contd..)

a. Basis of consolidation (Contd..)

i. *Business combination (Contd..)*

(i) Other than common control Business Combination (Contd..)

incurred, except to the extent related to the issue of debt or equity securities.

Items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries are combined like to like basis.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in the statement of profit and loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

(ii) Common control Business Combination

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where that control is not transitory are accounted for as per the pooling of interest method. The business combination is accounted for as if the business combination had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose, comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved, and they appear in the financial statements of the Company in the same form in which they appeared in the consolidated financial statements of the Group. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

ii. *Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii. *Non-controlling interests ("NCI")*

NCI are initially measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

iv. *Loss of control*

When the Group loses control over the subsidiaries, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date on which control is lost. Any resulting gain or loss is recognised in profit or loss.

v. *Equity accounted investees*

The Group's interests in equity accounted investees comprise interests in joint ventures.

A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which joint control ceases.

vi. *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3. Material accounting policies (Contd..)

b. Foreign currency

i. *Foreign currency transactions*

Transactions in foreign currencies are translated into functional currency of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

- foreign currency monetary items are translated in the functional currency at the exchange rate at the reporting date.
- non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.
- non-monetary assets and liabilities denominated in a foreign currency that are measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.
- exchange differences are recognised in profit or loss in the period in which they arise, except exchange differences arising from the translation of the following items which are recognised in OCI.
- An investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss).

ii. *Foreign operations*

The assets and liabilities of foreign operations (subsidiaries and joint ventures) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

The foreign currency translation differences in respect of foreign operations are recognised in OCI and accumulated in equity (as exchange differences on translation of foreign operations), except to the extent that the exchange differences are allocated to NCI.

c. Financial instruments

i. *Recognition and initial measurement*

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

At the time of initial recognition, these financial assets (unless it is a trade receivable without a significant financing component) or financial liabilities are measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. A trade receivable without a significant financing component is initially measured at transaction price.

ii. *Classification and subsequent measurement*

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- fair value through other comprehensive income (FVOCI) - equity investment; or
- fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets in which case all affected financial assets are re-classified on first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value

3. Material accounting policies (Contd..)

c. Financial instruments (Contd..)

ii. *Classification and subsequent measurement* (Contd..)

in OCI (designated as FVOCI - equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Contract liabilities against payment have been considered as other financial liabilities. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense, gain or loss on derecognition and foreign exchange gains and losses, are recognised in profit or loss.

iii. *Derecognition*

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which either substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its consolidated balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. *Offsetting*

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

3. Material accounting policies (Contd..)

c. Financial instruments (Contd..)

v. *Derivative financial instruments*

The Group holds derivative financial instruments to hedge its foreign currency. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. Changes in the fair value of any derivative instrument are recognised immediately in the profit or loss and are included in other income or expenses.

d. Property, plant and equipment

i. *Recognition and measurement*

Property, plant and equipment

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if 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.

Items of property, plant and equipment including capital work-in-progress are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price (after deducting trade discounts and rebates), including import duties and non-refundable purchase taxes, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Freehold land is carried at historical cost less any accumulated impairment losses.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Capital work-in-progress

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as capital advance in other non-current assets.

ii. *Subsequent expenditure*

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

iii. *Depreciation*

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the profit or loss.

Freehold land is not depreciated. Leasehold land and Leasehold improvements are depreciated over the period of the lease.

The estimated useful lives of items of property, plant and equipment are estimated by the management, which are equal to the life prescribed under the Schedule II of the Act, except for following assets mentioned below which are based on technical evaluation and past experience:

Plant and machinery: 4 years to 25 years as against 15 years

Certain buildings: 25 years as against 30 years

Certain moulds and dies: 6 / 9 years as against 8 years

Wind power generation plant: 25 years as against 22 years

The estimated useful lives of items of property, plant and equipment acquired in business combination (see note 33) have been considered at the remaining useful life on acquisition date (as per books of account of the acquiree).

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates

3. Material accounting policies (Contd..)

d. Property, plant and equipment (Contd..)

iii. *Depreciation (Contd..)*

of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions / (disposals) is provided on a pro-rata basis i.e. from / (upto) the date on which asset is ready for use / (disposed off).

e. Goodwill and other intangible assets

i. *Recognition and measurement*

Goodwill

Acquisition method as per Ind AS 103 'Business Combinations' is used for valuation of goodwill arising on business acquisition see note 3(a)(i). Subsequent to initial recognition, goodwill is measured at cost, less accumulated impairment losses (see note 3(h) (ii)), if any .

Service concession arrangements

The Company recognises an intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. The fair value, at the time of initial recognition of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Subsequent to initial recognition the intangible asset is measured at cost, less any accumulated amortisation and accumulated impairment losses, if any.

Other intangible assets

Other intangible assets including acquired by the Group in a business combination are initially measured at cost if it is probable that future economic benefits attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Such intangible assets with definite lives, are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Goodwill and intangible assets with indefinite life are not amortized but tested for impairment annually, or more frequently when there is an indication that the value of cash generating unit to which these assets have been allocated, may be impaired.

ii. *Subsequent expenditure*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iii. *Amortisation*

Goodwill and intangible assets with indefinite life, is not amortised as per Ind AS 103 and is tested for impairment annually, or more frequently when there is an indication that the value of cash-generating unit to which these assets have been allocated, may be impaired.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in profit or loss.

The estimated useful lives are as follows:

Assets	Years
- Service concession arrangement	25
- Computer software	3 - 5
- Patents	7
- Brand	5 - 15
- Distribution Network	5
- Non-compete	5

The estimated useful life of an intangible asset in a service concession arrangement is the period from when the Group is able to charge the public for the use of the infrastructure to the end of the concession period.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

f. Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly

3 Material accounting policies (contd..)

f. Investment property (contd..)

attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation on investment property other than perpetual leasehold land is calculated on a straight-line basis based on the useful life estimated by the management, which is equal to life prescribed in Schedule II of the Act.

Investment property is derecognised either when it has been disposed off or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. On disposal of investment property, the difference between its carrying amount and net disposal proceeds is charged or credited to the profit or loss.

Transfers to (or from) investment property are made only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

The fair values of investment property is disclosed in the notes. Fair values is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

g. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined on a moving weighted average basis, and includes expenditure in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads on normal operating capacity. In the case of raw materials, stores and spares and stock-in-trade, cost comprises of cost of purchase.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated selling expenses necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. Further, goods in transit are accounted at cost.

The comparison of cost and net realisable value is made on an item-by-item basis.

h. Impairment

i. *Impairment of financial assets*

The Group recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables, loans, contract assets are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is

3 Material accounting policies (contd..)

h. Impairment (Contd..)

i. *Impairment of financial assets (Contd..)*

the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in consolidated balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

ii. *Impairment of non-financial assets*

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the profit or loss. They are allocated first to reduce the carrying value of goodwill allocated to the CGU and then to reduce the carrying amount of other assets in the CGU or prorata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

i. Employee benefits

i. *Short-term employee benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed during the period as the related service is provided. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

3 Material accounting policies (contd..)

i. Employee benefits (Contd..)

i. *Short-term employee benefits (Contd..)*

ii. *Share-based payment arrangements*

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in 'Share options outstanding account' reserves in equity, over the period in which the performance and / or service conditions are fulfiled in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. Incase of cancellation of options granted before the completion of vesting period the cost is reversed in the statement of profit and loss.

iii. *Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Group providing retirement benefit in the form of provident fund and superannuation fund is a defined contribution scheme. The contributions payable to the provident fund and superannuation fund are recognised as expenses, when an employee renders the related services. The Group has no obligation, other than the contribution payable to the funds.

iv. *Defined benefit plans*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Group accounts for gratuity liability of its employees including contract workers on the basis of actuarial valuation carried out at the year end by an independent actuary. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Discount rate is determined by reference to market yields government bonds, at the end of the reporting period. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

v. *Compensated absences*

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the related benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. Such entitlement is discounted to determine its present value. The obligation is measured semi-annually by a qualified

3 Material accounting policies (contd..)

i. Employee benefits (Contd..)

v. *Compensated absences (Contd..)*

actuary on the basis of actuarial valuation using the projected unit credit method. Remeasurements are recognised in profit or loss in the period in which they arise. The obligations are presented as current liabilities in the balance sheet if the Group does not have the right at the end of the reporting period to defer the settlement for at least twelve months after the reporting date.

vi. *Other long-term employee benefits including pension*

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

j. Revenue

Revenue from contract with customers

The Group generates revenue from its ordinary activities i.e., from sale of goods and services. A contract in this context shall fulfil all of the following conditions:

- Both the parties to the contract agree on the contract terms.
- Performance obligations of each of the parties is identifiable and there exists a commitment to perform their respective obligations; and
- The commercial substance or the purchase consideration is measurable and the collectability is probable.

Disaggregation of revenue

The Group disaggregates revenue from contracts with customers by the nature of sale i.e. manufactured and traded goods, solutions i.e. roofs, walls, pipes and construction chemical, floors and others and geographic market. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of Group's revenues and cash flows are affected by industry, market and other economic factors.

Contract balances

The Group classifies the right to consideration in exchange for sale of goods as trade receivables, advance consideration as contract liability against payment and unredeemable customer loyalty points as contract liability against performance obligation.

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration adjusted with discounts and incentives, if any, as specified in a contracts with customers. Revenue is recognised to the extent of fulfilment of each of the performance obligations to the contract. The Group recognises revenue when it transfers control over the goods or services to the customers. The following details provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers including significant payment terms and the related revenue recognition policies.

a. *Sale of products*

(i) Nature and timing of satisfaction of performance obligations including significant payment terms: The timing of transfer of control is driven by the individual terms of contracts. Invoices are usually payable within agreed credit terms. For customer loyalty programme refer note (b) below.

(ii) Revenue is recognised when a customer obtains control of the goods which is driven by the individual terms of contracts. For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

b. *Customer loyalty programmes*

(i) Nature and timing of satisfaction of performance obligations including significant payment terms: Customers who purchases products may enter into Group's customer loyalty programme and earn credits. These credits are redeemed against the awards as per the terms of the programme.

3 Material accounting policies (contd..)

j. Revenue (Contd..)

b. *Customer loyalty programmes (Contd..)*

(ii) The Group allocates a portion of the consideration received to loyalty credits. This allocation is based on the relative stand-alone selling prices. The amount allocated to the loyalty programme is deferred, and is recognised as revenue when loyalty points are redeemed or the likelihood of the customer redeeming the loyalty points becomes remote. The deferred revenue is included in contract liability against performance obligation.

c. *Sale of services*

Revenue from sale of services/ service concession agreement (i.e., spply of electricity) is recognised at the point in time when electricity is supplied to the customer when it is measurable and it is probable that future economic benefits will flow to the entity in accordance with tariff provided in power purchase agreement.

k. Recognition of dividend income, rental income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

Rental income from investment property is recognised as part of other income in the Statement of profit or loss on a straight-line basis over the term of the lease.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

l. Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant; they are then recognised in profit or loss as other income on a systematic basis.

m. Leases

i. *Leases as lessee*

As a lessee, the Group recognises right-of-use assets and lease liabilities for most leases – i.e. these leases are on-balance sheet. The Group decided to apply recognition exemptions to short-term leases.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in Ind AS 116. At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right of use asset reflects that the Group will exercise the purchase option. In that case, estimated useful lives of right-of-use assets are determined on

3 Material accounting policies (contd..)

m. Leases (contd..)

i. *Leases as lessee (Contd..)*

the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of asset lease. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments included in the measurement of the lease liability comprise:

a. Fixed payments including in-substance fixed payments

b. Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date

c. Amounts expected to be payable under a residual value guarantee

d. The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with the leases as an expense in the profit and loss on a straight line basis over lease term.

The Group presents right-of-use assets that donot meet the definition of Investment property in 'Property, plant and equipment' and lease liabilities in 'Financial liabilities' in the consolidated balance sheet.

ii. *Leases as lessor*

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

n. Income-tax

Income-tax comprises current and deferred tax. It is recognised in profit or loss except to the

3 Material accounting policies (contd..)

m. Leases (contd..)

ii. *Leases as lessor (Contd..)*

extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income. The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

i. *Current tax*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted at the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. *Deferred tax*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Current tax and deferred tax impact arising on account of merger is accounted for in the period in which the approval for scheme of merger/amalgamation is received.

o. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3 Material accounting policies (contd..)

p. Provision, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance costs. Expected future operating losses are not provided for.

Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on technical evaluation, historical warranty data and a weighting of all possible outcomes by their associated probabilities.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract which is determined based on the incremental cost of fulfiling the obligation under the contract and an allocation of other cost directly related to fulfiling the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events, the occurrence or non-occurrence of which is dependent on the happening of one or more uncertain future events not wholly within the control of the entity; or a present obligation arising from past events with no probability of future outflow of economic benefits or the outflow cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, Contingent liabilities and Contingent assets are reviewed at each reporting date.

q. Earnings per share ("EPS")

Basic earnings per share is computed by dividing the net profit (or loss) attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit (considered in determination of basic earnings per share) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

r. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit / (loss) 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 and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

s. Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3 Material accounting policies (contd..)

t. Non-current assets held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held for sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated. These assets are classified separately from the other assets / liabilities in the balance sheet.

u. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

v. Recent pronouncements

Standards/ Specific amendments issued but not yet effective:

Key requirements

For accounting periods beginning on or after 1 April 2026, when an entity breaches any covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach. An entity classifies the liability as current because, at the end of the reporting period, it does not have the right to defer its settlement for at least 12 months after that date. However, an entity classifies the liability as non-current if the lender agreed by the end of the reporting period to provide a period of grace ending at least 12 months after the reporting period, within which the entity can rectify the breach and during which the lender cannot demand immediate repayment.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, ounting Estimates and Errors.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

4. Property, plant and equipment

Particulars	Freehold land (refer note (a) below)	Leasehold land	Buildings	Railway sidings	Plant and equipment (refer note (b) below)	Furniture and fittings	Office equipment	Vehicles	Right of use assets (refer note (e) below)	Total	Capital work-in-progress (refer note (f) below)
A. Cost or Deemed cost (Gross carrying amount)											
As at 01 April 2024	8,201.89	75.43	40,284.02	0.63	90,650.78	830.20	4,326.17	499.30	27,254.70	1,72,123.12	4,186.08
Acquisitions through business combination (refer note 33)	464.00	-	3,631.21	-	9,837.49	8.00	37.00	96.00	1,143.92	15,217.62	-
Additions	-	-	3,830.39	-	6,212.17	283.61	424.79	9.51	3,178.62	13,939.09	11,804.56
Disposals	(6.74)	-	(23.55)	-	(1,758.18)	(20.62)	(89.70)	(12.63)	(864.24)	(2,775.66)	-
Transfers to Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	(10,495.87)
Exchange differences on translation of foreign operations	115.99	-	489.75	-	577.21	-	91.18	4.69	612.00	1,890.82	5.69
Reclassification to non-current assets held for sale	(24.30)	-	(44.36)	-	-	-	-	-	-	(68.66)	-
As at 31 March 2025	**8,750.84**	**75.43**	**48,167.46**	**0.63**	**1,05,519.47**	**1,101.19**	**4,789.44**	**596.87**	**31,325.00**	**2,00,326.33**	**5,500.46**
As at 01 April 2025	8,750.84	75.43	48,167.46	0.63	1,05,519.47	1,101.19	4,789.44	596.87	31,325.00	2,00,326.33	5,500.46
Acquisitions through business combination (refer note 33)	-	-	584.40	-	171.43	14.04	0.50	21.09	1,949.77	2,741.23	-
Additions	-	-	2,706.51	-	7,393.78	26.58	248.36	31.00	900.22	11,306.45	9,381.06
Disposals	-	-	(33.59)	-	(1,254.47)	(28.14)	(119.23)	(4.20)	(2,812.51)	(4,252.14)	-
Transfers to Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	(10,900.40)
Exchange differences on translation of foreign operations	897.98	-	3,911.66	-	4,583.87	-	729.63	37.45	4,685.48	14,846.07	13.34
Reclassification to non-current assets held for sale	(38.73)	-	(1,602.22)	-	-	-	-	-	(3.86)	(1,644.81)	
As at 31 March 2026	**9,610.09**	**75.43**	**53,734.22**	**0.63**	**1,16,414.08**	**1,113.67**	**5,648.70**	**682.21**	**36,044.10**	**2,23,323.13**	**3,994.46**
B. Accumulated depreciation											
As at 01 April 2024	-	75.43	8,924.35	0.51	41,627.50	540.31	3,057.29	363.77	2,142.17	56,731.33	-
For the period ended 31 March 2025	-	-	1,881.95	-	8,185.19	67.79	513.45	62.27	2,288.44	12,999.09	-
Disposals	-	-	(1.63)	-	(1,343.01)	(14.82)	(88.84)	(10.77)	(828.15)	(2,287.22)	-
Exchange differences on translation of foreign operations	-	-	110.93	-	377.63	-	66.43	4.66	53.83	613.48	-
Reclassification to non-current assets held for sale	-	-	(12.68)	-	-	-	-	-	-	(12.68)	-
As at 31 March 2025	**-**	**75.43**	**10,902.92**	**0.51**	**48,847.31**	**593.28**	**3,548.33**	**419.93**	**3,656.29**	**68,044.00**	**-**
As at 01 April 2025	-	75.43	10,902.92	0.51	48,847.31	593.28	3,548.33	419.93	3,656.29	68,044.00	-
Acquisitions through business combination (refer note 33)	-	-	23.08	-	37.31	4.31	0.35	12.54	52.29	129.88	-
For the period ended 31 March 2026	-	-	2,127.06	-	8,671.80	72.50	510.38	57.26	2,560.98	13,999.98	-
Disposals	-	-	(31.97)	-	(1,175.42)	(6.90)	(112.90)	(2.79)	(1,059.81)	(2,389.79)	-
Exchange differences on translation of foreign operations	-	-	985.49	-	3,183.86	-	560.59	35.63	590.27	5,355.84	-
Reclassification to non-current assets held for sale	-	-	(305.36)	-	-	-	-	-	(0.27)	(305.63)	-
As at 31 March 2026	**-**	**75.43**	**13,701.22**	**0.51**	**59,564.86**	**663.19**	**4,506.75**	**522.57**	**5,799.75**	**84,834.28**	**-**
C. Net carrying amounts (A-B)				-							
As at 31 March 2025	**8,750.84**	**-**	**37,264.54**	**0.12**	**56,672.16**	**507.91**	**1,241.11**	**176.94**	**27,668.71**	**1,32,282.33**	**5,500.46**
As at 31 March 2026	**9,610.09**	**-**	**40,033.00**	**0.12**	**56,849.22**	**450.48**	**1,141.95**	**159.64**	**30,244.35**	**1,38,488.85**	**3,994.46**

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

4. Property, plant and equipment (Contd..)

Note:

a) Title deeds of immovable properties not held in the name of the Group

Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Freehold Land	1.27	Faridabad Complex Administration (now known as Municipal Corporation of Faridabad)	No	1964	Pending settlement of dispute regarding external development charges with Haryana Urban Development Authority, Faridabad.
Freehold land	464.00	Aditya Polytechnic Private Limited	No	2026	Transferred to BirlaNu Limited pursuant to the Merger of Crestia group entities with NCLT order dated 10 March 2026. The management is in the process of transferring these in the name of the Company.
Building	1220.96	Aditya Polytechnic Private Limited	No	2026	
Building	219.67	Aditya Polytechnic Private Limited	No	2026	
Building	1321.93	Crestia Polytech Private Limited	No	2026	
Building	580.96	Prabhu Sainath Polymers Private Limited	No	2026	
Building	120.92	Topline Industries Private Limited	No	2026	
ROU	367.68	Crestia Polytech Private Limited	No	2026	
ROU	104.49	Prabhu Sainath Polymers Private Limited	No	2026	
ROU	385.22	Bihar Industrial Area Development Authority	No	2026	

The Company has changed its name on 19 March 2025 and all the immovable properties/right of use assets prior to the change in name is held in the erstwhile names of the Company.

b) Refer note 46 for details of assets purchased for Research and Development.

c) Refer note 17 for details of assets pledged against borrowings.

d) The Group has not revalued any property, plant and equipment after initial recognition, during the year ended 31 March 2026 and 31 March 2025.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

4. Property, plant and equipment (contd..)

e) Right of use assets comprise of the following assets:

Particulars	Buildings	Land	Vehicles	Plant and equipment	Office equipment	Total
A. Cost or Deemed cost (Gross carrying amount)						
As at 01 April 2024	23,122.05	1,820.62	1,034.24	1,213.35	64.44	27,254.70
Acquisitions through business combination	20.06	1,123.86	-	-	-	1,143.92
Additions	1,444.58	287.05	1,086.69	360.30	-	3,178.62
Disposals	(583.19)	-	(198.45)	(82.60)	-	(864.24)
Exchange differences on translation of foreign operations	539.03	-	37.96	33.45	1.56	612.00
As at 31 March 2025	**24,542.53**	**3,231.53**	**1,960.44**	**1,524.50**	**66.00**	**31,325.00**
As at 01 April 2025	24,542.53	3,231.53	1,960.44	1,524.50	66.00	31,325.00
Acquisitions through business combination (refer note 33)	89.77	1,860.00	-	-	-	1,949.77
Additions	226.53	230.09	172.82	270.78	-	900.22
Disposals	(2,264.78)	(8.30)	(422.16)	(43.82)	(73.45)	(2,812.51)
Exchange differences on translation of foreign operations	4,057.79	-	343.57	276.67	7.45	4,685.48
Reclassification to assets held for sale	-	(3.86)	-	-	-	(3.86)
As at 31 March 2026	**26,651.84**	**5,309.46**	**2,054.67**	**2,028.13**	**-**	**36,044.10**
B. Accumulated depreciation						
As at 01 April 2024	686.55	131.04	510.34	792.75	21.49	2,142.17
For the period ended 31 March 2025	1,594.72	46.40	361.93	252.81	32.58	2,288.44
Disposals	(547.11)	-	(198.45)	(82.59)	-	(828.15)
Exchange differences on translation of foreign operations	16.40	-	14.75	21.69	0.99	53.83
As at 31 March 2025	**1,750.56**	**177.44**	**688.57**	**984.66**	**55.06**	**3,656.29**
As at 01 April 2025	1,750.56	177.44	688.57	984.66	55.06	3,656.29
Acquisitions through business combination (refer note 33)	29.29	23.00	-	-	-	52.29
For the period ended 31 March 2026	1,654.77	145.00	395.30	353.66	12.25	2,560.98
Disposals	(121.15)	(5.93)	(422.17)	(437.05)	(73.51)	(1,059.81)
Exchange differences on translation of foreign operations	288.39	-	124.50	171.18	6.20	590.27
Reclassification to assets held for sale	-	(0.27)	-	-	-	(0.27)
As at 31 March 2026	**3,601.86**	**339.24**	**786.20**	**1,072.45**	**-**	**5,799.75**
C. Net carrying amounts (A-B)						
As at 31 March 2025	22,791.97	3,054.09	1,271.87	539.84	10.94	27,668.71
As at 31 March 2026	**23,049.98**	**4,970.22**	**1,268.47**	**955.68**	**-**	**30,244.35**

f) Aging details of capital work-in-progress (CWIP) is as below*

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,907.36	37.88	16.33	32.89	3,994.46
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2026	**3,907.36**	**37.88**	**16.33**	**32.89**	**3,994.46**
Projects in progress	4,990.74	490.84	18.88	-	5,500.46
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2025	**4,990.74**	**490.84**	**18.88**	**-**	**5,500.46**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

4. Property, plant and equipment (contd..)

f) Aging details of capital work-in-progress (CWIP) is as below*(Contd..)

*It includes projects whose completion is overdue or has exceeded its cost compared to its original plan. Following is the completion schedule of such projects:

CWIP Projects in progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Others	120.42	-	-	-	120.42
As at 31 March 2026	120.42	-	-	-	120.42
Blocks Packing Automation	108.17	-	-	-	108.17
Others	191.05	-	-	-	191.05
As at 31 March 2025	299.22	-	-	-	299.22

No projects have been temporarily suspended as at 31 March 2026 and 31 March 2025.

CWIP includes total interest expense capitalised during the year amounting to INR 28.63 lakhs (31 March 2025: INR 96.72 lakhs).

5 Investment property

A. Reconciliation of carrying amount

Particulars	As at 31 March 2026	As at 31 March 2025
Cost or Deemed cost (Gross carrying amount) (a)		
Opening balance	2,204.89	2,204.89
Acquisitions through business combination (refer note 33)	280.00	-
Deletion	(280.00)	-
Reclassification to non-current assets held for sale	(1,537.53)	-
Closing balance	667.36	2,204.89
Accumulated depreciation (b)		
Opening balance	323.91	293.54
Depreciation for the year	27.07	30.37
Reclassification to non-current assets held for sale	(287.11)	-
Closing balance	63.87	323.91
Net carrying amounts (a-b)	603.49	1,880.98
Fair value	5,960.00	8,229.00

B. Amounts recognised in profit or loss:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Rental income derived from investment properties (refer note 24)	525.63	565.24
Direct operating expenses (including repairs and maintenance)	-	-
Profit arising from investment properties before depreciation and indirect expenses	525.63	565.24
Less: Depreciation	27.07	30.37
Profit arising from investment properties before indirect expenses	498.56	534.87

C. Measurement of fair values

(i) Fair valuation hierarchy

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The valuer is a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

The fair value measurement for all of the investment property has been categorised as a level 3 fair value based on the inputs to the valuation technique used (see note 2(E)).

(ii) Valuation technique

Discounted cash flows method and Market comparable method have been used for valuation. The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth rate, vacant periods, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants, if any. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms.

5 Investment property (Contd..)

D. Investment property comprises of the following:

(i) The Company along with other co-owners, has developed a plot of land at 25 Barakhamba Road, New Delhi, where the Company's share is 15%. The registration of the said plot of the value of INR 427.60 Lakhs (31 March 2025: INR 427.60 Lakhs) in the name of the Company is pending. Refer details below:

Title deeds not held in the name of the Company:

Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or their relative or their employee	Property held since which date	Reason for not being held in the name of the Company
Land as at 31 March 2026 and 31 March 2025	427.60	The Embassy of Union of Soviet Socialist Republics	No	1989	The process of transfer of property in the name of the Company, is in progress.

(ii) The Group has given the investment properties located in New Delhi on operating lease to some parties. Certain lease agreements are cancellable and some are non-cancellable in nature. There are no contingent rents in the lease agreements. The lease terms are mainly for 3 to 5 years and are renewable at the option of the lessee. There are no restrictions imposed by lease agreements on realisability of the investment property. Although there are sub-lease rights given to the lessees, there are no sub-leases as on the reporting date. During the current year, property at Hyderabad have been classified as asset held for sale.

E. Refer note 44 for details of future minimum lease receipts.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

6 Goodwill and other intangible assets

Particulars	Goodwill	Other intangible assets										Intangible assets under development (refer note (a) below
		Softwares	Brand	Customer contracts	Customer relationships	Product Formulations	Non-compete	Patents	Service concession arrangements	Distribution network	Total	
Reconciliation of carrying amount												
Cost or Deemed cost (Gross carrying amount) (A)												
As at 01 April 2024	14,310.54	3,749.21	6,810.12	-	-	-	27.35	1,708.04	1,997.94	-	14,292.66	518.51
Acquisitions through business combination (refer note 33)	8,323.79	-	1,550.00	-	-	-	430.00	-	-	950.00	2,930.00	-
Additions	-	267.41	-	-	-	-	-	-	-	-	267.41	
Disposals	-	(1,002.07)	-	-	-	-	-	-	-	-	(1,002.07)	(129.63)
Transfers to Intangible assets	-	-	-	-	-	-	-	-	-	-	-	(236.40)
Exchange differences on translation of foreign operations	328.91	38.52	161.32	-	-	-	-	41.42	-	-	241.26	-
As at 31 March 2025	22,963.24	3,053.07	8,521.44	-	-	-	457.35	1,749.46	1,997.94	950.00	16,729.26	152.48
Balance at 01 April 2025	22,963.24	3,053.07	8,521.44	-	-	-	457.35	1,749.46	1,997.94	950.00	16,729.26	152.48
Acquisitions through business combination (refer note 33)	2,647.35	9.59	965.49	85.11	637.15	2,898.93	-	-	-	-	4,596.27	-
Additions	-	394.37	-	-	-	-	-	-	-	-	394.37	286.48
Disposals	-	(124.22)	-	-	-	-	-	-	-	-	(124.22)	(6.28)
Transfers to Intangible assets	-	-	-	-	-	-	-	-	-	-	-	(388.61)
Reclassification to non-current assets held for sale	-	-	-	-	-	-	-	-	(1,144.00)		(1,144.00)	-
Exchange differences on translation of foreign operations	2,546.26	293.29	1,248.86	-	-	-	-	320.65	-	-	1,862.80	0.79
As at 31 March 2026	28,156.85	36,26.10	10,735.79	85.11	637.15	2,898.93	457.35	2,070.11	853.94	950.00	2,2314.48	44.86
Accumulated amortisation (B)												
Balance at 01 April 2024	-	2,732.71	51.17	-	-	-	8.87	1,362.37	727.15	-	4,882.27	-
Amortisation for the year	-	628.16	134.88	-	-	-	91.47	246.35	87.64	190.00	1,378.50	-
Disposals	-	(923.21)	-	-	-	-	-	-	-	-	(923.21)	-

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

6 Goodwill and other intangible assets (Contd..)

Particulars	Goodwill	Other intangible assets										Intangible assets under development (refer note (a) below
		Softwares	Brand	Customer contracts	Customer relationships	Product Formulations	Non-compete	Patents	Service concession arrangements	Distribution network	Total	
Exchange differences on translation of foreign operations	-	35.28	-	-	-	-	-	36.56	-	-	71.84	-
As at 31 March 2025	-	2,472.94	186.05	-	-	-	100.34	1,645.28	814.79	190.00	5,409.40	-
Balance at 01 April 2025	-	2,472.94	186.05	-	-	-	100.34	1,645.28	814.79	190.00	5,409.40	-
Acquisitions through business combination (refer note 33)		3.32	-	-	-	-	-	-	-	-	3.32	
Amortisation for the year	-	347.87	161.73	25.03	25.49	80.53	91.47	115.94	75.29	190.00	1,113.35	-
Disposals	-	(124.23)	-	-	-	-	-	-	-	-	(124.23)	-
Reclassification to non-current assets held for sale									(523.32)	-	(523.32)	
Exchange differences on translation of foreign operations	-	283.14	-	-	-	-	-	308.84	-	-	591.98	-
As at 31 March 2026	-	2,983.04	347.78	25.03	25.49	80.53	191.81	2,070.06	366.76	380.00	6,470.50	-
Net carrying amounts (A-B)												
As at 31 March 2025	22,963.24	580.13	8,335.39	-	-	-	357.01	104.18	1,183.15	760.00	11,319.86	152.48
As at 31 March 2026	28,156.85	643.06	10,388.01	60.08	611.66	2,818.40	265.54	0.05	487.18	570.00	15,843.98	44.86

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

6 Goodwill and other intangible assets (Contd..)

Notes:

(a) Ageing details of intangible assets under development (IAUD) is as below*

Particulars	Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	44.86	-	-	-	44.86
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2026	**44.86**	**-**	**-**	**-**	**44.86**
Projects in progress	127.91	16.73	7.84	-	152.48
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2025	**127.91**	**16.73**	**7.84**	**-**	**152.48**

*It includes projects whose completion is overdue or has exceeded its cost compared to its original plan. Following is the completion schedule of such projects:

Particulars	IAUD to be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Others	30.80	-	-	-	30.80
As at 31 March 2026	**30.80**	**-**	**-**	**-**	**30.80**
Others	20.67	-	-	-	20.67
As at 31 March 2025	**20.67**	**-**	**-**	**-**	**20.67**

No projects have been temporarily suspended as at 31 March 2026 and 31 March 2025

(b) Impairment

See accounting policy in note 3(h).

Impairment testing for cash generating units containing goodwill

The Group has identified its reportable segments Roofs, Walls, Pipes & Construction chemicals and Floors as the CGUs. For the purpose of impairment testing, goodwill is allocated to the Group's operating division which represents the lowest level within the Group at which goodwill is monitored for internal management purposes, which is not higher than the Group's operating segment.

The goodwill and brand (with indefinite life) acquired through business combination with BirlaNu International GmbH (Formerly HIL International GmbH) has been allocated to CGU ""Floors "" segment of the Group. The carrying amount of goodwill as at 31 March 2026 is INR 16,438.46 Lakhs (31 March 2025: INR 13,892.20 Lakhs) and brand (with indefinite life) as at 31 March 2026 is INR 8,062.55 Lakhs (31 March 2025: INR 6,785.40 Lakhs).

The goodwill acquired through business combination during the earlier year by the Holding company has been allocated to CGU ""Cuttack unit"" which is part of the Walls segment of the Company.The carrying amount of goodwill as at 31 March 2026 is INR 747.25 Lakhs (31 March 2025 is INR 747.25 Lakhs).

The goodwill acquired through business combination during the previus year by the Holding company has been allocated to CGU ""Crestia Group"" which is part of the Pipes & Construction chemicals segment of the Company. The carrying amount of goodwill as at 31 March 2026 is INR 8,323.79 Lakhs.

The goodwill acquired through business combination during the current year by the Holding company with Clean Coats Private Limited has been allocated to CGU ""Clean Coats"" which is part of the Pipes & Construction chemicals segment of the Company (See note 33 for details). The carrying amount of goodwill as at 31 March 2026 is INR 2,647.35 Lakhs.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

6 Goodwill and other intangible assets (Contd..)

Following key assumptions were considered while performing impairment testing:

Particulars	For the year ended 31 March 2026				For the year ended 31 March 2025			
	Floors	Cuttack Unit	Crestia Group	Clean coats	Floors	Cuttack Unit	Crestia Group	Clean coats
Annual growth rate for 5 years (Average)	11.41%	9.15%	34.50%	16.90%	11.30%	18.15%	38.00%	NA
Terminal value growth rate	1.00%	5.00%	5.00%	5.00%	1.00%	5.00%	5.00%	NA
Budgeted EBITDA margins for 5 years (Average)	6.08%	6.68%	6.52%	16.78%	7.65%	9.53%	6.38%	NA
Weighted average cost of capital % (WACC) post tax	16.20%	14.33%	16.50%	13.13%	14.90%	14.29%	16.20%	NA

The cash flow projections include specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on the management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

Weighted average cost of capital % (WACC) = (We*Re)+(Wd*Rd)

Re = Risk free return + (market premium x beta for the Company)+ additional risk premium.

Rd = Cost of debt *(1-tax rate)

We,Wd = Average debt to capital ratio

No impairment charges were recognised for the year ended 31 March 2026 and 31 March 2025. The Holding company has performed sensitivity analysis around the base assumptions and a reasonably possible change in key assumption would cause the Cuttack unit's and Floors segment carrying amount to exceed its recoverable amount as below:

Assumption	Change	Cuttak unit Increase / (Decrease)	Change	Floors Increase / (Decrease)
Terminal growth rate	Decrease to 3% from 5%	(252.63)	Decrease to 0.5%	(1,631.58)
WACC	Decrease by 0.5%	(162.15)	Increase by 1%	(2,851.95)
EBITDA Margin	NA	NA	Decrease by 5% i.e., margin reduced to 5.78%	(823.46)
Revenue Growth rate	Decrease by 5%	(78.92)	Decrease by 5% i.e., growth rate reduced to 10.26%	(20,890.34)

(c) The Group has not revalued any intangible assets after initial recognition, during the year ended 31 March 2026 and 31 March 2025.

7 Investments

Particulars	As at 31 March 2026	As at 31 March 2025
Investment in equity instruments - unquoted at FVOCI (refer note (a) below)		
Birla Buildings Limited - 5,000 equity shares of INR 10 each fully paid	42.57	40.89
(31 March 2025 : 5,000 equity shares of INR 10 each fully paid)		
VR- Bank Westmünsterland eG - One share of Euro 450 each	0.49	0.41
(31 March 2025 : One share of Euro 450 each)		
	43.06	41.30
Aggregate book value of unquoted non-current investments	43.06	41.30

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026
(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

7 Investments(Contd..)

(a) Equity shares designated as at fair value through other comprehensive income

The Group designated the investments shown below as equity shares at FVOCI because these equity shares represent investments that the Group intends to hold long-term for strategic purposes.

Particulars	Investment in Birla Buildings Limited	
	As at 31 March 2026	As at 31 March 2025
Fair value at beginning of the year	40.89	33.73
Dividend income recognised during the respective year (refer note 24)	0.50	0.38
Fair value at end of the year	42.57	40.89

No strategic investments were disposed off during the year ended 31 March 2026 and 31 March 2025, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

The Group has not traded or invested in Crypto currency or Virtual currency during the year ended 31 March 2026 and 31 March 2025.

Refer note 56(A) and 56 (C) for the Group's exposure to fair value measurement, credit risk and market risk.

8 Trade receivables

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Secured	23.30	20.30
Unsecured	1,203.20	851.19
	1,226.50	871.49
Less: Provision for impairment	(1,192.15)	(851.19)
	34.35	20.30
Current		
Secured	1,545.97	1,657.05
Unsecured	20,719.43	19,255.12
	22,265.40	20,912.17
Less: Provision for impairment	(1,580.54)	(954.92)
	20,684.86	19,957.25

Refer note 17 for details of trade receivables pledged against borrowings.

There are no outstanding trade receivables from directors or other officers of the Company or from firms or private companies in which director is partner or member as at 31 March 2026 and as at 31 March 2025.

8 Trade receivables (Contd..)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
– considered good	6,229.69	12,431.88	568.57	689.64	730.24	34.84	20,684.86
– credit impaired	41.37	284.54	390.93	442.48	292.62	128.60	1,580.54
Total undisputed trade receivables (A)	6,271.06	12,716.42	959.50	1,132.12	1,022.86	163.44	22,265.40
Disputed trade receivables							
– considered good	-	6.00	5.05	3.00	-	20.30	34.35
– credit impaired	-	0.02	101.32	275.35	156.43	659.03	1,192.15
Total disputed trade receivables (B)	-	6.02	106.37	278.35	156.43	679.33	1,226.50
As at 31 March 2026 (A+B)	6,271.06	12,722.44	1,065.87	1,410.47	1,179.29	842.77	23,491.90

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
– considered good	6,766.41	12,166.15	415.81	83.73	305.72	219.43	19,957.25
– credit impaired	42.16	292.19	268.05	198.85	46.70	106.97	954.92
Total undisputed trade receivables (A)	6,808.57	12,458.34	683.86	282.58	352.42	326.40	20,912.17
Disputed trade receivables							
– considered good	-	-	-	-	20.00	0.30	20.30
– credit impaired	-	1.60	46.81	150.99	53.27	598.52	851.19
Total disputed trade receivables (B)	-	1.60	46.81	150.99	73.27	598.82	871.49
As at 31 March 2025 (A+B)	6,808.57	12,459.94	730.67	433.57	425.69	925.22	21,783.66

8 Trade receivables (Contd..)

There were no unbilled trade receivables as at 31 March 2026 and as at 31 March 2025.

Refer note 56 (C) for the Company's exposure to credit risk and market risk.

Trade receivables of BirlaNu International GmbH (Formerly HIL International GmbH) Group entities are factored and the receivables from factored banks are disclosed under other financial assets.

9 Loans

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Unsecured, considered good	3,083.68	2,692.88
	3,083.68	2,692.88

10 Other financial assets

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Unsecured, considered good		
Security deposits	1,693.50	1,717.21
Bank deposits due to mature after 12 months from the reporting date*	276.01	264.87
Derivative assets	-	382.65
	1,969.51	2,364.73
Doubtful		
Security deposits	25.00	25.00
Other receivables	644.68	644.68
	669.68	669.68
Less: Provision for doubtful other financial assets	(669.68)	(669.68)
	-	-
	1,969.51	2,364.73

* It includes bank deposits held against bank guarantees amounting to INR 6.79 Lakhs (31 March 2025: INR 9.92 Lakhs).

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Unsecured, considered good		
Interest accrued on security deposits	83.00	73.79
Contract assets	15.75	17.37
Other receivables	2,724.20	4,388.33
	2,822.95	4,479.49
Doubtful		
Dividend receivable	9.01	9.01
Less: Allowance for doubtful receivables (refer note 40)	(9.01)	(9.01)
	-	-
	2,822.95	4,479.49

11 Other assets

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Unsecured, considered good		
Capital advances	1,533.14	406.26
Advances other than capital advances		
- Balance with government authorities	722.39	1,152.94
Prepayments	37.21	54.56
	2,292.74	1,613.76
Doubtful		
Advance to suppliers and service providers	160.62	160.62
	160.62	160.62
Less: Allowance for doubtful advances	(160.62)	(160.62)
	-	-
	2,292.74	1,613.76
Current		
Unsecured, considered good		
Advances other than capital advances		
- Advance to suppliers and service providers	6,005.82	5,690.01
- Advance to employees	270.44	245.36
- Balance with government authorities	2,192.62	2,124.03
Prepayments	1,399.01	1,220.63
Others		
Non-current assets classified as held for sale	-	55.99
	9,867.89	9,336.02

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

12 Inventories

Particulars	As at 31 March 2026	As at 31 March 2025
(Valued at lower of cost and net realisable value)		
Raw materials	29,690.27	26,881.87
Work-in-progress	4,335.57	4,190.81
Finished goods	27,837.12	28,454.91
Stock-in-trade	1,400.43	1,543.63
Stores and spares	1,713.50	1,440.20
	64,976.89	62,511.42
Inventories in transit		
Raw materials	3,249.26	4,897.26
Finished goods	422.94	754.78
Stock-in-trade	0.10	129.81
Stores and spares	7.73	30.41
	3,680.03	5,812.26
	68,656.92	68,323.68

The write down of finished goods to net realisable value during the year amounted to INR 351.53 Lakhs (31 March 2025: INR 300.90 Lakhs). The write down are included in changes in inventories of finished goods.

Refer note 17 for details of inventories pledged against borrowings.

13 Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Cash on hand	16.40	12.09
Balances with banks		
- on current accounts	4,876.65	7,616.88
	4,893.05	7,628.97

14 Bank balances other than Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Unpaid dividend accounts	73.67	76.68
Deposits with banks with original maturity of more than 3 months but remaining maturity of less than 12 months *	535.64	374.44
	609.31	451.12

* It includes bank deposits held against bank guarantees amounting to INR 273.89 Lakhs (31 March 2025: INR 115.16 Lakhs).

15 Share capital

Particulars	As at 31 March 2026	As at 31 March 2025
Authorised share capital		
95,00,000 (31 March 2025 : 95,00,000) equity shares of INR 10 each	950.00	950.00
50,000 (31 March 2025: 50,000) preference shares of INR 100 each	50.00	50.00
	1,000.00	1,000.00
Issued, subscribed and fully paid-up capital		
75,40,899 (31 March 2025: 75,40,899) equity shares of INR 10 each fully paid-up	754.09	754.09
Forfeited shares (amount originally paid-up)	2.72	2.72
	756.81	756.81

15 Share capital (Contd..)

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	31 March 2026		31 March 2025	
	Number of shares	Amount INR In Lakhs	Number of shares	Amount INR In Lakhs
Shares outstanding at the beginning of the year	75,40,899	754.09	75,40,899	754.09
Shares issued on exercise of Employee Stock Option Scheme	-	-	-	-
Shares outstanding at the end of the year	75,40,899	754.09	75,40,899	754.09

(ii) Rights, preferences and restrictions attached to the equity shares

The Company has only one class of equity shares having a face value of INR 10 each. Accordingly, all equity shares rank equal with regard to dividends and share in the Company's residual assets on winding up. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

15 Share capital (Contd..)

(iii) Particulars of shareholders holding more than 5% of total number of equity shares

Equity shares of INR 10 each, fully paid-up	31 March 2026		31 March 2025	
	Number of shares	% of Holding	Number of shares	% of Holding
Mr. Chandra Kant Birla*	30,59,212	40.57%	51,376	0.68%
Central India Industries Limited	NA	NA	10,74,634	14.25%
Orient Paper and Industries Limited	NA	NA	9,06,360	12.02%

As per records of the Company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownerships of shares.

*Shareholding less than 5% in previous year.

(iv) Shares reserved for issue under Option

For details of shares reserved for issue under Employee Stock Option Schemes of the Company, refer note 42.

(v) Equity shares of INR 10 each, held by promoters at the end of the year

Sl. No.	Name of the promoter	31 March 2026			31 March 2025		
		Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
1	Mr. Chandrakant Birla	30,59,212	40.57%	5,854.55%	51,376	0.68%	-
2	Amer Investments (Delhi) Limited	-	-	-100.00%	3,08,763	4.09%	-
3	Hitaishi Investments Limited	-	-	-100.00%	67,066	0.89%	-
4	Hyderabad Agencies Private Limited	-	-	-100.00%	4,100	0.05%	-
5	Orient Paper and Industries Limited	-	-	-100.00%	9,06,360	12.02%	-
6	Universal Trading Company Limited	-	-	-100.00%	4,000	0.05%	-
7	Central India Industries Limited	-	-	-100.00%	10,74,634	14.25%	-
8	Gwalior Finance Corporation Limited	-	-	-100.00%	96,200	1.28%	-
9	Ranchi Enterprises and Properties Limited	-	-	-100.00%	4,500	0.06%	-
10	Ashok Investment Corporation Limited	-	-	-100.00%	3,17,743	4.21%	-
11	Shekhavati Investments and Traders Limited	-	-	-100.00%	2,24,470	2.98%	-
		30,59,212	40.57%	0.00%	30,59,212	40.57%	-

16 Other equity

(A) Reserves and surplus

(i) Securities premium

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the commencement of the year	1,649.96	1,649.96
Add: Premium received on exercise of employee stock options	-	-
	1,649.96	1,649.96

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) General reserve

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the commencement of the year	44,100.00	44,100.00
Add: Amount transferred from surplus balance in the consolidated statement of profit and loss	-	-
	44,100.00	44,100.00

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

16 Other equity (Contd..)

(A) Reserves and surplus (Contd..)

(iii) Capital redemption reserve

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the commencement of the year	35.00	35.00
Add: Additions during the year	-	-
	35.00	35.00

Capital redemption reserve was created for redemption of preference shares and the balance represents the unutilised amount after complete redemption of the same.

(iv) Share options outstanding account

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the commencement of the year	678.70	345.92
Less: Transferred to securities premium on exercise of stock options	-	-
Add: Share based payment expenses	(2.93)	332.78
	675.77	678.70

The Company has formulated equity-settled share-based payment plans for certain categories of employees of the Company. Refer note 42 for further details on these plans.

(v) Retained earnings

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the commencement of the year	69,459.69	74,607.56
Add: Profit for the year	(11,956.12)	(3,290.35)
Items of other comprehensive income directly recognised in retained earnings		
- Remeasurement of defined benefit (asset) / liability, net of tax	362.95	(160.82)
Amount available for appropriations	57,866.52	71,156.39
Less : Appropriations		
Final dividend on equity shares (amount per share INR 30.00 (31 March 2025: INR 22.50))	(2,262.27)	(1,696.70)
Total appropriations	(2,262.27)	(1,696.70)
Total retained earnings	55,604.25	69,459.69
Total reserves and surplus (A)	1,02,064.98	1,15,923.35

(B) Other comprehensive income ("OCI")

Particulars	As at 31 March 2026	As at 31 March 2025
Equity investments through OCI		
Balance at the commencement of the year	31.02	24.88
Changes in fair value	1.44	6.14
	32.46	31.02
Exchange differences on translation of foreign operations		
Balance at the commencement of the year	4,433.60	3,763.76
Add: Movement during the year	3,750.20	669.84
	8,183.80	4,433.60
Total other comprehensive income (B)	8,216.26	4,464.62
Total (A+B)	1,10,281.24	1,20,387.97

Dividends

After the reporting dates, the following dividends on equity shares were proposed by the Board of Directors subject to the approval at the Annual General Meeting; the dividends have not been recognised as liabilities.

Particulars	As at 31 March 2026	As at 31 March 2025
Dividend on equity shares (amount per equity share INR 15.00 (31 March 2025: INR 30.00))	1,131.13	2,262.27

Dividend paid during the year ended 31 March 2026 includes an amount of INR 30.00 per equity share towards final dividend for the year ended 31 March 2025. Dividend paid during the year ended 31 March 2025 includes an amount of INR 22.50 per equity share towards final dividend for the year ended 31 March 2024.

The Board of Directors of the Company have recommended a final dividend of INR 15.00 per share (150%) on 12 May 2026 for the financial year ended 31 March 2026. There was no interim dividend declared during the financial year ended 31 March 2026.

17 Borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current borrowings		
Secured		
Term loan from banks	30,100.05	25,655.39
	30,100.05	25,655.39
Current borrowings		
Secured		
From banks		
- Working capital loan	28,543.00	16,256.40
From banks		
- Interest accrued but not due on long term borrowings	107.28	172.67
Term loan from banks		
- Current maturities of long-term debt*	11,268.53	7,923.53
	39,918.81	24,352.60
Unsecured		
Loans repayable on demand		
From banks		
- Working capital loan	15,214.04	20,019.29
From banks		
- Buyers' credit	-	971.11
	15,214.04	20,990.40
	55,132.85	45,343.00
Total Borrowing	85,232.90	70,998.39

*Includes an amount of INR 43.25 Lakhs for year ended 31 March 2026 (31 March 2025: INR 36.68 Lakhs), towards the interest accrued but not due.

17 Borrowings (Contd..)

Borrower	Lender	Nature of loan	Amount As at		Interest rate		Repayment terms	Security	Remarks
			31 March 2026	31 March 2025	31 March 2026	31 March 2025			
BirlaNu Limited (formerly HIL Limited)	Federal bank	Term loan	2,842.50	3,790.00	7.43%	8.40%	12 quarterly instalments of INR 236.87 lakhs each from June 2026 to March 2029	Charge on identified fixed assets	The Company has partly prepaid the loan amounting to INR 3,600 lakhs
	HDFC Bank	Term loan	3,750.00	4,750.00	7.13%	8.14%	15 quarterly instalments of INR 250 lakhs each from April 2026 to October 2029	Charge on identified fixed assets	
	RBL Bank	Term loan	10,354.17	-	7.88%	-	15 quarterly instalments of INR 164 to 802 lakhs each from May 2026 to October 2031	Charge on identified fixed assets - Yet to registered.	
	HSBC Limited	Working Capital loan	2,500.00	-	6.87%	7.26% - 8.90%	Range from 7 to 90 days	Unsecured	
	HDFC Bank	Working Capital loan	-	4,000.00	7.34%	7.36% -8.18%	Range from 7 to 90 days	Unsecured	Repaid during the year
	Kotak Mahindra bank	Working Capital loan	4,500.00	2,000.00	7.19%	7.75% - 8.35%	Range from 7 to 90 days	Unsecured	
	Federal bank	Working Capital loan	4,500.00	8,000.00	7.26%	7.75% - 8.25%	Range from 7 to 90 days	Unsecured	
	RBL Bank	Working Capital loan	2,500.00	-	6.80%	7.75% - 8.25%	Range from 7 to 90 days	Unsecured	
	ICICI bank	Working Capital loan	-	3,450.00	7.36%	7.40% - 8.07%	Range from 7 to 90 days	Unsecured	
	YES bank	Working Capital loan	-	2,500.00	7.04%	7.50% - 8.27%	Range from 7 to 90 days	Unsecured	
	HDFC bank	Buyer's credit	-	971.11	-	4.82%- 5.92%	120 to 150 days	Unsecured	
	Axis Bank	Working Capital loan	794.88	792.65	7.75%	9.00%	Repayable on demand	Secured against Stock & Receivables	
	State Bank of India	Term loan	78.98	195.51	9.15%	10.15%	Repayable in remaining 09 instalments, with the final instalment due by December 2026.	Secured against fixed assets	

17 Borrowings (Contd..)

Borrower	Lender	Nature of loan	Amount As at		Interest rate		Repayment terms	Security	Remarks
			31 March 2026	31 March 2025	31 March 2026	31 March 2025			
	State Bank of India	Term loan	23.34	60.19	8.65%	10.15%	Repayable in remaining 08 instalments, with the final instalment due by November 2026.	Secured against fixed assets	
	State Bank of India	Cash Credit	397.23	300.10	9.15%	10.15%	Repayable on demand	Secured against Stock & Receivables	
	ICICI Bank	RTL-LC	733.68	-	8.60%	-	16 quarterly instalments ranging INR 36.68 lakhs to INR 55.03 lakhs from November 2026 to August 2030	Movables Fixed Assets of the Company both present and future with minimum security cover of 1.25 times	
	ICICI Bank	RTL	500.00	-	8.60%	-	16 quarterly instalments ranging INR 25 lakhs to INR 37.50 lakhs from November 2026 to August 2030	Movables Fixed Assets of the Company both present and future with minimum security cover of 1.25 times	
	ICICI Bank	RTL	400.00	-	8.60%	-	16 quarterly instalments ranging INR 20 lakhs to INR 30 lakhs from November 2026 to August 2030	Movables Fixed Assets of the Company both present and future with minimum security cover of 1.25 times	
	State Bank of India	Cash Credit	495.26	253.52	9.15%	10.15%	Repayable on demand	Secured against Stock & Receivables	
	State Bank of India	Term loan	1,049.78	1,347.51	9.15%	10.15%	Repayable in remaining 42 instalments, with the final instalment due by September 2029	Secured against Fixed assets	
	Small Industries Bank of India (SIDBI)	Term loan	230.78	307.70	9.46%	8.25%	Repayable in remaining 36 instalments, with the final instalment due by March 2029	Secured against Machinery	
	Small Industries Bank of India (SIDBI)	Term loan	81.46	125.95	8.55%	8.45%	Repayable in remaining 16 instalments, with the final instalment due by July 2027	Secured against Machinery	

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

17 Borrowings (Contd..)

Borrower	Lender	Nature of loan	Amount As at		Interest rate		Repayment terms	Security	Remarks
			31 March 2026	31 March 2025	31 March 2026	31 March 2025			
	Small Industries Bank of India (SIDBI)	Term loan	53.17	79.81	8.50%	8.45%	Repayable in remaining 24 instalments, with the final instalment due by March 2028	Secured against Machinery	
	Small Industries Bank of India (SIDBI)	Term loan	36.93	53.97	8.55%	8.45%	Repayable in remaining 20 instalments, with the final instalment due by November 2027	Secured against Machinery	
	Axis Bank	Cash Credit	862.40	468.94	7.75%	9.00%	Repayable on demand	Secured against Stock & Receivables	
	Axis Bank	Working Capital Loan	3,560.00	3,560.00	7.25%	8.50%	Repayable on demand	Secured against Stock & Receivables	
	ICICI Bank	Term Loan	-	145.81	0.00%	9.20%	Paid on 31 July 2025		
	Axis Bank	Term loan	454.00	718.00	7.75%	9.00%	Repayable in remaining 20 instalments, with the final instalment due by December 2027.	Secured against fixed assets	
	Axis Bank	Term loan	43.11	107.78	7.75%	9.00%	Repayable in remaining 08 instalments, with the final instalment due by November 2026.	Secured against fixed assets	
	Axis Bank	Cash Credit	996.73	964.95	7.75%	9.00%	Repayable on demand	Secured against Stock & Receivables	
	ICICI Bank	WC-OTSTL	-	2,200.00	0.00%	8.50%	Paid on 26 June 2025		
	ICICI Bank	WC-OTSTL	-	400.00	0.00%	8.90%	Paid on 22 August 2025		
	ICICI Bank	WC-OTSTL	-	400.00	0.00%	9.90%	Paid on 04 September 2025		
	ICICI Bank	WC-OTSTL	1,000.00	-	8.15%	-	Repayable on 30 June 2026 (365 Days)	Secured against Stock & Receivables	
	ICICI Bank	WC-OTSTL	1,200.00	-	8.15%	-	Repayable on 22 September 2026 (365 Days)	Secured against Stock & Receivables	
	ICICI Bank	WC-OTSTL	400.00	-	8.15%	-	Repayable on 24 September 2026 (365 Days)	Secured against Stock & Receivables	
	ICICI Bank	WC-OTSTL	400.00	-	8.15%	-	Repayable on 10 November 2026 (365 Days)	Secured against Stock & Receivables	

17 Borrowings (Contd..)

Borrower	Lender	Nature of loan	Amount As at		Interest rate		Repayment terms	Security	Remarks
			31 March 2026	31 March 2025	31 March 2026	31 March 2025			
	ICICI Bank	Cash Credit	976.27	655.00	8.75%	9.25%	Repayable on demand	Secured against Stock & Receivables	
BirlaNu International GmbH (Formerly HIL International GmbH)	ICICI Bank	Term loan- Facility A	6,537.20	7,366.15	1.85% + 3 Month EURIBOR	1.85% + 3 Month EURIBOR	Repayable in 8 semi-annual instalments starting from 31 March 2025. The first two instalments amount Euro 10.00 lakhs and the other 6 instalments amount to EUR 15.00 lakhs	Secured by an unconditional and irrevocable corporate guarantee from the shareholder BirlaNu Limited to the extent of 105% of the Facility Amount	
	ICICI bank	Term loan- Facility B	14,199.48	10,880.09	1.85% + 3 Month EURIBOR	1.85% + 3 Month EURIBOR	Repayable in 8 semi-annual instalments starting from 31 March 2025. The first two instalments amount Euro 10.00 lakhs the next 5 instalments amount to EUR 20.00 lakhs and the last instalment amounts EUR 21.00 lakhs	Secured by an unconditional and irrevocable corporate guarantee from the shareholder BirlaNu Limited to the extent of 105% of the Facility Amount	
	ICICI bank	Term loan- Facility C	7,626.73	9,944.30	1.85% + 3 Month EURIBOR	1.85% + 3 Month EURIBOR	Repayable or rollover at the end of its interest period	Secured by an unconditional and irrevocable corporate guarantee from the shareholder BirlaNu Ltd to the extent of 105% of the Facility Amount	

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

17 Borrowings (Contd..)

Borrower	Lender	Nature of loan	Amount As at		Interest rate		Repayment terms	Security	Remarks
			31 March 2026	31 March 2025	31 March 2026	31 March 2025			
	ICICI bank	Term loan-Facility: A term loan "Revolving Loan Facility"	11,004.29	-	1.55% + 1 Month EURIBOR	-	Repayable or rollover at the end of its term loan period	Secured by an unconditional and irrevocable corporate guarantee from the shareholder BirlaNu Ltd to the extent of 105% of the Facility Amount	

(a) The Holding Company's borrowings are subject to compliance with certain pre-defined financial and other covenants, whereby the Company is required to meet certain specified financial ratios and other commitments/measures. During the current period, the Company has complied with the requirements of these loan agreements as at or for the year ended 31 March 2026 except for certain covenants in respect of the borrowings from Federal Bank, HDFC Bank, RBL Bank, ICICI bank, Axis Bank and Kotak Mahindra bank. The management, has however, obtained necessary waivers from these lenders waiving the aforesaid breaches during the year ended 31 March 2026. Accordingly, these borrowings have been continued to be classified in accordance with their originally agreed repayment schedule in these financial statements.

(b) BirlaNu International GmbH (formerly HIL International GmbH) borrowings are subject to compliance with certain pre-defined financial and other covenants, whereby the BirlaNu International GmbH (formerly HIL International GmbH) is required to meet certain specified financial ratios and other commitments/measures. During the current period, BirlaNu International GmbH (formerly HIL International GmbH) has complied with the requirements of these loan agreements as at or for the year ended 31 March 2026 except for certain covenants in respect of the borrowings from ICICI Bank UK PLC. The management, has however, obtained necessary waivers from these lenders waiving the aforesaid breaches after the year ended 31 March 2026. Accordingly, these borrowings have been continued to be classified in accordance with their originally agreed repayment schedule in these consolidated financial statements.

(c) There were no delays / defaults in repayment of dues or delays in payment of interest to banks and financial institutions.

(d) Quarterly returns or statements of current assets filed by the Holding company to the banks are in agreement with the books of account.

(e) In respect of the following charges, the Holding company is in the process of collecting no due certificate from the respective parties and the same is expected to get closed in the next financial year. The charges on these loans are open with Registrar of Companies (ROC) Hyderabad:

1. Indian Oil Corporation Limited amounting to INR 4 Lakhs.

Refer note 56 (C) for the Company's exposure to interest rate and liquidity risks.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

18 Lease liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Lease liabilities (refer note 50)	23,067.69	22,163.25
	23,067.69	22,163.25
Current		
Lease liabilities (refer note 50)	2,868.11	2,786.74
	2,868.11	2,786.74

19 Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
Total outstanding dues of micro enterprises and small enterprises (MSME) (refer note 41)	6,428.67	2,765.51
Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note 40 for payables to related parties)	37,593.78	40,050.54
	44,022.45	42,816.05

19 Trade payables (Contd..)

Ageing of Trade Payables as at 31 March 2026:

Particulars	Unbilled dues	Not due	Outstanding for following periods from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	3,400.78	2,955.30	20.08	24.06	28.45	6,428.67
(ii) Others	12,741.66	20,145.16	4,170.20	90.87	234.52	141.59	37,524.00
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	69.78	69.78
As at 31 March 2026	12,741.66	23,545.94	7,125.50	110.95	258.58	239.82	44,022.45

Refer note 56 (C) for the Company's exposure to interest rate and liquidity risks.

Ageing of Trade Payables as at 31 March 2025:

Particulars	Unbilled dues	Not due	Outstanding for following periods from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1,909.45	852.83	-	-	-	2,762.28
(ii) Others	11,698.94	22,416.23	5,173.68	503.13	35.25	153.51	39,980.76
(iii) Disputed dues - MSME	-	3.23	-	-	-	-	3.23
(iv) Disputed dues - Others	-	-	-	-	-	69.78	69.78
As at 31 March 2025	11,698.94	24,328.91	6,026.51	503.13	35.25	223.29	42,816.05

20 Other financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Liabilities on business acquisition	50.00	-
Derivative liabilities	1,261.87	-
	1,311.87	-
Current		
Capital creditors (refer note 41)	1,439.20	781.80
Unpaid dividend*	73.67	76.68
Sundry deposits	4,663.92	4,627.04
Derivative liabilities	392.07	320.90
Contract liability against performance obligation	1,436.99	1,399.06

Particulars	As at 31 March 2026	As at 31 March 2025
Contract liability against payment	4,192.46	2,612.49
Liabilities on business acquisition	744.84	843.93
Other financial liabilities- discounts, commissions and other payables	5,199.63	4,935.69
	18,142.78	15,597.59

* Amount lying in unpaid / unclaimed dividend account shall be credited to Investor Education and Protection Fund as per the timelines prescribed under the Companies Act, 2013 with due approvals.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

21 Provisions

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Provision for employee benefits		
- Gratuity (refer note 36)	1,206.49	676.01
- Pension and other post-retirement benefits (refer note 36)	2,188.19	2,243.19
- Compensated absences	1,003.38	939.46
	4,398.06	3,858.66
Current		
Provision for employee benefits		
- Gratuity (refer note 36)	18.22	-
- Pension (refer note 36)	105.52	224.53
- Compensated absences	1,205.88	994.97
- Other long-term employee benefit plans	-	49.30
- Employee related other costs (refer note 51)	1,968.46	319.75
Other provisions		
- Provision for litigations (refer note 51)	236.69	236.72
- Provision for warranties (refer note 51)	253.87	385.62
- Provision - others (refer note 51)	390.00	390.00
	4,178.64	2,600.89

22 Other liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Deferred revenue	595.60	532.11
	595.60	532.11
Current		
Statutory liabilities	2,913.71	2,899.60
Deferred revenue	34.03	28.76
Advance for sale of non-current asset held for sale	88.18	87.00
Other liabilities	1,331.39	1,258.47
	4,367.31	4,273.83

23 Revenue from operations

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from contracts with customers		
- Sale of products		
- Finished goods	3,42,757.78	3,33,055.75
- Traded goods	28,799.71	26,712.29
- Sale of services		
- Service concession arrangements	218.47	151.18
Other operating revenues		
- Scrap sales	1,138.07	1,466.72
- Liabilities no longer required, written back	125.66	136.85
	3,73,039.69	3,61,522.79

23 Revenue from operations (Contd..)

Disaggregation of revenues

Particulars	Reportable segments for the year ended 31 March 2026				
	Roofs	Walls	Pipes & Construction chemicals	Floors	Others
By sources of revenue					
Revenue from contracts with customers	1,13,681.26	60,789.57	69,117.74	1,27,925.46	261.93
Other operating revenues	249.59	168.97	115.74	729.41	0.02
	1,13,930.85	60,958.54	69,233.48	1,28,654.87	261.95
By geographical markets					
- India	1,13,169.22	60,477.02	69,204.67	247.47	261.95
- Others	761.63	481.52	28.81	1,28,407.40	-
	1,13,930.85	60,958.54	69,233.48	1,28,654.87	261.95
By major product lines					
- Cement based products: sheets, panels, boards	1,13,930.85	28,194.03	-	-	-
- Pipes and Fittings	-	-	49,490.29	-	-
- Putty, Construction chemical and dry mix	-	313.42	19,743.19	-	-
- Fly ash blocks	-	32,451.09	-	-	-
- Wooden Flooring	-	-	-	1,28,654.87	-
- Others	-	-	-	-	261.95
	1,13,930.85	60,958.54	69,233.48	1,28,654.87	261.95

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

23 Revenue from operations (Contd..)

Particulars	Reportable segments for the year ended 31 March 2026				
	Roofs	Walls	Pipes & Construction chemicals	Floors	Others
Timing of revenue recognition					
Products transferred at a point in time	1,13,930.85	60,958.54	69,233.48	1,28,654.87	261.95
Products and services transferred over time	-	-	-	-	-
	1,13,930.85	60,958.54	69,233.48	1,28,654.87	261.95

Particulars	Reportable segments for the year ended 31 March 2025				
	Roofs	Walls	Pipes & Construction chemicals	Floors	Others
By sources of revenue					
Revenue from contracts with customers	1,12,869.65	53,512.03	71,323.62	1,21,983.53	230.48
Other operating revenues	544.54	360.65	111.12	581.23	5.94
	1,13,414.19	53,872.68	71,434.74	1,22,564.76	236.42
By geographical markets					
- India	1,12,729.90	53,448.57	71,408.69	-	231.72
- Others	684.29	424.11	26.05	1,22,564.76	4.70
	1,13,414.19	53,872.68	71,434.74	1,22,564.76	236.42
By major product lines					
- Cement based products: sheets, panels, boards	1,13,414.19	22,709.26	-	-	-
- Pipes and Fittings	-	-	53,647.17	-	-
- Putty, Construction chemical and dry mix	-	463.27	17,787.57	-	-
- Fly ash blocks	-	30,588.01	-	-	-
- Wooden Flooring	-	-	-	1,22,564.76	-
- Others	-	112.14	-	-	236.42
	1,13,414.19	53,872.68	71,434.74	1,22,564.76	236.42
Timing of revenue recognition					
Products transferred at a point in time	1,13,414.19	53,872.68	71,434.74	1,22,564.76	236.42
Products and services transferred over time	-	-	-	-	-
	1,13,414.19	53,872.68	71,434.74	1,22,564.76	236.42

Reconciliation of revenue recognised from contract with customers with contract prices

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue as per contracted price	3,93,619.07	3,79,949.91
Less: Contract liability against performance obligation	1,436.99	1,399.06
Less: Discounts	20,406.12	18,631.63
	3,71,775.96	3,59,919.22

Contract balances

The following table provides information about the receivables, contract assets and contract liabilities from contracts with customers:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Trade receivables (refer note 8)	23,491.90	21,783.66
Contract assets (refer note 10)	15.75	17.37
Contract liabilities (refer note 20)	5,629.45	4,011.55

23 Revenue from operations (Contd..)

- Trade receivables are the amounts receivable by the Group from the Revenues from Contracts with customers and other operating revenues.
- The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date.
- The contract liabilities primarily relate to the advance consideration received from customers and contract liabilities arising from loyalty programmes of the Company. The amount of INR 3,956.48 Lakhs included in contract liabilities at 31 March 2025 have been recognised as revenue during the year ended 31 March 2026 (31 March 2025: INR 4,854.09 Lakhs).

No information provided about remaining performance obligations as at 31 March 2026 and 31 March 2025 that have an original expected duration of one year or less, as allowed by Ind AS 115.

Invoices are generated at the point in time. Invoices are usually payable within 0 to 90 days.

24 Other income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Dividend income on equity securities - at FVOCI- investment held at reporting date	0.50	0.38
Dividend income on current investments - at FVTPL	0.03	0.02
Gain on sale of current investments, net	12.05	17.84
Interest income under the effective interest method on financial assets at amortised cost	244.49	222.01
Interest on tax refund	103.79	3.73
Rental income		
From investment property	525.63	565.24
From others	573.13	278.29
Net gain on sale of property, plant and equipment	684.43	-
Net gain on foreign currency transactions	2,804.48	1,271.91
Government grant	157.38	28.18
Subsidy received	114.05	185.26
Miscellaneous income	251.53	374.55
	5,471.49	2,947.41

25 Cost of materials consumed

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Inventory of materials at the beginning of the year	31,779.13	35,259.56
Add: Acquisitions through business combination (refer note 33)	275.62	1,271.66
Add: Purchases during the year	1,84,996.59	1,86,219.46
Less: Inventory of materials at the end of the year	(32,939.53)	(31,779.13)
Adjustment for fluctuation in exchange rates	2,330.74	323.46
	1,86,442.55	1,91,295.01

26 Purchases of stock-in-trade

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Purchases of stock-in-trade	24,057.79	19,054.33

27 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Inventories at the beginning of the year		
Finished goods	29,209.69	28,522.24
Stock-in-trade	1,673.44	896.24
Work-in-progress	4,190.81	5,231.07
	35,073.94	34,649.55
Inventories at the end of the year		
Finished goods	28,260.06	29,209.69
Stock-in-trade	1,400.53	1,673.44
Work-in-progress	4,335.57	4,190.81
	33,996.16	35,073.94
Changes in inventories	1,077.78	(424.39)
Finished goods of trial run production capitalised	-	4.89

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

27 Changes in inventories of finished goods, stock-in-trade and work-in-progress (Contd..)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Add: Inventories acquired through business combinations (refer note 33)	176.23	1,260.54
Adjustment for fluctuation in exchange rates	2,409.25	339.34
	3,663.26	1,180.38

28 Employee benefits expense (refer note 36(c))

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries, wages and bonus	49,075.95	44,424.56
Contribution to provident and other funds (refer note 36(a))	7,029.10	6,189.48
Employee share based payment expense - equity settled (refer note 42)	(2.93)	332.78
Gratuity, pension and other post-retirement benefits expenses (refer note 36(b))	995.83	493.49
Staff welfare expenses	1,528.33	1,462.31
	58,626.28	52,902.62

29 Finance costs

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest expenses on long-term loans measured at amortised cost	2,417.30	2,329.12
Interest expenses on working capital loans measured at amortised cost	2,291.76	2,259.96
Interest expenses on other financial liabilities measured at amortised cost	0.91	39.83
Interest expenses on lease liabilities	1,525.23	1,442.88
Interest expenses on income-tax	21.24	2.49
Interest expenses on security deposits and others	551.20	719.15
Other borrowing costs	15.63	30.85
	6,823.27	6,824.28

30 Depreciation and amortisation expenses

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation of property, plant and equipment (refer note 4)	11,439.00	10,710.65
Amortisation of intangible assets (refer note 6)	1,113.35	1,378.50
Depreciation on investment property (refer note 5)	27.07	30.37
Depreciation on right of use assets (refer note 4)	2,560.98	2,288.44
	15,140.40	14,407.96

31 Other expenses

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Consumption of stores and spares	4,856.15	4,887.89
Power and fuel	14,275.13	14,074.59
Contract wages	8,806.78	8,314.11
Repairs and maintenance		
- Plant and equipment (excluding stores and spares consumption)	4,310.55	3,857.68
- Buildings	720.37	604.77
- Others	3,331.98	2,702.62
Carriage outwards	32,668.14	30,273.31
Packing expenses	1,061.34	1,087.06
Rent	883.95	964.62
Rates and taxes	802.83	824.33
Insurance	1,290.47	949.82
Professional, consultancy and legal expenses	5,255.69	4,296.92
Advertisement and sales promotion	8,526.06	7,104.42
Travelling and conveyance	3,984.76	3,670.19

31 Other expenses (Contd..)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Commission on sales	1,024.50	1,057.53
Directors' commission	15.75	32.22
Directors' fee	58.00	84.50
Donations	7.85	403.62
Royalty	872.55	823.01
Net loss on sale of property, plant and equipment	-	301.21
Provision for impairment of receivables, advances and other assets, net	842.66	304.49
Bad debts written off	35.60	90.37
Provision for diminution in value of investments	112.03	-
Fair value loss on financial assets measured at fair value through profit and loss	1,720.56	875.10
Expenditure on corporate social responsibility (refer note 32)	199.15	331.88
Miscellaneous	3,630.64	3,316.88
	99,293.49	91,233.14

*Donations include INR NIL contribution made to Electoral Trust (31 March 2025: INR 300 Lakhs).

32 Details of corporate social responsibility expenditure

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
a) Gross amount required to be spent by the Group during the year	199.15	331.57
Less: Adjustment of excess spent during the previous financial years	-	(18.09)
Net amount required to be spent by the Group during the year	199.15	313.47
b) Amount approved by the board to be spent during the year:	199.15	318.50
c) Amount spent during the year (in cash) :		
i) Construction / acquisition of any asset	-	-
ii) On purposes other than (i) above	210.92	313.47
iii) Nature of CSR activities		
- Promoting health care including preventive health care		
- Promoting education		
- Community Development		
d) Related party transactions	-	-
e) Shortfall /(excess) at the end of the year	(11.77)	-
f) Movements in provision of liability created	-	-

33 Business combination

(A) **(a)** On 07 November 2025, the Company had entered into a Share subscription and purchase agreement (SSPA) (as amended) with Clean Coats Private Limited ('Clean Coats') for subscription and purchase of the shares of Clean Coats. Post completion of the agreed closing conditions, the Company obtained control over the Clean Coats and consolidated in its books of account effective 11 November 2025. The Company has made investment of INR 11,321.80 lakhs in the Clean coats as on 11 November 2025 and total amount has been paid to shareholders of Clean Coats as purchase consideration.

The fair value of assets and liabilities acquired have been determined in accordance with Ind AS 103 ""Business Combinations"". The Company along with the respective shareholders of the Clean Coats (the seller) has determined working capital balances taken over by the Company as part of the acquisition. The Group has carried out purchase price allocation between goodwill, tangible assets, intangible assets and other working capital balances taken over.

33 Business combination (Contd..)

Below is the summary of purchase price allocation:

Particulars	INR in lakhs
A. Consideration	
Cash paid	11,041.80
Other payables	280.00
Total consideration	**11,321.80**
B. Identifiable assets acquired and liabilities assumed	
Assets acquired	
Property, plant and equipment including ROU assets	2,611.35
Softwares	9.59
Trade receivables	732.41
Inventories	451.85
Investment property	280.00
Other assets	2,445.64
Intangible assets acquired	
Product Formulations	2,898.93
Brand	965.49
Customer Contracts	85.11
Customer Relationships	637.15
	11,117.52
Liabilities assumed	
Trade payables	557.53
Borrowings	25.48
Other liabilities	149.43
Deferred tax liability	1,710.63
	2,443.07
Total net assets acquired	**8,674.45**

(b) Pursuant to the SSPA and SPAs, the Group has recorded a contingent consideration at fair values towards acquisition of certain assets which includes consideration toward commercial building. The contingent consideration shall become payable to the sellers upon realisation by selling the comercial building.

(c) (i) Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Assets acquired	Valuation technique
Property, plant and equipment	Market approach and cost approach: Freehold Industrial land parcel have been valued using sales comparison method under market approach as comparable land parcels were available for sale / re-sale around the Valuation Date. Direct quotation method of cost approach has been used for valuation of factory buildings.
Intangible assets	Relief from royalty method: Brand and Product Formulations has been valued using relief from royalty method wherein the net revenue expected to be generated by the intangible asset during its expected remaining life of 15 years is multiplied by the selected benchmark royalty rate of 2% and is discounted to present value. Multi-period Excess Earnings Method (""MEEM""): Customer Relationships and Customer Contracts are valued using this method. Under this method, present value of the after-tax cash flows of the business assuming that the intangible asset is in place is compared to the present value of the after-tax cash flows of the business assuming the absence of the intangible asset for a period of 10 years and 1.5 years respectively.

(ii) Acquired receivables

Fair value of the acquired trade receivables at the date of acquisition is INR 832.87 lakhs. The trade receivables comprise gross contractual amounts due of INR 832.87 lakhs, of which INR 100.46 lakhs was expected to be uncollectable at the date of acquisition.

(d) Goodwill

Goodwill arising from the acquisition has been recognised as follows:

Particulars	INR in lakhs
Total consideration	11,321.80
Fair value of net identifiable assets	8,674.45
Goodwill	**2,647.35**

The goodwill is attributable mainly to the synergies, expected to be achieved from integrating the acquired assets into the Group's existing Polymer Solutions segment, together with the value of workforce acquired and to explore untapped geographies. None of the goodwill recognised is expected to be deductible for tax purposes.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

33 Business combination (Contd..)

(e) Acquisition related costs

The Group incurred acquisition-related costs of INR 457.87 lakhs on legal fees, due diligence costs and other professional fees. These costs have been included in "legal and professional fees" under "other expenses (refer note 31).

(f) For the period 11 November 2025 to 31 March 2026, acquired business contributed revenue of INR 2,000.63 lakhs and a profit before tax of INR 261 lakhs to the Group's results. If the acquisition had occurred on 1 April 2025, management estimates that the contribution to consolidated revenue would have been INR 4,205.40 lakhs and consolidated profits for the year would have been INR 5.08 lakhs. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occured on 1 April 2025.

(B) (a) On 11 March 2024, the Company had entered into a Share subscription and purchase agreement (SSPA) (as amended) with Crestia Polytech Private Limited ('Crestia') for subscription and purchase of the shares of Crestia. Pursuant to the SSPA, Crestia entered into Share purchase agreements (SPAs) with the respective shareholders of Topline Industries Private Limited, Aditya Polytechnic Private Limited, Prabhu Sainath Polymers Private Limited (formerly known as "Sainath Polymers") and Aditya Poly Industries Private Limited (formerly known as "Aditya Industries") (Crestia and other entities as mentioned here are together referred to as 'the Group entities'). Post completion of the agreed closing conditions, the Company obtained control over the Group entities and consolidated in its books of account effective 05 April 2024. The Company has made investment of INR 16046 lakhs in the Group entities as on 31 March 2025 out of which INR 1,1710.51 lakhs has been paid to shareholders of group entities as purchase consideration.

The fair value of assets and liabilities acquired have been determined in accordance with Ind AS 103 ""Business Combinations"". The Company along with the respective shareholders of the Group entities (the seller) has determined working capital balances taken over by the Company as part of the acquisition. The Group has carried out purchase price allocation between goodwill, tangible assets, intangible assets and other working capital balances taken over. Taking control of the Group entities will enable the Group with additional capacity in the polymer solutions business. The acquisition is also expected to provide the Group with an increased share of the Group entities' customer base. The Group also expects to reduce costs through economies of scale.

Below is the summary of purchase price allocation:

Particulars	INR in lakhs
A. Consideration	
Cash paid	10,838.95
Hold back amount payable	213.05
Contingent consideration	658.51
Total consideration	**11,710.51**
B. Identifiable assets acquired and liabilities assumed	
Assets acquired	
Property, plant and equipment including ROU assets	15,217.62
Trade receivables	1,087.34
Inventories	2,532.20
Other assets	2,271.09
Intangible assets acquired	
Brand	1,550.00
Distribution network	950.00
Non-compete fees	430.00
	24,038.25
Liabilities assumed	
Trade payables	3,153.27
Borrowings	14,323.95
Other liabilities	1,418.84
Deferred tax liability	1,755.47
	20,651.53
Total net assets acquired	**3,386.72**

(b) Pursuant to the SSPA and SPAs, the Group has recorded a contingent consideration at fair values towards acquisition of certain assets which includes subsidy receivable from Bihar Industrial Area Development Authority, GST receivable and trade receivables outstanding for a period more than 90 days, amounting to INR 658.51 lakhs. The contingent consideration shall become payable to the sellers upon realisation of the underlying receivables.

(c) The Group has hold back consideration amounting to INR 213.05 lakhs which is payable on demand.

33 Business combination (Contd..)

(d) (i) Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Assets acquired	Valuation technique
Property, plant and equipment	Market approach and cost approach: Freehold Industrial land parcel have been valued using sales comparison method under market approach as comparable land parcels were available for sale / re-sale around the Valuation Date. Direct quotation method of cost approach has been used for valuation of factory buildings. Combination of direct quotation and indirect indexing method of cost approach has been used for valuation of plant & machinery and electrical and electronic installation.
Intangible assets	Relief from royalty method: Brand has been valued using relief from royalty method wherein the net revenue expected to be generated by the intangible asset during its expected remaining life of 15 years is multiplied by the selected benchmark royalty rate of 1% and is discounted to present value. With and without method: Distribution network and non-compete rights are valued using this method. Under this method, present value of the after-tax cash flows of the business assuming that the intangible asset is in place is compared to the present value of the after-tax cash flows of the business assuming the absence of the intangible asset for a period of 4 years and 5 years respectively.

(ii) Acquired receivables

Fair value of the acquired trade receivables at the date of acquisition is INR 1,087.34 lakhs. The trade receivables comprise gross contractual amounts due of INR 1,087.34 lakhs, of which INR 15.70 lakhs was expected to be uncollectable at the date of acquisition.

(e) Goodwill

Goodwill arising from the acquisition has been recognised as follows:

Particulars	INR in lakhs
Total consideration	11,710.51
Fair value of net identifiable assets	3,386.72
Goodwill	**8,323.79**

The goodwill is attributable mainly to the synergies, expected to be achieved from integrating the acquired assets into the Group's existing Polymer Solutions segment, together with the value of workforce acquired and to explore untapped geographies. None of the goodwill recognised is expected to be deductible for tax purposes.

(f) Acquisition related costs

The Group incurred acquisition-related costs of INR 684.14 lakhs on legal fees, due diligence costs and other professional fees. These costs have been included in "legal and professional fees" under "other expenses (refer note 31).

(g) For the period 05 April 2024 to 31 March 2025, acquired business contributed revenue of INR 14,898.71 lakhs and a loss before tax of INR 4,368.53 lakhs to the Group's results. If the acquisition had occurred on 01 April 2024, Management estimates that the consolidated revenue of the Group would have been INR 3,61,522.79 lakhs and consolidated loss before tax of the Group for the year would have been 4,345.73 lakhs. In determining these estimates, management has assumed that the fair value adjustments, that arose on the date of acquisition would have been the same if the acquisition had occurred on 01 April 2024.

(h) The Kolkata Bench of the National Company Law Tribunal ("NCLT") vide its order dated 10 March 2026, has approved the Scheme of Amalgamation (the "Scheme") of Crestia Polytech Private Limited, Topline Industries Private Limited, Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited and Prabhu Sainath Polymers Private Limited (together referred to as transferor companies) with the Company with an appointed date of 05 April 2024, under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder. The said Scheme has become effective from 10 March 2026 on compliance of all the conditions precedent mentioned therein. Consequently,

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

33 Business combination (Contd..)

the transferor companies got amalgamated with the Holding Company w.e.f. 05 April 2024. The transferor companies are engaged in the business of manufacturing and trading of various types of pipes and fittings, water storage injections, molding items etc.

The amalgamated entity is under common control and thus, the accounting of the said amalgamation has been done applying Pooling of interest method as prescribed in Appendix C of Ind AS 103 'Business Combinations' with effect from 5 April 2024 since the Company has acquired control over transferor companies on 5 April 2024.

34 Income-tax

(A) Amount recognised in the statement of profit and loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current tax	1,205.18	2,142.31
Income-tax for earlier years	(1,294.09)	125.60
Deferred tax attributable to temporary differences	443.94	(3,323.29)
Tax expenses	**355.03**	**(1,055.38)**

(B) Amount recognised in other comprehensive income ("OCI")

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Deferred tax related to items recognised in OCI		
Deferred tax benefit on remeasurements of defined benefit plans	(160.15)	58.11
Deferred tax benefit on fair value gain on investments in equity instruments through OCI	(0.24)	(1.04)
Deferred tax income / (expense) recognised in OCI	**(160.39)**	**57.07**

(C) Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit before tax	(11,595.21)	(4,238.11)
Enacted tax rate in India	25.168%	25.168%
Tax using the Company's domestic tax rate	(2,918.28)	(1,066.65)
Tax effect of:		
Differences in tax rates in foreign jurisdictions	(301.49)	(531.79)
Non-deductible tax expenses	100.72	810.61
Tax impact on amalgamation	731.30	-
Rate difference	(473.47)	(839.21)
Change in estimate realting to earlier	4,697.72	644.54
Recognition of tax allowances	(52.29)	(258.17)
Others	25.30	2.62
	1,809.51	**(1,238.05)**
Adjustments in respect of income-tax for earlier years	(1,294.09)	125.60
Income-tax recognised in the consolidated statement of profit and loss	**515.42**	**(1,112.45)**

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

34 Income-tax (Contd..)

(D) The major components of deferred tax liabilities/ assets arising on account of timing differences are as follows:

Particulars	31 March 2026	31 March 2025
Deferred tax liabilities		
Excess of depreciation / amortisation on fixed assets under income-tax law over depreciation / amortisation provided in books of account	15,205.14	14,159.12
Fair value gain on derivatives	-	12.25
Right of use assets	8,989.98	8,340.71
Others	155.85	106.19
Total deferred tax liabilities (A)	**24,350.97**	**22,618.27**
Deferred tax assets		
Excess of depreciation / amortisation on fixed assets under income-tax law over depreciation / amortisation provided in books of account	1.67	21.00
Allowable for tax purposes on payment basis	1,612.82	1,827.73
Fair value loss on derivatives	416.26	-
Provision for doubtful trade receivables	884.28	679.67
Voluntary early retirement scheme	20.38	8.80
Carry forward losses	3,638.12	6,787.58
Lease Liability	8,049.50	7,709.23
Others	2,197.73	551.91
Total deferred tax assets (B)	**16,820.76**	**17,585.92**
Net deferred tax liability (A-B)	**7,530.21**	**5,032.35**
Deferred tax assets	35.60	600.97
Deferred tax liabilities	**7,565.81**	**5,633.32**

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

34 Income-tax (Contd..)

(E) Movement in temporary differences:

Particulars	Balance as at 01 April 2024	Acquired on business combination (refer note 33)	Recognised in profit or loss during 2024-25	Recognised in OCI during 2024-25	Recognised in share of profit of equity accounted investees	Foreign currency translation impact	Balance as at 31 March 2025	Acquired on business combination (refer note 33)	Recognised in profit or loss during 2025-26	Recognised in OCI during 2025-26	Recognised in share of profit of equity accounted investees	Foreign currency translation impact	Balance as at 31 March 2026
Deferred tax liabilities													
Excess of depreciation / amortisation on fixed assets under income-tax law over depreciation / amortisation provided in books of account	12,233.66	2,171.10	(534.23)	-	-	288.59	14,159.12	1,259.61	(9,628.47)	-	-	9,414.88	15,205.14
Fair valuation gain in derivatives	5.41	-	6.71	-	-	0.13	12.25	-	(12.25)	-	-	(0.00)	(0.00)
Fair value gain on acquistion	-	-	-	-	-	-	-	-	-	-	-	-	-
Right of use assets	7,619.20	313.96	357.33	-	-	50.22	8,340.71	477.56	(131.60)	-	-	303.31	8,989.98
Others	165.82	-	(64.40)	1.02	-	3.75	106.19	-	(70.24)	-	-	119.90	155.85
Total deferred tax liabilities (A)	**20,024.09**	**2,485.06**	**(234.59)**	**1.02**	**-**	**342.69**	**22,618.27**	**1,737.17**	**(9,842.56)**	**-**	**-**	**9,838.09**	**24,350.97**
Deferred tax assets													
Excess of depreciation / amortisation on fixed assets under income-tax law over depreciation / amortisation provided in books of account	-	27.03	(6.03)	-	-	-	21.00	48.06	(67.39)	-	-	-	1.67
Allowable for tax purposes on payment basis	1,770.83	-	19.96	-	-	36.94	1,827.73	19.28	(98.49)	(169.79)	-	34.09	1,612.82
Fair value loss on derivatives	-	-	-	-	-	-	-	-	416.26	-		-	416.26
Provision for doubtful trade receivables	592.58	-	87.09	-	-	-	679.67	25.28	179.33	-	-	-	884.28
Voluntary early retirement scheme	2.83	-	5.90	-	-	0.07	8.80	-	9.38	-	-	2.20	20.38
Leases	7,149.10	153.36	230.44	-	-	176.33	7,709.23	9.81	(95.10)	-	-	425.56	8,049.50
Others	3,045.26	311.93	(2,953.50)	58.11	6.74	83.37	551.91	-	(12,567.30)	9.64	0.24	14,203.24	2,197.73
Carry forward losses	679.95	394.73	5,698.10	-	-	14.80	6,787.58	(0.47)	1,936.81	-	-	(5,085.80)	3,638.12
Total deferred tax assets (B)	**13,240.55**	**887.05**	**3,081.96**	**58.11**	**6.74**	**311.51**	**17,585.92**	**101.96**	**(10,286.50)**	**(160.15)**	**0.24**	**9,579.29**	**16,820.76**
Net deferred tax (asset) / liability (A-B)	**6,783.54**	**1,598.01**	**(3,316.55)**	**(57.09)**	**(6.74)**	**31.18**	**5,032.35**	**1,635.21**	**443.94**	**160.15**	**(0.24)**	**258.80**	**7,530.21**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

35 Operating segments

A. Basis for segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments results are reviewed regularly by the Group's Chief Executive Officer (CEO) to make decisions about resources to be allocated to the segments and assess their performance.

The Group has four reportable segments, as described below, which are the Group's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Group's CEO reviews internal management reports on regular basis.

The following summary describes the operations in each of the Group's reportable segments:

Reportable segments	Operations
Roofs	Manufacturing and distributing Fibre Cement Sheets, Non-asbestos Cement Sheets, Block joining mortars
Walls	Manufacturing and distributing Fly Ash Blocks, Boards, Aerocon Panels and Dry-mix
Pipes & Construction chemicals	Manufacturing and distributing Pipes & Fittings, Wall Putty and Construction Chemicals
Floors	Manufacturing and distributing Laminate, Engineered and Resilient Flooring, Skirtings and Wall Panel products
Others	Wind Power, Material Handling and Processing Plant and Equipments

B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as Management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Particulars	31 March 2026	31 March 2025
1 Segment revenue		
(Revenue / Income from segments)		
(a) Roofs	1,13,930.85	1,13,414.19
(b) Walls	60,958.54	53,872.68
(c) Pipes & Construction chemicals	69,233.48	71,434.83
(d) Floors	1,28,654.87	1,22,564.76
(e) Others	604.68	560.26
Total	**3,73,382.42**	**3,61,846.72**
Less: Inter segment revenue	342.73	323.93
Revenue / Income from operations	**3,73,039.69**	**3,61,522.79**
2 Segment results		
Profit before tax from segments		
(a) Roofs	10,425.41	10,877.29
(b) Walls	2,656.99	2,660.14
(c) Pipes & Construction chemicals	(3,203.08)	(4,785.51)
(d) Floors	(14,294.49)	(9,544.41)
(e) Others	(75.07)	(47.95)
Total	**(4,490.24)**	**(840.44)**
Less:		
i) Interest	2,378.36	2,192.84
ii) Other un-allocable expenditure net-off un-allocable income	4,732.49	1,312.45
Total profit before tax	**(11,601.09)**	**(4,345.73)**
3 Segment assets		
(a) Roofs	49,180.54	53,340.65

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

35 Operating segments (Contd..)

Particulars	31 March 2026	31 March 2025
(b) Walls	47,303.87	47,084.91
(c) Pipes & Construction chemicals	73,627.00	61,513.70
(d) Floors	1,25,695.00	1,19,022.83
(e) Others	2,278.54	2,733.44
(f) Unallocated	9,005.93	8,871.82
Total assets	**3,07,090.88**	**2,92,567.35**
4 Segment liabilities		
(a) Roofs	18,197.34	19,047.38
(b) Walls	10,467.08	9,293.76
(c) Pipes & Construction chemicals	36,708.45	27,292.30
(d) Floors	93,320.00	77,729.43
(e) Others	86.23	133.18
(f) Unallocated	37,273.73	37,926.52
Total liabilities	**1,96,052.83**	**1,71,422.57**

C. Geographical information

The geographical information analyses the Group's revenues and non-current assets by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic market, regardless of where the goods were produced and segment assets presentation is based on the geographical location of the assets.

(i) *Revenue from external customers*

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
India	2,43,360.34	2,37,818.88
Europe and other countries	1,29,679.35	1,23,703.91
	3,73,039.69	**3,61,522.79**

(ii) *Carrying amount of non-current assets (excluding derivative assets)*

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
India	1,10,884.46	1,04,058.36
Europe and other countries	85,296.04	77,409.38
	1,96,180.50	**1,81,467.74**

D. Major customer

Revenue from any customer of the Group's Roofs, Walls, Pipes & Construction chemicals, Floors and other segments does not exceed 10% of the total revenue reported and hence, the Management believes there are no major customers to be disclosed.

36 Employee benefits

The Group has the following post-employment benefit plans:

(a) Defined contribution plan

The following amount has been recognised as an expense in consolidated statement of profit and loss on account of contribution to provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

Particulars	31 March 2026	31 March 2025
Contribution to provident fund and other fund	6,718.02	5,897.89
Contribution to employees state insurance schemes	311.08	291.59
	7,029.10	**6,189.48**

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

36 Employee benefits (Contd..)

(b) Defined benefit plan

The Group has various employee benefit plans covering different categories of employees based on location of employment.

A. Gratuity plan of the group

In accordance with the applicable law, the Group provides for Gratuity and has created the Employees' Gratuity Fund Scheme (the Gratuity Plan), covering eligible employees in India. Liabilities with regard to such Gratuity Plan are determined by an actuarial valuation as at the end of the year and are charged to the consolidated statement of profit and loss. This defined benefit plans expose the Company to actuarial risks, such as liquidity risk, interest rate risk, investment risk, etc.

Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Liquidity Risk: This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

The Gratuity plan is administered through Group Gratuity Scheme with Life Insurance Corporation of India ('LIC'). Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service or part thereof in excess of six months.

The Company has determined that, in accordance with the terms and conditions of the gratuity plan, and in accordance with statutory requirements (including minimum funding requirements) of the plan of the relevant jurisdiction, the present value of refund or reduction in future contributions is not lower than the balance of the total fair value of the plan assets less the total present value of obligations. As such, no decrease in the defined benefit asset is necessary at 31 March 2026 (31 March 2025: no decrease in defined benefit asset).

i. Reconciliation of the net defined benefit (asset) / liability

The following tables summarises the components of net benefit expense recognised in the consolidated statement of profit and loss, the funded status and amount recognised in the consolidated balance sheet for the gratuity plan:

Particulars	31 March 2026	31 March 2025
Reconciliation of present value of defined benefit obligation		
Balance at the beginning of the year	3,116.94	2,683.67
Acquisition through business combination (refer note 33)	74.05	104.48
Current service cost	374.77	334.09
Interest cost	215.24	194.72
Re-measurement (or actuarial) (gain) / loss arising from:		
- change in demographic assumptions	1.73	-
- change in financial assumptions	(97.23)	107.75
- experience variance (i.e. actual experience vs assumptions)	129.57	8.28
Past service cost	430.72	-
Benefits paid	(511.62)	(316.05)
Transfer In / (Out)*	88.24	-
Balance at the end of the year	**3,822.41**	**3,116.94**

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

36 Employee benefits (Contd..)

(b) Defined benefit plan (Contd..)

A. Gratuity plan of the group (Contd..)

Particulars	31 March 2026	31 March 2025
Reconciliation of the present value of plan assets		
Balance at the beginning of the year	2,440.93	2,268.53
Interest income	162.65	162.11
Contributions paid into the plan	0.34	0.36
Benefits paid	(3.65)	(0.01)
Return on plan assets, excluding amount recognised in net interest expense	(2.57)	9.94
Balance at the end of the year	**2,597.70**	**2,440.93**
Net defined benefit liability recognised in consoildated balance sheet	**1,224.71**	**676.01**
Expense recognised in consolidated statement of profit and loss		
Current and past service cost	805.49	334.09
Net interest cost on the net defined benefit liability	52.59	32.64
	858.08	**366.73**
Remeasurements recognised in other comprehensive income		
Actuarial loss / (gain) on defined benefit obligation	34.07	116.03
Return on plan assets, excluding amount recognised in net interest expense	2.57	(9.95)
	36.64	**106.08**

**Represents laibility transferred to the Company in relation to employees taken over from other group company.*

Plan assets

Plan assets comprises of the following:

Particulars	31 March 2026	31 March 2025
Fund managed by LIC	100%	100%

ii. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	31 March 2026	31 March 2025
Discount rate	6.55% - 7%	6.55% - 6.65%
Future salary growth	7% to 8%	7% - 8%
Attrition rate	5% - 39%	7% - 39%
Mortality rate (as a % of Indian Assured Lives Mortality 2012-14 (IALM) for FY 2025-26 and FY 2024-25)	100.00%	100.00%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the market yields of high quality corporate bonds as on the valuation date.

The salary growth rate indicated above is the Group's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

Attrition rate indicated above represents the Group's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

36 Employee benefits (Contd..)

(b) Defined benefit plan (Contd..)

A. Gratuity plan of the group (Contd..)

iii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation and current service cost by the amounts shown below:

Particulars	31 March 2026		31 March 2025	
	Increase	Decrease	Increase	Decrease
Effect of 1% change in the assumed discount rate	3,572.74	4,096.78	2,812.06	3,249.29
Effect of 1% change in the assumed salary growth rate	4,092.18	3,571.66	3,243.92	2,812.70
Effect of 50% change in the assumed attrition rate	3,741.48	3,920.56	2,962.28	3,117.32
Effect of 10% change in the assumed mortaility rate	3,732.47	3,737.06	3,014.79	3,015.84

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

There are no changes in the methods and assumptions used in preparing the sensitivity analysis from the previous year.

Expected contributions to the plan for the next annual reporting period

The Company expects to contribute a sum of INR 1,459.55 Lakhs to the plan for the next annual reporting period (31 March 2025: INR 929.96 Lakhs).

Maturity profile of the defined benefit obligation

Expected cash flows on undiscounted basis

Particulars	31 March 2026	31 March 2025
Within 1 year	521.54	476.76
2 to 5 years	1,685.15	1,303.03
6 to 10 years	1,604.18	1,266.15
More than 10 years	3,212.01	2,503.70

As at 31 March 2026, the weighted average duration of the defined benefit obligation was 7 years (31 March 2025: 7 years).

B. Other retirement benefit plans in subsidiary companies outside India

In respect of subsidiary companies outside India, the Group has defined benefit retirement plans covering its employees. Pension provisions are recognised for obligations due to benefit plans for old age, invalidity and surviving dependent's benefits. Benefits vary according to the legal, tax, and economic circumstances prevailing in each relevant country. Benefits are usually based on the length of service and final salary of employees. The actuarial valuation of the present value of the defined benefit obligation has been carried out as at 31 March 2026 and 31 March 2025.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

36 Employee benefits (Contd..)

(b) Defined benefit plan (Contd..)

B. Other retirement benefit plans in subsidiary companies outside India (Contd..)

i. Reconciliation of the net defined benefit (asset) / liability

The following tables summarises the components of net benefit expense recognised in the consolidated statement of profit and loss, the funded status and amount recognised in the consolidated balance sheet for the gratuity plan:

Particulars	31 March 2026	31 March 2025
Reconciliation of present value of defined benefit obligation		
Balance at the beginning of the year	2,467.72	2,447.91
Current service cost	47.50	43.68
Interest cost	90.25	82.10
- change in demographic assumptions	(0.12)	0.32
- change in financial assumptions	(147.17)	22.49
- experience variance (i.e. actual experience vs assumptions)	(412.45)	90.04
Benefits paid	(191.64)	(277.62)
Foreign exchange fluctuation	439.62	58.80
Balance at the end of the year	**2,293.71**	**2,467.72**
Expense recognised in consolidated statement of profit and loss		
Current service cost	47.50	43.68
Net interest cost on the net defined benefit liability	90.25	82.10
	137.75	**125.78**
Remeasurements recognised in other comprehensive income		
Actuarial loss / (gain) on defined benefit obligation	(559.74)	112.85
Return on plan assets, excluding amount recognised in net interest expense	-	-
	(559.74)	**112.85**

Plan assets

Plan assets comprises of the following:

Particulars	31 March 2026	31 March 2025
Fund managed by Neue Leben Lebensversicherungs AG for the fund created for liability of one of the subsidiary company	0%	0%

ii. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	31 March 2026	31 March 2025
Discount rate	4.10 to 4.15%	3.35%
Future salary growth	0.00 to 3.60%	0.00 to 3.70%
Pension increase rate	2.00%	1.75%
Attrition rate	7.37%	7.37%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Group's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

Attrition rate indicated above represents the group's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

36 Employee benefits (Contd..)

(b) Defined benefit plan (Contd..)

B. Other retirement benefit plans in subsidiary companies outside India (Contd..)

iii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation and current service cost by the amounts shown below:

Particulars	31 March 2026		31 March 2025	
	Increase	Decrease	Increase	Decrease
Effect of 1% change in the assumed discount rate	1,070.16	1,318.41	1,335.81	1,594.78
Effect of 1% change in the assumed pension rate	1,320.63	1,066.60	1,593.63	1,335.04

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Expected contributions to the plan for the next annual reporting period

The Company expects to contribute a sum of INR NIL to the plan for the next annual reporting period (31 March 2025: NIL).

Maturity profile of the defined benefit obligation

Particulars	31 March 2026	31 March 2025
Within 1 year	105.52	224.53
2 to 5 years	754.14	776.20
More than 5 years	949.20	984.67
More than 10 years	1,433.43	1,313.02

At 31 March 2026, the weighted average duration of defined benefit obligation was 8.9 years (31 March 2025: 9.13 years).

(c) Impact of Labour Code

On 21 November 2025, the Government of India notified the four Labour Codes - the Code on Wages 2019, the Industrial Relations Code 2020, the Code on Social Security 2020, the Occupational Safety, Health and Working Conditions Code 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to change in regulations. The Group has assessed and accounted the incremental impact of these changes of INR 434 lakhs year ended 31 March 2026 based on the information to the extent available in accordance with the guidance provided by the Institute of Chartered Accountants of India. The Group continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

37 Earnings per share ("EPS")

Particulars	31 March 2026	31 March 2025
(a) Net profit attributable to the equity shareholders	(11,956.12)	(3,290.35)
(b) Weighted average number of equity shares outstanding during the year	75,40,899	75,40,899
(c) Effect of potential equity shares on employee stock options outstanding*	-	-
(d) Weighted average number of equity shares outstanding for computing diluted earnings per share [(b) + (c)]	75,40,899	75,40,899
(e) Nominal value of equity shares (in INR)	10.00	10.00
(f) Basic earnings per share (in INR) [(a)/(b)]	(158.55)	(43.63)
(g) Diluted earnings per share (in INR) [(a)/(d)]	(158.55)	(43.63)

*As at 31 March 2026: 167,927 (31 March 2025: 65,656) options were excluded from the diluted weighted average number of equity share calculation because their effect would have been anti-dilutive.

The average market value of the Company's shares for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the year during which the options were outstanding.

38 Capital commitment

Particulars	31 March 2026	31 March 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	5,625.35	1,605.17

Note: The Holding Company has issued a corporate guarantee of Euro 27.12 million (31 March 2025: Euro 33.705 million) at a commission of 0.50% p.a. on the outstanding guarantee amount, in favour of the wholly owned subsidiary company, BirlaNu International GmbH (Formerly HIL International GmbH), Germany on 27 September 2023 in respect of the loan taken by the subsidiary from ICICI Bank UK PLC, Germany. Further, the Holding Company has taken a Stand by Letter of Credit (SBLC) on 04 July 2025 from ICICI bank Limited, India in order to facilitate working capital demand loan aggregating up to EUR 10.29 million to BirlaNu International GmbH from ICICI bank UK PLC, Germany at a service fee of 0.53% p.a on the total outstanding loan amount utilised. Holding company has extended an unconditional letter of financial support to Birla International GmbH (formerly HIL International GmbH) and its subsidiaries ('the subsidiary group') to the extent necessary for the subsidiary group. This will enable the subsidiary group to continue to operate their business and meet their financial obligations for the foreseeable future and specifically at least until 31 December 2027. The Holding company will continue to make available such funds as are needed by the Subsidiary group.

39 Contingent liabilities

A. Contingent liabilities (not provided for) in respect of:

Particulars	31 March 2026	31 March 2025
(a) Demand raised by the Income-tax authorities, being disputed by the Group*	1,181.10	1,181.10
(b) Demands raised by sales tax and Goods and service taxes authorities, being disputed by the Group**	2,894.07	10,247.35
(c) Demands (including penalties) raised by excise authorities, being disputed by the Group***	657.89	698.37
(d) Appeal filed by the Group before the High Court of Judicature of Andhra Pradesh against the decision of appeal in favour of the Income-tax department pertaining to wealth tax matter.	56.98	56.98
(e) Pending cases with High Court where Income-tax department has preferred appeals	935.11	1,531.36
(f) Demand for property tax, being disputed by the Group^	-	-
(g) Other claims against the Group not acknowledged as debts ****	262.31	271.11

(h) There are other civil matters against the Group of which one such case is pertaining to certain mining activity performed by the Group in the past. The National Green Tribunal ("NGT"), New Delhi, disposed off the above case in the earlier year, directing that the restoration of mine to be carried out by State of Jharkhand; and filing of claims by the victims before the District Judge, Chaibasa for adjudication. Aggrieved by some of the findings in the aforesaid Orders and subsequent Orders passed by NGT, the Company filed a Civil Appeal before the Honourable Supreme Court of India. The Honourable Supreme Court of India directed to issue notice to other parties and maintain status in the meantime. During the earlier year, the district mining officer, Chaibasa, has sought payment of environment compensation of INR 1,344 lakhs from the Group which is in wilful disobedience of the aforesaid order passed by the Honourable Supreme Court. The Group has responded accordingly. In view of the aforesaid Status Quo Order the further proceedings before NGT are being adjourned from time to time. Management believes that the final outcome of the above matter is not expected to be material on the consolidated financial statements.

* Income-tax demand comprises of demand from the Indian tax authorities upon completion of their assessment. The tax demands are mainly on account of disallowance of the benefit on research & development expenses, other expenses not allowed.

** The demands raised by the sales tax authority are mainly towards enhancement of turnover due to certain disallowances, entry tax on stock transfers and local sales tax demand upon completion of assessment and various other miscellaneous cases raised by the respective state authorities.

**During the earlier years, the Company received demands from Goods and Services Tax Department, Government of Tamil Nadu, Chennai amounting to INR 7,630 Lakhs for the period 01 July 2017 to 31 March 2023, with regards to HSN (Harmonized System Nomenclature) Classification code of one of the product sold by the Company. The Company challenged the said Orders by filing Appeals before Deputy Commissioner (Appeals), Chennai. Aggrieved by the order of the Appellate Authority confirming the demand, the Company had challenged the said Orders in

39 Contingent liabilities (Contd..)

A. Contingent liabilities (not provided for) in respect of: (Contd..)

the Honourable High Court of Madras by filing writ petition. During the current year, the Company has received a favourable order from Honourable High Court directing to quash the impugned orders.

*** The demand raised by the excise authority is mainly towards excise duty demand including interest and penalty towards disallowance of availment of CENVAT credit and wrong classification of products as taxable versus exempt product.

**** Other claims against the Company not acknowledged as debt mainly includes liability towards fuel surcharge adjustment disputed with electricity board for the financial year 2008-09 and 2009-10.

^ Greater Hyderabad Municipal Corporation ("GHMC") had served property tax demand notices on the Company claiming outstanding property tax to the tune of INR 1,083 lakhs and the same was considered as contingent liability. The Company challenged the said demand notices in the Honourable High Court of Telangana ("High Court"). During the earlier year, the Honourable High Court has passed an order directing GHMC to reassess the tax dues subject to compliance of applicable laws. The original tax dues stand disposed in view of fresh tax computation within the provision of law. While the Company is awaiting fresh demand notice from GHMC consequent to the order of Honourable High Court, the management has created adequate provision basis its own assessment.

The Group is contesting various claims and demands and the Management believes that its position will likely be upheld in the process and accordingly no expense has been accrued in the consolidated financial statements for such claims and demands received as the ultimate outcome of this process will not have a material adverse effect on the Group's consolidated financial statements.

Pending resolution of the aforesaid respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Group does not expect any reimbursements in respect of the above contingent liabilities.

B. On 28 February 2019, the Honourable Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. However, considering that there are numerous interpretative issues relating to retrospective application of this judgement, the Group has made a provision for provident fund contribution based on the best estimate during the earlier year. The Group will evaluate its position and update its provision, if required, on receiving further clarity on the subject.

40 Related parties

A. List of related parties and nature of relationship

Name of the related party	Nature of relationship	Country	% of Holding as at	
			31 March 2026	31 March 2025
Supercor Industries Limited (refer note 53)	Joint venture	Nigeria	33%	33%
Parador (Shanghai) Trading Co., Ltd.	Joint venture	China	50%	50%

Name of the related party	Nature of relationship
Key Management personnel (KMP)	
Mr. Akshat Seth	Chief Executive Officer ("CEO") and Managing Director ("MD")
Mr. Ajay Kapadia	Chief Financial Officer
Ms. Nidhi Bisaria	Company Secretary
Non-Executive Directors and Independent Directors	
Mr. Chandrakant Birla	Chairman (Non-executive Director)
Mr. Desh Deepak Khetrapal	Non-executive Director
Ms. Gauri Rasgotra	Independent Director (till 08 May 2024)
Mr. Sunil Ramakant Bhumralkar	Independent Director
Dr. Arvind Sahay	Independent Director
Ms. Amita Birla	Non-executive Director (w.e.f. 01 April 2024)
Ms. Nidhi Jagat Killawala	Independent Director (w.e.f. 01 April 2024)
Prof. Janat Ghanshyambhai Shah	Independent Director (w.e.f. 07 May 2024)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

40 Related parties (Contd..)

A. List of related parties and nature of relationship (Contd..)

Name of the related party	Nature of relationship
List of other related parties with whom there are transactions	
Birla Buildings Limited	Other related parties
CK Birla Corporate Services Limited	Other related parties
GMMCO Limited	Other related parties
National Engineering Industries Limited	Other related parties
Orient Cement Limited	Other related parties
Orient Electric Limited	Other related parties
Orient Paper and Industries Limited	Other related parties
CK Birla Healthcare Private Limited	Other related parties
Central India Industries Limited	Other related parties
Innovative Infra & Mining Solutions Limited	Other related parties
Ms. Avanti Birla	Relative of Promoter
Amer Investments (Delhi) Limited	Other related parties
Ashok Investment Corporation Limited	Other related parties
Hitaishi Investments Limited	Other related parties
Hyderabad Agencies Private Limited	Other related parties
Gwalior Finance Corporation Limited	Other related parties
Ranchi Enterprises and Properties Limited	Other related parties
Birlasoft Solutions GmbH	Other related parties
Shekhavati Investments and Traders Limited	Other related parties
Universal Trading Company Limited	Other related parties
Khaitan & Co	Other related parties
Khaitan & Co	Other related parties
Khaitan & Co LLP	Other related parties
Khaitan & Co AOR	Other related parties

B. Transactions with related parties

Related party	Nature of transactions	31 March 2026	31 March 2025
Non-Executive Directors and Independent Directors	Sitting fees, reimbursements and commission	73.75	116.72
	Dividend Paid	15.41	11.56
Key Management personnel (KMP)			
	- Salaries*/ Managerial remenuration	1,137.46	1,040.70
	- Gratuity	55.40	50.85
	- Compensated absences	63.16	32.37
Relative of Promoter			
Ms. Avanti Birla	- Salaries*	218.59	200.46
	- Gratuity	6.62	14.45
	- Compensated absences	1.15	17.15
GMMCO Limited	Purchase of goods	25.82	7.26
	Purchase of services	10.25	20.63
Orient Electric Limited	Sales of finished goods	-	0.78
National Engineering Industries Limited	Rent and maintenance charges paid	419.12	416.78
	Reimbursements	29.48	-
Birla Buildings Limited	Rent and maintenance charges paid	-	48.71
	Rent received	1.01	0.24
	Purchase of services	33.65	-
	Reimbursements	14.27	-
	Dividend received	0.50	0.38
CK Birla Corporate Services Limited	Professional services received	684.13	675.22
	Brand usage charges	54.13	66.52
	Reimbursements	5.38	-

40 Related parties (Contd..)

B. Transactions with related parties (Contd..)

Related party	Nature of transactions	31 March 2026	31 March 2025
Orient Paper and Industries Limited	Rent received	54.66	54.66
	Sale of finished goods	3.37	3.37
	Dividend paid	271.91	203.93
Orient Cement Limited	Rent received	-	69.46
	Sales of finished goods	-	0.39
	Purchase of goods	-	6.86
CK Birla Healthcare Private Limited	Purchase of services	233.92	197.56
Birlasoft Solutions GmbH	Purchase of services	-	63.35
Khaitan & Co	Professional services received	-	5.10
Khaitan & Co	Professional services received	111.39	62.41
Khaitan & Co LLP	Professional services received	74.87	81.81
Khaitan & Co AOR	Professional services received	11.13	6.66
Innovative Infra & Mining Solutions Limited	Purchase of Services	12.00	-
Central India Industries Limited	Dividend paid	322.39	241.79
Amer Investments (Delhi) Limited	Dividend paid	92.63	69.47
Ashok Investment Corporation Limited	Dividend paid	95.32	71.49
Hitaishi Investments Limited	Dividend paid	20.12	15.09
Hyderabad Agencies Private Limited	Dividend paid	1.23	0.92
Gwalior Finance Corporation Limited	Dividend paid	28.86	21.65
Ranchi Enterprises and Properties Limited	Dividend paid	1.35	1.01
Shekhavati Investments and Traders Limited	Dividend paid	67.34	50.51
Universal Trading Company Limited	Dividend paid	1.20	0.90

C. Balances outstanding^

Related party	Details	31 March 2026	31 March 2025
Supercor Industries Limited, Nigeria	Dividend receivable on investments #	9.01	9.01
Non-Executive Directors and Independent Directors	Commission	42.00	32.22
Key Management personnel (KMP)			
	- Salaries*/ Managerial remenuration	315.40	288.78
	- Gratuity	106.24	50.85
	- Compensated absences	93.36	32.37
Relative of Promoter			
Ms. Avanti Birla	- Salaries*	44.73	41.04
	- Gratuity	21.07	14.45
	- Compensated absences	18.30	17.15
GMMCO Limited	Trade payable	6.95	1.72
Birla Buildings Limited	Rent payable	1.69	1.33
	Rent receivable	-	0.28
CK Birla Corporate Services Limited	Trade payables	28.73	42.87
CK Birla Healthcare Private Limited	Other payables	37.11	-
	Trade payables	5.26	16.19
Orient Cement Limited	Trade receivable	-	0.46
Innovative Infra & Mining Solutions Limited	Trade payable	0.24	-
Khaitan & Co	Trade payable	-	0.57
Khaitan & Co LLP	Trade payable	-	7.23
National Engineering Industries Limited	Rent payable	2.39	6.17

During earlier year, the Group made provision for the dividend receivable amounting to INR 9.01 lakhs from Supercor Industries Limited ("Supercor") as the receipt of same is considered to be doubtful. Further, the Group has also made provision for value of investment in Supercor in the books of account amounting to INR 142.60 lakhs.

* Payment of insurance costs are made for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable, therefore, not included above.

^ Disclosures are including Goods and Services Tax, wherever applicable.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026
(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

41 Details of dues to Micro Enterprises and Small Enterprises as per Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

The information as required under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group.

Particulars	31 March 2026	31 March 2025
(a) The principal amount remaining unpaid to any supplier as at the end of each accounting year [(including INR 383.20 Lakhs shown under capital creditors (31 March 2025: INR 297.87 Lakhs) and INR 8.06 Lakhs (31 March 2025: INR 57.15 Lakhs) shown under liabilities on business acquisition]	6,819.93	3,120.53
(b) The interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-
(c) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
(d) The amount of 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 MSMED Act, 2006;	Nil	Nil
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(f) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues 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.	Nil	Nil

42 Share based payments

A. Description of share-based payment arrangements

Employee stock option scheme (equity-settled)

The Holding company provides share-based payment schemes to its eligible employees as identified in the employee stock option schemes. The relevant details of these schemes and the grants are as below:

On 27 January 2023, the Nomination and Remuneration cum Compensation Committee of the Board of Directors of the Company approved the HIL Employees Stock Option Scheme 2023 (ESOP scheme 2023) for issue of stock options to identified employees of the Company. Subsequently, the scheme was approved by the Shareholders of the Company on 04 April 2023, through Postal Ballot process. On 17 May 2025, the Nomination and Remuneration cum Compensation Committee of the Board of Directors of the Company approved the amendement to BirlaNu Limited Employee Stock Options Scheme 2019 (ESOP scheme 2019) for issue of stock options to identified employees of the Company. Subsequently, the scheme was approved by the Shareholders of the Company on 31 July 2025, through Postal Ballot process.

According to the scheme, eligible employees identified by the Nomination and Remuneration cum Compensation Committee are entitled to options, subject to satisfaction of the prescribed vesting conditions.

The relevant terms of the grant as mentioned in the ESOP scheme 2019 and ESOP scheme 2023 are as below:

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

42 Share based payments (Contd..)

A. Description of share-based payment arrangements (Contd..)

Particulars	ESOP scheme 2023			ESOP scheme 2019
	Grant I	Grant II	Grant III	Grant I
Date of grant	15 July 2023	19 October 2023	19 October 2023	13 February 2026
Number of options outstanding	56054	1742	7860	110131
Vesting period	40% - 16 July 2024	40% - 19 October 2024	40% - 19 October 2025	40% - 13 February 2027
	60% - 01 April 2025	60% - 19 October 2025	60% - 19 October 2026	60% - 31 March 2028
Exercise period	4 years from the respective dates of vesting	4 years from the respective dates of vesting	4 years from the respective dates of vesting	4 years from the respective dates of vesting
Exercise price (INR)	2,999.50	2,931.00	2,931.00	1,803.80
Weighted average market price (INR)	1,075.72	1,171.22	1,302.37	546.17

B. Measurement of fair values

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans measured based on the Black Scholes valuation model are as follows:

As at 31 March 2025

Particulars	ESOP scheme 2023					
	Grant I		Grant II		Grant III	
	Tranche 1	Tranche 2	Tranche 1	Tranche 2	Tranche 1	Tranche 2
Grant date	15 July 2023		19 October 2023		19 October 2023	
Fair value at grant date (INR)	1,075.72	1,075.72	1,171.22	1,171.22	1,302.37	1,302.37
Exercise price (INR)	2,999.5	2,999.5	2,931.00	2,931.00	2,931.00	2,931.00
Expected volatility (weighted average volatility)	41.25%	46.84%	45.35%	45.35%	44.48%	44.48%
Risk-free interest rate (based on government bonds)	6.91%	6.93%	7.28%	7.28%	7.30%	7.30%
Time to maturity (in years)	0.07	0.07	0.07	0.07	0.07	0.07
Expected dividends yields	1.79%	1.79%	0.85%	0.85%	0.85%	0.85%

As at 31 March 2026

Particulars	ESOP scheme 2023					
	Grant I		Grant II		Grant III	
	Tranche 1	Tranche 2	Tranche 1	Tranche 2	Tranche 1	Tranche 2
Grant date	15 July 2023		19 October 2023		19 October 2023	
Fair value at grant date (INR)	1,075.72	1,075.72	1,171.22	1,171.22	1,302.37	1,302.37
Exercise price (INR)	2,999.50	2,999.50	2,931.00	2,931.00	2,931.00	2,931.00
Expected volatility (weighted average volatility)	41.25%	46.84%	45.35%	45.35%	44.48%	44.48%
Risk-free interest rate (based on government bonds)	6.91%	6.93%	7.28%	7.28%	7.30%	7.30%
Time to maturity (in years)	5.00	5.72	5.00	6.00	6.00	7.00
Expected dividends yields	1.79%	1.79%	0.85%	0.85%	0.85%	0.85%

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

42 Share based payments (Contd..)

B. Measurement of fair values (Contd..)

Particulars	ESOP scheme 2019	
	Grant I	
	Tranche 1	Tranche 2
Grant date	13 February 2026	
Fair value at grant date (INR)	546.17	546.17
Exercise price (INR)	1,803.80	1,803.80
Expected volatility (weighted average volatility)	34.58%	34.58%
Risk-free interest rate (based on government bonds)	6.04%	6.04%
Time to maturity (in years)	5.00	6.00
Expected dividends yields	1.66%	1.66%

The expected life of the stock is based on current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome. The weighted average remaining contractual life for the stock options outstanding is 2.73 years (31 March 2025: 3.90 years) for ESOP 2023 and 5.55 years for ESOP 2019.

C. Reconciliation of outstanding share options

The details of activity under "ESOP scheme 2023" are summarised below:

Particulars	31 March 2026	31 March 2025
	No. of options	No. of options
Outstanding at the beginning of the year	65,656	65,656
Granted during the year	1,10,131	-
Cancelled during the year*	7,860	-
Vested and exercised during the year	-	-
Outstanding at the end of the year	1,67,927	65,656

There are no share exercised during the year ended 31 March 2026 and 31 Mach 2025.

43 Service concession arrangement

On 21 March 2011, the Holding company entered into a service concession agreement with Gujarat Urja Vikas Nigam Limited (the grantor) to provide the service of generation of electricity and selling the same to grantor. The Power Plant was commissioned and available for use on 18 April 2011. Under the terms of the agreement, the Holding company will sell all available capacity of electricity generated from the 1.8 MW wind power plant at village Vandhiya, Gujarat for a period of 25 years at a fixed rate of INR 3.56 per kwh for delivered energy as certified by state electricity authority of Gujarat state load dispatch center ("SLDC"), starting from 18 April 2011 (commercial operation date). The Holding company will be responsible for any maintenance services required during the concession period. The Holding company does not expect major repairs to be necessary during the concession period.

On 24 September 2014, the Holding company entered into a service concession agreement with Ajmer Vidyut Vitran Nigam Limited (the grantor) to provide the service of generation of electricity and selling the same to grantor. The Power Plant was commissioned and available for use on 30 September 2014. Under the terms of the agreement, the Holding company will sell all available capacity of electricity generated from the 2 MW wind power plant at village Rajgarh, district Jaisalmer for a period of 25 years at a fixed rate of INR 5.31 per kwh for the delivered energy conforming the standards as approved by Rajasthan Electricity Regulatory Commission ("RERC"), starting from 30 September 2014 (commercial operation date). The Holding company will be responsible for any maintenance services required during the concession period. The Holding company does not expect major repairs to be necessary during the concession period.

The Holding company recognised service concession arrangement with Gujarat Urja Vikas Nigam Limited and Ajmer Vidyut Vitran Nigam Limited under intangible asset model, on the basis that the Holding company will receive variable amount of revenue from the respective DISCOMs in Gujarat and Rajasthan depending upon the actual amount of electricity generated and supplied to the respective DISCOMs. The DISCOMs has not assured any minimum amount of proceeds to the Holding company. The Holding company bears the demand risk and the right to receive cash from the DISCOMs is not unconditional i.e. it depends upon the actual amount of electricity generated and supplied to the DISCOMs.

43 Service concession arrangement (Contd..)

The service concession agreements with the Gujarat Urja Vikas Nigam Limited and Ajmer Vidyut Vitran Nigam Limited does not contain a renewal option. The standard rights of the grantor to terminate the agreement in both the arrangements include poor performance by the Holding company and the event of a material breach of the terms of the agreement by the Holding company. The standard rights of the Holding company to terminate the agreement in both the arrangements include failure of the grantor to make payment under the agreement and a material breach by the grantor of the terms of the agreement.

During the year, the Company has recorded revenue of INR 218.46 Lakhs (31 March 2025: INR 151.18 Lakhs) on generation of power, and recorded pofit /(loss) of INR (4.88) Lakhs (31 March 2025: INR 22.96 Lakhs) after considering the impairment of assets amounting to INR 122 lakhs.

44 Leases - In the capacity of lessor

The Group has given certain properties under non-cancellable leases to various parties. The Group has classified these leases as operating leases because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Following are the details of future minimum lease receivables under the agreements:

Particulars	31 March 2026	31 March 2025
Not later than one year	203.40	252.91
Later than one year and not later than five years	719.98	23.41
Later than five years	75.00	-

45 Capital management

The Group aims to maintain a strong capital base so as to maintain the confidence of all stakeholders and to sustain future development of the business.

In order to maintain the capital structure, the Group monitors the return on capital, as well as the level of dividends to equity shareholders. The Group aims to manage its capital efficiently so as to safeguard its ability to continue as going concern and to optimise returns to all its shareholders. For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves and debt represents non-current borrowings and current borrowings.

The Group's total debt to equity ratio at the reporting dates were as follows:

Particulars	31 March 2026	31 March 2025
Total debt (borrowings)	85,232.90	70,998.39
Total debt (A)	**85,232.90**	**70,998.39**
Total equity	1,11,038.05	1,21,144.78
Total equity (B)	**1,11,038.05**	**1,21,144.78**
Total debt to total equity ratio (A/B)	**0.77**	**0.59**

46 Expenditure incurred on research and development

Revenue expenditure debited to respective heads of accounts includes expenditure incurred on Research and Development during the year amounting to INR 739.94 Lakhs (31 March 2025: INR 706.26 Lakhs) and assets / equipment purchased for research activities of INR 2.03 Lakhs (31 March 2025: INR 118.92 Lakhs) disclosed under Property, plant and equipment.

47 Expenditure during construction period (included in capital work-in-progress)

Particulars	31 March 2026	31 March 2025
Balance brought forward (A)	345.07	-
Expenditure incurred during the year		
Cost of material consumed	16.72	11.34
Employee benefits expense	112.17	121.98
Consumption of stores and spares	-	1.44
Contract wages	8.96	6.22
Power and fuel	48.56	25.57
Finance cost	93.13	98.19
Repairs and maintenance		
Plant and machinery (excluding stores and spares consumption)	1.84	-
Rent	-	11.56

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

47 Expenditure during construction period (included in capital work-in-progress)(Contd..)

Particulars	31 March 2026	31 March 2025
Rates and taxes	32.87	6.58
Insurance	1.02	2.88
Professional, consultancy and legal expenses	2.66	-
Travelling and conveyance	22.28	66.75
Miscellaneous	7.53	8.47
Total expenditure during construction period (B)	**347.74**	**360.98**
Less: Turnover (C)	20.20	11.02
Less: Stocks of finished goods out of trial run production (D)	-	4.89
Total (A+B-C-D)	**672.61**	**345.07**
Allocated to property, plant and equipment	424.58	-
Balance carried forward	248.03	345.07

48 The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Group is in the process of updating the documentation for the international transactions entered into with the associated enterprise during the financial year and expects such records to be in existence latest by 31 October 2026, as required by law. The Management confirms that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

49 The Group has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts (including derivative contracts), if any, has been made in the books of account.

50 Leases - In the capacity of lessee

The following tables summarise the movement in lease liabilities :

Particulars	31 March 2026	31 March 2025
Balance at the beginning	24,949.99	22,818.30
Additions (including acquired through business combination)	39.31	3,379.85
Interest expenses	1,525.23	1,442.88
Deletions	(357.76)	(38.98)
Repayment of principal and interest lease liabilities	(4,250.33)	(3,193.99)
Exchange differences on translation of foreign operations	4,029.36	541.93
Balance at the end	**25,935.80**	**24,949.99**

As at balance sheet date, the Group is not exposed to future cash flows for extension / termination options, residual value guarantees and leases not commenced to which lessee is committed.

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Group has taken certain rented premises on lease with contract terms within one year. These leases are short-term in nature and the Group has elected not to recognise right-of-use-assets and lease liabilities for these assets. The Group has incurred following expenses relating to short-term leases for which the recognition exemption has been applied (refer note 31).

Particulars	31 March 2026	31 March 2025
Expenses relating to short term leases (refer note 31)	883.95	964.62
Expenses relating to low value leases	-	-

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

50 Leases - In the capacity of lessee (Contd..)

The following are the amounts recognised in consolidated statement of profit and loss

Particulars	31 March 2026	31 March 2025
Depreciation on Right-of-use assets	2,560.98	2,288.44
Interest expenses	1,525.23	1,442.88
	4,086.21	3,731.32
Amounts recognised in Statement of Cash flows		
Repayment of principal and interest lease liabilities	4,250.33	3,193.99
	4,250.33	3,193.99

Total minimum lease payments are as follows:

Particulars	31 March 2026	31 March 2025
Not later than 1 year	3,005.00	3,181.68
Later than 1 year and not later than 5 years	8,565.77	7,617.47
More than 5 years	18,124.93	34,867.68

51 Other provisions

Particulars	Opening balance	Created during the year	Utilised during the year	Exchange differences on translation of foreign operations	Closing balance	Current	Non-current
(i) For the financial year 31 March 2026							
Provision for employee related other costs [refer note (a) below]	319.75	1,746.36	(245.14)	147.49	1,968.46	1,968.46	-
Provision for litigations [refer note (b) below]	236.72	-	(0.03)	-	236.69	236.69	-
Provision - others [refer note (c) below]	390.00	-	-	-	390.00	390.00	-
Provision for warranties [refer note (d) below]	385.62	-	(190.39)	58.64	253.87	253.87	-
	1,332.09	1,746.36	(435.56)	206.13	2,849.02	2,849.03	-
(ii) For the financial year 31 March 2025							
Provision for employee related other costs [refer note (a) below]	13.32	315.90	(13.32)	3.85	319.75	319.75	-
Provision for litigations [refer note (b) below]	253.92	11.35	(28.55)	-	236.72	236.72	-
Provision - others [refer note (c) below]	390.00	-	-	-	390.00	390.00	-
Provision for warranties [refer note (d) below]	489.39	61.33	(155.86)	(9.24)	385.62	385.62	-
	1,146.63	388.57	(197.73)	(5.39)	1,332.09	1,332.09	-

(a) There are no wage agreements that are pending as at 31 March 2026.

(b) Provision for litigations represents provision towards potential liability against various ongoing indirect tax cases based on Group's internal assessment.

(c) Provision - others represents provision towards possible obligation against certain past events for which the expected outflow is certain.

(d) Provision for warranties represents provision towards possible replacements to the customers within the agreed warranty period.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026
(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

52 Particulars of hedged foreign currency exposure as at the balance sheet date

The details of forward contracts outstanding at the year end are as follows:

Particulars	Currency	Number of contracts	Amount in foreign currency	Purpose
As at 31 March 2026	EUR	18	1,65,00,000	For hedging of current and future trade payables
As at 31 March 2025	USD	38	2,34,64,704	For hedging of current and future trade payables
	EUR	18	1,65,00,000	For hedging of loan receivables
	USD	1	8,16,500	For hedging of current and future capital payables

53 Equity Accounted Investee

Interest in joint venture

The Group's interest in a joint venture company is as follows:

Investment in equity instruments - unquoted- at cost less provision for other than temporary impairment

Particulars	31 March 2026	31 March 2025
Supercor Industries Limited, Nigeria: 41,25,000 equity shares of Naira 1 each fully paid	142.60	142.60
(31 March 2025 : 41,25,000 equity shares of Naira 1 each fully paid)		
Less: Provision for investment in joint venture	(142.60)	(142.60)
Parador (Shanghai) Trading Co., Ltd., China: One share of 1,00,000 Euro each		
(31 March 2025 : One share of 1,00,000 Euro each)	-	-
	-	-
Aggregate amount of unquoted non-current investments	142.60	142.60
Aggregate amount of provision for impairment in value of non-current investments	142.60	142.60

Name of the joint venture company	Country of incorporation	Proportion of ownership interest	For the year ended on	Description of Interest
Supercor Industries Limited (refer note (a) below)	Nigeria	33%	31 December 2025	JV established for manufacture of asbestos cement sheets
Parador (Shanghai) Trading Co., Ltd	China	50%	31 March 2026	JV established for trading of Floors products

53 Equity Accounted Investee (Contd..)

The following table summarises the financial information of Parador (Shanghai) Trading Co., Ltd. and the carrying amount of the Group's interest in Parador (Shanghai) Trading Co., Ltd. for the reporting years:

Parador (Shanghai) Trading Co., Ltd.	31 March 2026	31 March 2025
Percentage of ownership interest	50%	50%
Non-current assets	13.46	38.45
Current assets	799.92	1,566.51
Non-current liabilities	-	-
Current liabilities	(1,096.88)	(1,849.82)
Net Assets	**(283.50)**	**(244.86)**
Group's share	(141.75)	(122.43)
Unrealised profit eliminations	-	(20.73)
Group's share of net assets (50%)	**(141.75)**	**(143.16)**
Carrying amount of interest in joint venture		
Group's share of profit / (loss) (50%)	(5.88)	(107.62)
Group's share of other comprehensive income (50%)	-	-
Group's share of total comprehensive income (50%)	**(5.88)**	**(107.62)**

During the year ended 31 March 2026, the Group has received net dividends amounting to NIL (31 March 2025: NIL) from the joint venture with Parador (Shanghai) Trading Co., Ltd.

Note:

a) The Group in financial year 1979-80 had invested in Supercor Industries Limited, Nigeria ("Supercor"). Supercor suspended its operations from November 2015 and closed its offices because of which it has not prepared any financial statements since then. Therefore, the Group has been unable to incorporate the requisite financial information, if any, of Supercor in its consolidated financial statements as required under Section 129(3) of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Group's investment in Supercor as at 31 March 2026 amounts to INR NIL (31 March 2025: INR NIL), after considering the provision for diminution in value of investments amounting to INR 142.60 lakhs (31 March 2025: INR 142.60 lakhs). During the earlier years, on the basis of the request filed by the Group, an intimation was received from Reserve Bank of India for suspension of the Unique Identification Number allotted to Supercor. The Management does not foresee any future liability on account of any claim, with respect to Supercor over and above the amount invested in Supercor.

54 Exceptional Items

Certain land and buildings classified under non-current assets held for sale as identified in the previous year have been sold during the year. Profits arising on the sale transactions have been reported under Exceptional items amounting to INR 3,940.65 Lakhs (31 March 2025: INR 8,189.41 Lakhs)

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

55 A. Additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements:

31 March 2026

Name of the entity	Net Assets (i.e. total assets minus total liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
BirlaNu Limited	107.45%	1,19,300.44	11.76%	(1,404.98)	-0.67%	(27.93)	18.28%	(1,432.91)
Subsidiary								
BirlaNu International GmbH	12.46%	13,840.19	132.36%	(15,826.37)	100.86%	4,150.03	148.89%	(11,676.34)
Clean Coats Private Limited	1.41%	1,567.58	-1.27%	152.34	0.06%	2.37	-1.97%	154.71
Adjustment arising out of consolidation	-21.32%	(23,670.16)	-42.85%	5,122.89	-0.24%	(9.88)	-65.20%	5,113.01
Total	100.00%	1,11,038.05	100.00%	(11,956.12)	100.00%	4,114.59	100.00%	(7,841.53)

31 March 2025

Name of the entity	Net Assets (i.e. total assets minus total liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
BirlaNu Limited	101.51%	1,22,977.70	-162.25%	5,338.56	-9.29%	(47.84)	-190.64%	5,290.72
Subsidiary								
BirlaNu International GmbH	21.07%	25,516.52	480.99%	(15,826.37)	112.08%	577.35	549.47%	(15,249.02)
Adjustment arising out of consolidation	-22.58%	(27,349.44)	-218.74%	7,197.46	-2.79%	(14.35)	-258.83%	7,183.11
Total	100.00%	1,21,144.78	100.00%	(3,290.35)	100.00%	515.16	100.00%	(2,775.19)

B. List of related parties and nature of relationship

Name of the related party	Nature of relationship	Country	% of Holding as at	
			31 March 2026	31 March 2025
Supercor Industries Limited	Joint venture	Nigeria	33%	33%
BirlaNu International GmbH	Wholly owned subsidiary	Germany	100%	100%
Parador Holding GmbH	Step-down subsidiary	Germany	100%	100%
Parador GmbH	Step-down subsidiary	Germany	100%	100%
Parador Parkettwerke GmbH	Step-down subsidiary	Austria	100%	100%
Parador UK Limited	Step-down subsidiary	England	100%	100%
Parador INC.	Step-down subsidiary	United States of America	100%	100%
Parador (Shanghai) Trading Co., Limited	Joint venture	China	50%	50%
Clean Coats Private Limited	Wholly owned Subsidiary	India	100%	NA

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

56 Financial instruments - fair values and risk management

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

31 March 2026

Particulars	Notes	Carrying amount					Fair value			
		FVTPL	FVOCI	Other financial assets -amortised cost	Other financial liabilities - amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Investments in equity instruments	7	-	43.06	-	-	43.06	-	-	43.06	43.06
		-	43.06	-	-	43.06	-	-	43.06	43.06
Financial assets not measured at fair value										
Trade receivables	8	-	-	20,719.21	-	20,719.21	-	-	-	-
Loans	9	-	-	3,083.68	-	3,083.68	-	-	-	-
Other financial assets	10	-	-	4,792.46	-	4,792.46	-	-	-	-
Cash and cash equivalents	13	-	-	4,893.05	-	4,893.05	-	-	-	-
Other bank balances	14	-	-	609.31	-	609.31	-	-	-	-
		-	-	34,097.71	-	34,097.71	-	-	-	-
Financial liabilities measured at fair value										
Derivative liabilities	20	1,653.94	-	-	-	1,653.94	-	1,653.94	-	1,653.94
		1,653.94	-	-	-	1,653.94	-	1,653.94	-	1,653.94
Financial liabilities not measured at fair value										
Borrowings	17	-	-	-	85,232.90	85,232.90	-	-	-	-
Lease liabilities	18	-	-	-	25,935.80	25,935.80	-	-	-	-
Trade payables	19	-	-	-	44,022.45	44,022.45	-	-	-	-
Other financial liabilities	20	-	-	-	17,800.71	17,800.71	-	-	-	-
		-	-	-	1,72,991.86	1,72,991.86	-	-	-	-

The fair value of trade receivables, loans, other financial assets, cash and cash equivalents, other bank balances, trade payables, borrowings, lease liabilities, other financial liabilities, approximate their carrying amount largely due to short-term nature of these instruments.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

56 Financial instruments - fair values and risk management (contd..)

A. Accounting classifications and fair values (contd..)

31 March 2025

Particulars	Notes	Carrying amount					Fair value			
		FVTPL	FVOCI	Other financial assets -amortised cost	Other financial liabilities - amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Derivative assets	10	382.65	-	-	-	382.65	-	382.65	-	382.65
Investments in equity instruments	7	-	41.30	-	-	41.30	-	-	41.30	41.30
		382.65	41.30	-	-	423.95	-	382.65	41.30	423.95
Financial assets not measured at fair value										
Trade receivables	8	-	-	19,977.55	-	19,977.55	-	-	-	-
Loans	9	-	-	2,692.88	-	2,692.88	-	-	-	-
Other financial assets	10	-	-	6,461.57	-	6,461.57	-	-	-	-
Cash and cash equivalents	13	-	-	7,628.97	-	7,628.97	-	-	-	-
Other bank balances	14	-	-	451.12	-	451.12	-	-	-	-
		-	-	37,212.09	-	37,212.09	-	-	-	-
Financial liabilities measured at fair value										
Derivative liabilities	20	320.90	-	-	-	320.90	-	320.90	-	320.90
		320.90	-	-	-	320.90	-	320.90	-	320.90
Financial liabilities not measured at fair value										
Borrowings	17	-	-	-	70,998.39	70,998.39	-	-	-	-
Lease liabilities	18	-	-	-	24,949.99	24,949.99	-	-	-	-
Trade payables	19	-	-	-	42,816.05	42,816.05	-	-	-	-
Other financial liabilities	20	-	-	-	15,276.69	15,276.69	-	-	-	-
		-	-	-	1,54,041.12	1,54,041.12	-	-	-	-

The fair value of trade receivables, loans, other financial assets, cash and cash equivalents, other bank balances, trade payables, borrowings, lease liabilities, other financial liabilities, approximate their carrying amount largely due to short-term nature of these instruments.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

56 Financial instruments - fair values and risk management (contd..)

B. Measurement of fair values

i. Valuation technique and significant unobservable inputs

Derivative assets / liabilities: The fair value is determined using forward exchange rates at the reporting date and present value calculations based on high credit quality yield curve in the respective currencies.

Investment in equity instruments: The fair value is determined based on value determined as per discounted cash flows approach and intrinsic value per share as on the reporting date.

ii. Transfer between Level 1 and 2

There have been no transfers from Level 2 to Level 1 or vice-versa in 2025-26 and no transfers in either direction in 2024-25.

iii. Level 3 fair values

Particulars	FVOCI Equity securities
Balance at 01 April 2024	34.13
Net change in fair value (unrealised)	7.17
Balance at 31 March 2025	**41.30**
Balance at 01 April 2025	41.30
Net change in fair value (unrealised)	1.76
Balance at 31 March 2026	**43.06**

Sensitivity analysis

For the fair values of FVOCI equity securities, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects:

Particulars	OCI, net of tax	
	Increase	Decrease
2025-26		
Annual growth rate (2.5% movement)	8.80	(19.49)
2024-25		
Annual growth rate (2.5% movement)	81.67	(18.85)

B. Measurement of fair values - assets held for sale

i. Fair value hierarchy

The non-recurring fair value measurement for the assets held for sale has been considered as level 2 based on the quotations received from third party.

ii. Valuation technique

The management has obtained the quotations for sale of assets classifed as held for sale from independent third party

C. Financial risk management

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

a) Liquidity risk

b) Market risk

c) Credit risk

56 Financial instruments - fair values and risk management (contd..)

C. Financial risk management (contd..)

Risk management framework

The Board of Directors of the Company have overall responsibility for the establishment and deployment of risk management framework. The Board of Directors have adopted a Risk Policy, which empowers the management to access and monitoring the risk management parameters along with action taken and the same is updated to Board of Directors.

The Group's risk management policies are established to identify and analyse the risks being faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risk faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the result of which are reported to the audit committee.

a) Liquidity risk

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

As disclosed in Note 17, the Group has a secured bank loan that contains a loan covenant. A future breach of covenant may require the Group to repay the loan earlier than indicated. Under the agreement, the covenant is monitored on a regular basis by the treasury department and regularly reported to the Management to ensure compliance with the agreement.

The interest payments on variable interest rate loans reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change.

The Group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables). The Group also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts reflect the principal amounts that are gross and undiscounted, and exclude the impact of netting agreements.

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

56 Financial instruments - fair values and risk management (contd..)

C. Financial risk management (contd..)

31 March 2026

Non-derivative financial liabilities	Carrying amount	Contractual Cash flows				
		Total	Upto 1 year	1-2 years	2-5 years	More than 5 years
Term loan from banks including interest accrued but not due	41,475.86	42,765.16	12,158.09	11,833.60	16,188.74	2,584.73
Working capital loan including interest accrued but not due	43,757.04	43,757.04	43,757.04	-	-	-
Trade payables	44,022.45	44,022.45	44,022.45	-	-	-
Liabilities on acquisition	794.84	794.84	794.84	-	-	-
Capital creditors	1,439.20	1,439.20	1,439.20	-	-	-
Lease Liabilties	25,935.80	29,694.87	3,004.17	2,332.22	6,233.55	18,124.93
Unpaid dividend	73.67	73.67	73.67	-	-	-
Security deposits	4,663.92	4,663.92	4,663.92	-	-	-
Contract liabilities	5,629.45	5,629.45	5,629.45	-	-	-
Other financial liabilities	5,199.63	5,199.63	5,199.63	-	-	-
	1,72,991.86	1,78,040.22	1,20,742.46	14,165.82	22,422.29	20,709.66
Derivative financial liabilities						
Derivative liabilities	1,653.94	1,653.94	1,653.94	-	-	-
	1,653.94	1,653.94	1,653.94	-	-	-

31 March 2025

Non-derivative financial liabilities	Carrying amount	Contractual Cash flows				
		Total	Upto 1 year	1-2 years	2-5 years	More than 5 years
Term loan from banks including interest accrued but not due	33,751.59	35,334.09	8,726.91	9,822.98	16,784.20	-
Working capital loan including interest accrued but not due	36,275.69	36,275.69	36,275.69	-	-	-
Buyers credit	971.11	971.11	971.11	-	-	-
Trade payables	42,816.05	42,816.05	42,816.05	-	-	-
Liabilities on acquisition	843.93	843.93	843.93	-	-	-
Capital creditors	781.80	781.80	781.80	-	-	-
Lease Liabilties	24,949.99	45,666.93	3,181.78	2,730.40	4,887.07	34,867.68
Unpaid dividend	76.68	76.68	76.68	-	-	-
Security deposits	4,627.04	4,627.04	4,627.04	-	-	-
Contract liabilities	4,011.55	4,011.55	4,011.55	-	-	-
Other financial liabilities	4,935.69	4,935.69	4,935.69	-	-	-
	1,54,041.12	1,76,340.56	1,07,248.23	12,553.38	21,671.27	34,867.68
Derivative financial liabilities						
Derivative liabilities	320.90	320.90	320.90	-	-	-
	320.90	320.90	320.90	-	-	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

56 Financial instruments - fair values and risk management (contd..)

C. Financial risk management (contd..)

b) Market risk

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

The Group uses derivatives to manage market risks.

i) *Foreign currency risk*

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group companies. The functional currency for Company is Indian Rupee (INR). The currencies in which these transactions are primarily denominated is US dollars, Euros, Swedish Krona, Pounds etc. The Group does not enter into any derivative instruments for trading or speculative purposes.

Currency risks related to the principal amounts of the Group's US dollar trade payables, taken out by the Group, have been partially hedged using forward contracts that mature on or before the dates as the payables are due for repayment. These contracts are designated as derivatives.

Generally, borrowings are denominated in currencies that matter the cash flows generated by the underlying operations of the Group. In addition, interest on borrowings is denominated in the currency of the borrowing. This provides an economic hedge without derivatives being entered into and therefore, hedge accounting is not applied in these circumstances.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Exposure to currency risk

The summary of data about the Group's exposure to unhedged currency risk (based on notional amounts) as reported to the management is as follows (including intercompany balances):

Particulars	Currency	31 March 2026			31 March 2025		
		Value in foreign currency	Exchange rate	Amount INR in Lakhs	Value in foreign currency	Exchange rate	Amount INR in Lakhs
Trade payables	USD	(35,80,153)	94.87	(3,396.57)	(30,45,634)	85.14	(2,592.99)
	SEK	(13,70,231)	9.97	(136.63)	(7,73,030)	8.49	(65.61)
	CHF	(6,830)	118.66	(8.10)	(5,460)	96.61	(5.27)
	DKK	(24,571)	14.58	(3.58)	(32,238)	12.34	(3.98)
	GBP	(15,50,314)	125.43	(1,944.63)	(1,01,581)	109.42	(111.15)
	PLN	(2,406)	25.41	(0.61)	(3,788)	22.01	(0.83)
	NOK	-	-	-	(22,456)	8.07	(1.81)
	AED	-	-	-	(4,199)	23.17	(0.97)
Trade receivables	USD	12,68,267	94.87	1,203.23	2,831	85.14	2.41
	GBP	17,64,234	125.43	2,212.96	2,35,959	22.01	51.93
	SEK	54,86,636	9.97	547.10	1,07,68,134	96.61	10,402.85
	CHF	2,13,939	118.66	253.86	1,24,699	12.34	15.39
Interest accrued on loan to subsidiaries	EUR	-	-	-	5,02,795	92.08	462.96

56 Financial instruments - fair values and risk management (contd..)

C. Financial risk management (contd..)

b) Market risk (Contd..)

i) *Foreign currency risk (Contd..)*

Particulars	Currency	31 March 2026			31 March 2025		
		Value in foreign currency	Exchange rate	Amount INR in Lakhs	Value in foreign currency	Exchange rate	Amount INR in Lakhs
Cash	USD	51,988	94.87	49.32	9,50,895	85.14	809.57
	GBP	81,622	125.43	102.38	1,91,539	109.42	209.58
	DKK	81,456	14.58	11.88	38,865	12.34	4.80

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR, US dollar, Euro, etc. against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars		Profit or loss		Equity, net of tax	
		Strengthening	Weakening	Strengthening	Weakening
31 March 2026	USD	(21.44)	21.44	(16.04)	16.04
(1% movement)	EUR	-	-	-	-
	SEK	4.10	(4.10)	3.07	(3.07)
	CHF	2.46	(2.46)	1.84	(1.84)
	DKK	0.08	(0.08)	0.06	(0.06)
	GBP	3.71	(3.71)	2.78	(2.78)
	PLN	(0.01)	0.01	(0.01)	0.01
31 March 2025	USD	(17.81)	17.81	(13.33)	13.33
(1% movement)	EUR	4.63	(4.63)	3.46	(3.46)
	SEK	1.3.37	(103.37)	77.36	(77.36)
	CHF	0.10	(0.10)	0.07	(0.08)
	DKK	0.01	(0.01)	0.01	(0.01)
	GBP	1.50	(1.50)	1.13	(1.13)
	PLN	(0.01)	0.01	(0.01)	0.01
	NOK	(0.02)	0.02	(0.01)	0.01

ii) *Interest rate risk*

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31 March 2026	31 March 2025
Variable rate borrowings including current maturities	85,082.37	70,825.72
Total borrowings	**85,082.37**	**70,825.72**

Sensitivity

Particulars	Impact on profit and loss	
	31 March 2026	31 March 2025
1% increase in interest rate	(850.82)	(708.26)
1% decrease in interest rate	850.82	708.26

The interest rate sensitivity is based on the closing balance of loans from banks.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026
(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

56 Financial instruments - fair values and risk management (contd..)

C. Financial risk management (contd..)

c) Credit risk

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

Trade receivables :

Customer credit risk is managed by the respective department subject to Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits as defined by the Group. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis. The calculation is based on historical data of credit losses.

The ageing analysis of the receivables has been considered from the date the invoice falls due.

As at 31 March 2026

Particulars	Weighted average loss rate	Gross carrying amount	Impairment loss allowance	Credit impaired
Less than 180 days	0.73%	18,993.50	139.41	No
180 - 360 days	16.64%	1,065.87	177.36	No
360 - 720 days	30.76%	1,410.47	433.85	No
720 - 1080 days	100.00%	1,179.29	1,179.29	Yes
> 1080 days	100.00%	842.77	842.77	Yes
		23,491.90	2,772.69	

Trade receivables :

Particulars	< 180days	> 180days	Provision	Total
31 March 2026	18,993.50	4,498.40	(2,772.69)	20,719.21
31 March 2025	19,268.51	2,515.15	(1,806.11)	19,977.55

The movement in the allowance for impairment in respect of trade receivables is as follows:

Particulars	31 March 2026	31 March 2025
Balance as at 01 April	1,806.11	1,475.69
Amounts written off	(35.60)	(90.37)
Net remeasurement of loss allowance	1,002.18	420.79
Balance as at 31 March	**2,772.69**	**1,806.11**

The Group's exposure to credit risk for trade and finance lease receivables and contract assets by geographic region was as follows.

Particulars	Carrying amount	
	31 March 2026	31 March 2025
India	19,823.78	18,291.02
Europe and Others	3,668.12	3,492.64
	23,491.90	21,783.66

56 Financial instruments - fair values and risk management (contd..)

C. Financial risk management (contd..)

c) Credit risk (Contd..)

Security deposits

Security deposits are primarily given to electricity authorities of states across India. Recoverability of these deposits is probable and no risk is expected.

Contract assets

Contract assets are the unbilled revenues to the state electricity boards of Gujarat, Rajasthan and Tamil Nadu, towards the sale of electricity generated from Wind Turbine Generators of the Company, situated at those locations. Refer Note 43 for details. Recoverability of these receivables is probable and no risk is expected.

Other receivables

The balances under other receivables is primarily the dividend receivables from the Company's investment in Supercor. As Supercor is inoperative (refer note 53(c)) the Company has considered the entire balances as credit impaired in its books.

Cash and cash equivalents and other bank balances

The cash and cash equivalents and other bank balances are held with banks. Credit risk on cash and cash equivalents and deposits with banks and financial institutions are generally low as the said deposits have been made with the banks and financial institutions who have been assigned high credit rating by international and domestic credit rating agencies.

57 Benami Property

There are no proceeding initiated or pending against the Holding Company and its subsidiaries incorporated in India as at 31 March 2026 and 31 March 2025, under Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016).

58 Wilful defaulter

The Holding Company and its subsidiaries incorporated in India is not declared a wilful defaulter by any bank or financial Institution or other lender.

59 Undisclosed incomes

The Holding Company and its subsidiaries incorporated in India has no such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year or previous year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other provisions of the Income Tax Act, 1961).

60 (i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

(ii) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

61 There are no loans or advances in the nature of loans granted to promoters, directors, KMP's and the related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person, that are:

a) repayable on demand; or

b) without specifying any terms or period of repayment

62 Compliance with number of layers of companies prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

63 Pursuant to the provisions of Sections 230 and 233, and all other applicable provisions, if any, of the Companies Act, 2013, and in accordance with the enabling provisions of the Memorandum of Association and Articles of Association of Clean Coats Private Limited (herein after referred to as the 'Transferor Company'), and BirlaNu Limited (formerly known as 'HIL Limited') (herein after referred to as the 'Transferee Company'), and after securing the required approvals from the Board of Directors in their meetings held on 13 February 2026, subject to the requisite approval of the shareholders / creditors of the respective Companies, the transferor companies and transferee company have filed the necessary 'Company Applications' seeking approval of the Scheme of Amalgamation of the Transferor Company with the Transferee Company before the Hon'ble National Company Law Tribunal ('NCLT'), the Mumbai Bench and the Hyderabad Bench. Hon'ble NCLT Mumbai bench and Hyderabad bench, through their order dated 07 May 2026 and 29 April 2026, respectively dispensed with the requirement of holding shareholders and creditors meeting. Company is in the process initiating the further proceedings.

64 Struck off companies

The Holding Company and subsidiary companies incorporated in India, has not entered into any transactions companies struck off as per Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956. Below are the details of balances outstanding:

Sl. No	Name of the struck off company	Nature of transactions with struck off company	Balances as at 31 March 2026	Relationship with the struck off company
1	Quality Buildcon Private Limited	Sales	4.86	None
		Contract liability against payment	0.02	None
2	Asma Infratech Private Limited	Receivables	4.11	None
3	Flora Enterprises Private Limited	Sales	12.23	None
4	Paramount PEB Projects Private Limited	Payable	0.36	None
5	Bluepeter Shipping Private Limited	Payable	0.01	None
6	Citizen Securities Private Limited	Shares held by struck off company	1,350 shares	Shareholder

65 Ministry of Corporate Affairs had approved the application for the change of the Holding Company's name from 'HIL Limited' to 'BirlaNu Limited,' effective 19 March 2025.

As per our Report of even date attached

for **B S R and Co**
Chartered Accountants
ICAI Firm Registration Number: 128510W

Sulabh Kumar Kedia
Partner
Membership No.: 066380
Place: Mumbai
Date: 12 May 2026

for and on behalf of the Board of Directors of
BirlaNu Limited (formerly HIL Limited)
CIN No.: L74999TG1955PLC000656

CK Birla
Chairman
DIN: 00118473
Place: New Delhi

Akshat Seth
Managing Director and
Chief Executive Officer
DIN: 10039820
Place: New Delhi

Ajay Kapadia
Chief Financial Officer
Membership No.: 108447
Place: New Delhi
Date: 12 May 2026

Nidhi Bisaria
Company Secretary
Membership No.: F5634
Place: New Delhi

BirlaNu Limited

(Formerly HIL Limited)

CIN: L74999TG1955PLC000656
Regd. Office: Office No. 1 & 2, L7 Floor, SLN Terminus, Survey No. 133, Near Botanical Garden,
Gachibowli, Hyderabad - 500032, Telangana, India
Ph. No.: +91 40 68249000 | Email id: cs@birlanu.com | website: https://birlanu.com/

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 79th Annual General Meeting ("**AGM**") of **BirlaNu Limited** (hereinafter referred to as "**BirlaNu**" or "**the Company**") will be held on Thursday, August 6, 2026 at 3:00 p.m. IST through Video Conferencing ("**VC**") / Other Audio Visual Means ("**OAVM**") to transact the following business:

Ordinary Business

Item No. 1: To receive, consider and adopt the audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2026, together with the Auditors' Report and Board's Report thereon and pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** the audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2026 including audited Balance Sheet as at March 31, 2026, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended on that date, together with the reports of the Board of Directors and the Auditors thereon, be and are hereby approved and adopted."

Item No. 2: To declare a final dividend at the rate of ₹ 15/- (150%) per equity share of ₹ 10/- each for the financial year ended March 31, 2026, and pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** the payment of the final dividend, as recommended by the Board of Directors for the year ended March 31, 2026, at the rate of ₹ 15/- (150%) per equity share of ₹ 10/- each, be and is hereby approved and declared."

Item No. 3: To re-appoint Ms. Amita Birla (DIN: 00837718), who retires by rotation and being eligible, offers herself for re-appointment and pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** Ms. Amita Birla (DIN: 00837718), who retires in accordance with the provisions of Articles of Association of the Company read with the Companies Act, 2013 and Rules framed thereunder and being eligible, has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

Special Business

Item No. 4: To approve the remuneration of Mr. Akshat Seth, Managing Director & Chief Executive Officer for the financial year 2026-27 and pass the following resolution, with or without modification(s), as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), read with Schedule V thereof and the Rules made thereunder and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], in accordance with the Articles of Association and the Nomination, Remuneration & Evaluation Policy of the Company, based on the recommendation of the Nomination and Remuneration cum Compensation Committee ("NRC") and approval of the Board of Directors dated May 12, 2026, the consent of the Members be and is hereby accorded for payment of remuneration to Mr. Akshat Seth (DIN: 10039820), Managing Director and Chief Executive Officer ("MD & CEO") of the Company for the financial year 2026-27 as per the following terms and conditions, with the authority to the Board that on the recommendation of Nomination and Remuneration cum Compensation Committee, to alter and vary the terms and conditions related to remuneration payable to him in such manner as may be agreed between the Board and Mr. Akshat Seth:

Basic salary & allowances of up to ₹ 652.37 lakh per annum

In addition to the above, Mr. Akshat Seth is entitled to:

i. Annual performance linked variable pay of up to ₹ 303.84 lakh (Rupees Three Crore Three Lakh and Eighty Four Thousand only) payable up to 120% of the said amount subject to the performance of the Company and achievement of agreed targets as may be decided by the NRC/Board.

ii. Long-term cash incentive of up to ₹ 335.32 lakh (Rupees Three Crore Thirty-five Lakh and Thirty-two Thousand Only) as per the Long-term Cash Incentive Plan 2025 of the Company payable up to 150% of the said amount subject to the performance of the Company and achievement of agreed targets decided by the NRC/Board.

iii. Provident Fund including perquisite thereof and Gratuity as per Company Rules.

iv. Chauffeur driven Company maintained car.

v. Medical Insurance and Personal Accidental Insurance Coverage under the Group Mediclaim Insurance Scheme and Group Personal Accidental Insurance Scheme as applicable to employees of the Company from time to time.

vi. Encashment of leave at the end of the year / tenure / cessation of service / retirement, as per the applicable rules of the Company.

vii. Reimbursement of mobile handset, telephone connection and broad band connection at residence and the expenses towards its usage at actuals as per the applicable rules/policy of the Company.

viii. Perquisites arising on account of exercise of options granted under the Employee Stock Option Schemes of the Company.

Subject to as aforesaid, the Managing Director shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits during the financial year 2026-27, the aggregate salary, allowances, perquisites and other benefits, retirals, variable pay and long term cash incentive as per Company's Scheme paid/payable to Mr. Akshat Seth for the financial year 2026-27 be paid as minimum remuneration subject to compliance with the provisions of Section 197 of the Companies Act, 2013 and other applicable provisions and the rules, circulars, orders and notifications issued there under [including any statutory modification(s) or re-enactment thereof,] read with Schedule V to the Companies Act, 2013 for the time being in force.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof if any) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

Item No. 5: To consider and approve grant of long-term cash incentive to Ms. Avanti Birla, President-Strategy, a related party of the Company and pass the following resolution, with or without modification(s), as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013 and the rules thereunder ("Act") specifically read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time, and other applicable provisions, if any, including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force, pursuant to the recommendation of the Nomination and Remuneration cum Compensation Committee, Audit Committee and the approval of the Board of Directors, consent of the shareholders of the Company be and is hereby accorded to grant Long Term Cash Incentive to Ms. Avanti Birla, President – Strategy, for an amount up to 150% of ₹ 2,14,72,121/- (Rupees two crore fourteen lakh seventy-two thousand one hundred twenty-one only) ("Award Amount") under the Long Term Cash Incentive Plan 2025 of the Company, effective from April 01, 2025. The said Award shall be payable in cash, in two tranches of 50% each of the Award Amount, at the end of the financial year ("FY") 2026-27 and FY 2027-28 subject to achievement of pre-determined targets at the end of respective years as outlined in the grant letter and/or as may be decided by the Board of Directors.

RESOLVED FURTHER THAT the aforesaid Award Amount is in addition to the remuneration already approved by the shareholders of the Company at the Annual General Meeting of the Company held on July 31, 2023.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof, if any) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient, incidental to and desirable for the purpose of giving effect to this resolution."

Item No. 6: To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2027 and pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the rules framed thereunder and subject to all other approvals, if any, members of the Company hereby ratify the payment of remuneration, as approved by the Board of Directors, to M/s S. S. Zanwar & Associates, Cost Accountants in practice (Registration No. 100283) of the Company, amounting to ₹ 9 lakh (Rupees Nine lakh only) plus applicable taxes and out of pocket expenses, to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2027.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof, if any) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

By the order of the Board
For BirlaNu Limited

Nidhi Bisaria
Company Secretary
M. No. F5634

Place: New Delhi
Date: May 12, 2026

NOTES

1. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), in respect to the special businesses to be transacted at the AGM is annexed hereto. Additional information as per Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard -2 ("SS-2") on General Meetings issued by the Institute of Company Secretaries of India, concerning item no. 3 of the Notice is annexed.

2. The Ministry of Corporate Affairs ("MCA"), vide its General Circular dated April 8, 2020, April 13, 2020, May 5, 2020 and other subsequent circulars in this regard, latest being General Circular No. 3/2025 dated September 22, 2025 (collectively referred to as "MCA Circulars") permitted the companies to hold their AGM through VC or OAVM up to September 30, 2026 without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Act, SEBI Listing Regulations and MCA Circulars, the AGM of the Company is being held through VC/OAVM. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at Office No. 1 & 2, L7 Floor, SLN Terminus, Survey No. 133, Near Botanical Garden, Gachibowli, Hyderabad - 500032, Telangana, India.

3. Since the AGM will be held through VC/OAVM, pursuant to the MCA Circulars read with SEBI Listing Regulations, physical attendance of the members is not required at the AGM, and attendance of the members through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. Route map of the venue of the Meeting is accordingly not annexed hereto.

4. Pursuant to the provisions of Section 105 of the Act and Regulation 44(4) of the SEBI Listing Regulations, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM, pursuant to the applicable MCA Circulars read with SEBI Listing Regulations physical attendance of members has been dispensed with. Accordingly, the facility for appointment of Proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

5. For enabling the Members to participate at the 79th AGM, the Company has entered into an agreement with National Securities Depository Limited ("NSDL") to provide VC/OAVM facility and e-Voting facility for the AGM. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on a first-come-first-served basis as per the MCA Circulars. This will not include large members (members holding 2% or more shareholding), Promoters, Institutional Investors, etc., who are allowed to attend AGM without restriction on account of first come first served basis.

6. Corporate/Institutional members (i.e. other than individuals, HUF, NRI etc.) are entitled to appoint authorised representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e-Voting during the e-Voting period and/or during the AGM. Corporate/ Institutional members 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/attend AGM, to the Scrutiniser by e-mail at mohitkamdar@yahoo.co.in with a copy marked to National Securities Depositories Limited ('NSDL') (agency for providing the remote e-Voting facility) at evoting@nsdl.com and the Company at cs@birlanu.com. They 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 at e-Voting portal.

7. **Dispatch of Annual Report through Electronic Mode:** In compliance with the MCA Circulars, Notice of the 79th AGM along with the Annual Report for the financial year 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository(ies)/Depository Participant/ Registrar and Share Transfer Agent ("RTA") of the Company. Further, in compliance with Regulation 36(1)(b) of the SEBI Listing Regulations a letter providing a web-link of the Annual Report 2025-26 is being sent to those Members who have not registered their e-mail address with the Company/RTA/Depository(ies)/ Depository Participant. The Company shall send physical copy of the Annual Report for the financial year 2025-26 to those members who request for the same at cs@birlanu.com mentioning their Folio No./DP ID and Client ID.

   Members may note that this Notice along with the Annual Report for the financial year 2025-26 will also be available on the website of the Company at https://birlanu.com/, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively and also on the website of NSDL at www.evoting.nsdl.com.

8. **Procedure for updating/registering email address and mobile numbers for receiving AGM Notice and Annual Report of the Company electronically:** Members who have not registered their email id, may register the same with the Company/RTA

by giving the details, viz, folio number/ DP ID & Client ID, e-mail id, mobile number, self-attested copy of PAN card and Client Master copy (in case of electronic folio) / copy of share certificate (in case of physical folio) to RTA at investor.relations@vccipl.com or to the Company at cs@birlanu.com for limited purpose of receiving notice of 79th AGM of the Company and Annual Report for FY 2025-26. Post successful registration of the email, the member would get soft copy of the Annual Report 2025-26 along with Notice of the AGM containing the procedure for e-Voting along with the User ID and Password to enable casting of vote through remote e-Voting or electronic voting at the AGM.

9. **Payment of Final Dividend:** The dividend on Equity Shares, if declared at the AGM, will be paid, subject to deduction of tax at source, on or before August 21, 2026 to the Members whose names appear on the Company's Register of Members/List of beneficial owners maintained by depositories as on the close of business hours on July 30, 2026 ("**Record Date**") and whose bank mandate are registered in the records of the Depository Participants/RTA.

   SEBI vide its Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026 has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form) whose folio(s) do not have PAN, Contact Details, Bank Account Details and Specimen Signature updated shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, contact details including postal address with PIN, mobile number, bank account details and specimen signature. Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2026/1767611333081.pdf.

   Updation of Bank account details: Members who have not registered their Bank account details are requested to register the same by submitting the details viz. Name and Branch of the Bank in which you wish to receive the dividend, type of Bank Account, Bank Account Number allotted by their banks after implementation of Core Banking Solutions, 9 digit MICR Code Number, 11 digit IFSC Code and scanned copy of the cancelled cheque bearing the name of the first shareholder:

   i) For shares held in physical form: to the Company/RTA in prescribed Form ISR-1 and ISR-2 and other KYC documents pursuant to SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026.

   ii) For shares held in electronic form: to their Depository Participants.

10. **Tax Deduction at Source on Dividend:** Pursuant to the provisions of Income Tax Act 2025, dividend distributed and paid by the Company is taxable in the hands of the shareholders. The Company shall, therefore, be required to deduct tax at source ("TDS") from dividend paid to the shareholders at the applicable rates.

    For Resident shareholders:-

    TDS shall be deducted @ 10% on the amount of Dividend paid by the Company during the Tax year 2026-27, provided PAN is provided by the shareholders.

    TDS would be deducted @ 20% as per Section 397(2) of the Income Tax Act 2025 if :-

    - PAN is not submitted to the Company/RTA (in case shares are held in physical mode)
    - not updated in their demat account (in case shares are held in demat mode)
    - PAN is not linked with Aadhar

    However, no TDS shall be deducted on the Dividend payable to a resident Individual if the total dividend received/to be received during the Tax year 2026-27 does not exceed ₹ 10,000.

    Resident individual shareholder:-

    - With valid and operative PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 121, to avail the benefit of non-deduction of tax at source.
    - Lower or no tax shall be deducted if lower deduction certificate/exemption certificate is obtained from the Income tax department.

    Resident Non Individuals:-

    - Self-declaration for tax exemption in their respective categories
    - Self-attested Copy of PAN Card
    - Registration certificate with its agencies.

    Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 41 (electronically generated from Income tax website), any other document which may be required to avail the tax treaty benefits, else Non- resident shareholders would be liable for tax deduction at 20% (plus applicable surcharge and cess).

    Shareholders may submit the aforementioned documents by sending an email to RTA at investor.relations@vccipl.com or to the Company at cs@birlanu.com on or before Thursday, July 30, 2026 in order to enable the Company to determine and deduct appropriate tax. No communication on the tax determination/deduction shall be entertained post July 30, 2026. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from the shareholders, there would still be an option available with the shareholders to file the return of income and claim an appropriate refund, if eligible.

The TDS certificates shall be mailed to the registered email id with the RTA/Depository Participants, alternatively, shareholders may download the TDS certificate from the Income Tax Department's website https://eportal.incometax.gov.in (refer to Form 26AS). If any shareholder needs assistance in obtaining the TDS certificate, he/she may write to the Company at cs@birlanu.com or to RTA at investor.relations@vccipl.com.

11. Members are requested to address all correspondences, including for dividends, to the RTA of the Company, at:

Name	M/s Venture Capital and Corporate Investments Private Ltd.
Address	"AURUM", Door No. 4-50/P-II/57/4F & 5F, Plot No. 57, 4th & 5th Floors, Jayabheri Enclave Phase - II, Gachibowli, Hyderabad – 500 032
Email ID	investor.relations@vccipl.com
Landline no.	040 – 23818475/76
Website	www.vccipl.com

12. **IEPF related information:** Dividends, if not encashed for a period of 7 years, from the date of transfer to Unpaid/Unclaimed Dividend Account of the Company, are liable to be transferred to Investor Education and Protection Fund ('IEPF'). Further, the shares of a member who does not encash his/her dividend for a continuous period of 7 years, are also liable to be transferred to the demat account of IEPF Authority as per procedure laid down under the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules").

Members who have not encashed/claimed their dividend paid by the Company so far up to and during the financial year ended March 31, 2026, may immediately approach the Company/RTA for claiming such dividend amount. Information in respect of the unclaimed dividend up to March 31, 2026, is uploaded on the website of the Company, https://birlanu.com/.

Please note that the unpaid/unclaimed final dividend for the financial year 2018-19 shall become due to transfer to IEPF on August 27, 2026, upon completion of seven years in terms of Section 124(6) of the Act. The corresponding shares shall be transferred to relevant demat account of the IEPF Authority as per Rule 6 of the IEPF Rules, as amended. You are thus requested to claim the unclaimed dividend by sending a written application to RTA or to the Company's Registered/Corporate Office address along with requisite supporting documents as detailed in notice sent to the shareholders whose dividend and/or shares are liable to be transferred. The said application should reach the Company on or before August 20, 2026, so as to enable us to update the details and submit your request to the bankers to remit the said unclaimed dividend by NEFT. In case no claim is received with respect to the above dividend, the shares (whether held in physical or electronic form) will be transferred by the Company to the Demat Account of the IEPF Authority.

The Members whose unclaimed dividends and/or shares have been transferred to IEPF, may contact the Company or RTA and submit the required documents for issue of Entitlement Letter. The Members can attach the Entitlement Letter and other required documents and file the IEPF-5 web form available on www.iepf.gov.in for claiming the dividend and/or shares. The procedure for claiming the shares from IEPF Authority is available on https://cms.birlanu.com/public/media/2025/03/13/proced1.pdf.

13. Members may please note that pursuant to Regulation 40 (1) of the SEBI Listing Regulations read with SEBI Master Circular no. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026, SEBI has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at https://birlanu.com/investor/general-information and on the website of the Company's RTA, at https://www.vccipl.com. It may be noted that any service request can be processed only after the folio is KYC Compliant.

14. **KYC updation for members:**

SEBI vide its Master Circular No. SEBI/HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, mandated that the security holders (holding securities in physical form), whose folio(s) are not updated with the KYC details (any of the details viz., PAN (linked with Aadhaar); Contact Details;

Postal Address with Pin code, Mobile Number, Bank Account Details and signature, if any) shall be eligible for any payment including dividend, interest or redemption in respect of such folios, as may be applicable, only through electronic mode with effect from April 01, 2024. Further, such security holder shall not be able to lodge grievance or avail any service request from the RTA, until the KYC details are updated. Therefore, members of the Company, holding shares in physical mode are requested to immediately update their aforesaid KYC details with the RTA of the Company to avoid any hardship /consequences as above. For facilitating to update their aforesaid details, the Company has uploaded required forms – ISR-1, ISR-2, ISR-3, ISR-4, SH-13 and SH-14, on its website, https://www.birlanu.com/investor/general-information.

Members can download the Forms, as applicable / required, fill in the details and send to the RTA of the Company for updating the details.

Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc. to their Depository Participants ("DPs"), if the shares are held in demat form and to the Company/RTA, in the prescribed forms, if the shares are held in physical form.

15. All existing investors are encouraged, in their own interest, to provide 'choice of nomination' for ensuring smooth transmission of securities held by them as well as to prevent accumulation of unclaimed assets in securities market. However, all new investors shall continue to be required to mandatorily provide the 'Choice of Nomination' for demat accounts except for jointly held demat accounts.

16. Members who have any grievance/ complaints are requested to write to Company's RTA and if required they may escalate to the Company Secretary. If the member is not satisfied with the response a complaint can be lodged on SCORES – SEBI portal. Post exhausting the option to resolve their grievance with the RTA/ Company directly and/or through the SEBI SCORES platform, the investors can initiate dispute resolution through the ODR Portal, https://smartodr.in/login and the same can also be accessed through the Company's website at https://birlanu.com/investor/general-information.

17. As per Regulation 40 of SEBI Listing Regulations, as amended vide Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2026 w.e.f. January 22, 2026 except registration of transfer of securities executed before April 01, 2019 and still held in physical form subject to such conditions as may be specified by the Board, securities of listed companies can be transferred only in dematerialized form including request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Further, with effect from April 2, 2026, SEBI has dispensed with the requirement of issuance of a Letter of Confirmation (LOC) by the Company/RTA while processing service request for issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, securities will be credited directly to the shareholder's demat account upon submission of valid demat account details along with the latest Client Master List (not older than 2 months), Demat Conversion Request Form for NSDL/ Demat Request form for CDSL and Latest Client Master List, both attested by Depository Participant, besides mandatory documents for the subject service requests subject to folio being KYC Compliant.

Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a demat account or alternatively, contact RTA to seek guidance for the demat procedure. Members may also visit website of depositories viz. National Securities Depository Limited at https://nsdl.co.in/faqs/faq.php or Central Depository Services (India) Limited at https://www.cdslindia.com/investors/open-demat.html for further understanding of the demat procedure.

18. **Special window for re-lodgement of physical share transfer requests:** Members who have executed the transfer prior to April 1, 2019 but were not lodged for transfer or were lodged and subsequently rejected, returned or not attended due to deficiency in the documents have been provided a special re-lodgement window till February 4, 2027, to re-lodge the transfer requests.

Transfers would be approved if all the requisite documents are in place. Transfer under this window will be credited only in dematerialised form and will carry a one-year lock-in period from the date of transfer registration. Members can contact the Company or the RTA, for assistance in this regard.

19. **Procedure for inspection of documents:** The register of Directors and Key Managerial Personnel and their shareholding, register of contracts or arrangements in which Directors are interested,

certificate from the Secretarial Auditor on the implementation of ESOP Scheme and other relevant documents referred to in the Notice will be available, electronically, for inspection by the Members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to cs@birlanu.com.

20. **Voting through Electronic Means and attending the AGM through VC/OAVM**

i. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI Listing Regulations read with SEBI Master circular no. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 regarding e-Voting facility provided by Listed Entities, the Company is providing to its Members facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic means ("e-Voting").

ii. **Remote e-Voting:** Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("remote e-Voting''). The facility of casting the votes by remote e-Voting will be provided by NSDL.

iii. The remote e-Voting period commences on **Monday, August 3, 2026, at 9:00 a.m. IST** and ends **on Wednesday, August 5, 2026 at 5:00 p.m. IST**. During this period, the Members, whose names appear in the Register of Members / Beneficial Owners as on Thursday, July 30, 2026 ("**Cut-off date**") 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, Thursday, July 30, 2026. The remote e-Voting module shall be disabled by NSDL for voting thereafter.

iv. **Voting at the AGM:** Members who have not voted through remote e-Voting may avail the e-Voting facility provided in the AGM by NSDL. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote through remote e-Voting are eligible to vote through e-Voting at the AGM. However, Members who have voted through remote e-Voting will be eligible to attend the AGM. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned for remote e-Voting.

v. A Member shall opt for only one mode of voting, i.e., either through remote e-Voting or through e-Voting during the Meeting. If a Member cast votes by both the modes, then voting done through remote e-Voting shall prevail.

vi. The voting rights of a Member / Beneficial Owner (in case of electronic shareholding) shall be in proportion to their shareholding in the paid-up equity share capital of the Company as on the cut-off date, that is Thursday, July 30, 2026.

vii. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company shall be entitled to vote at the 79th AGM.

viii. Once the vote on a resolution is cast by a Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again.

ix. Members who have acquired shares of the Company after the dispatch of this Notice and holding shares as on the cut-off date / member who has forgotten the User ID and Password, may approach NSDL at evoting@nsdl.com, for issuance of User ID and Password for exercising their right to vote by electronic means as explained in e-Voting instructions. However, if he/she is already registered with NSDL for remote e-Voting then he/ she can use his/her existing User ID and Password for casting the vote. Individual members holding securities in dematerialized mode may follow steps mentioned below under "**Login method for remote e-Voting and joining virtual meeting for individual members holding securities in dematerialized mode.**"

x. **The instructions for remote e-Voting and joining the AGM are as under:**

A. Voting through electronic means

Process to vote electronically on NSDL e-Voting system consists of "two steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system.

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

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

In terms of SEBI master circular no.HO/49/14/14(7)2025-CFD-POD2/I /3762/2026 dated January 30, 2026 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 members holding securities in dematerialized mode is given below:

Type of members	Login Method
Individual members holding securities in dematerialized mode with NSDL	A. 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. B. **NSDL IDeAS facility** **If you are already registered with IDeAS, follow the below steps:** 1. 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. 2. 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. 3. A new screen will open. You will need to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services under Value Added Services. 4. Click on "**Access to e-Voting**" appearing on the left-hand side under e-Voting services and you will be able to see e-Voting page. 5. 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. **If you are not registered with IDeAS, follow the below steps:** 1. Option to register is available at **https://eservices.nsdl.com**. 2. Select "Register Online for IDeAS" Portal or click at **https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp** 3. Please follow steps given in points 1-5 above. C. **E-Voting website of NSDL:** 1. Open web browser and type the following URL: **https://www.evoting.nsdl.com/** either on a personal computer or on a mobile phone. 2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. 3. A new screen will open. You will need to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. 4. 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. D. Shareholders/Members can also download NSDL mobile app "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Type of members	Login Method
Individual members holding securities in dematerialized 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 use 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 e-Voting is in progress as per the information provided by company. On clicking the e-Voting 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 are 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 from an 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 e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. Upon login, you will be able to see the e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on Company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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

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

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

II) Login method for e-Voting 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?

i. Visit the e-Voting website of NSDL. Open web browser by clicking the URL: https://www.evoting.nsdl.com/ either on a Personal computer or on a mobile.

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

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

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

iv. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a. For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example: If your DP ID is IN300*** and Client ID is 12****** then your User ID is IN300***12******
b. For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example: If your Beneficiary ID is 12************** then your User ID is 12**************
c. For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example: If EVEN is 123456 and folio number is 001*** then User ID is 123456001***

Password details for members, other than Individual members, 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 e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL in your mailbox. Open the e-mail 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.

   iii. 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. Click on "**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, PAN, name and registered address.

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

v. After entering your password, tick on agree to "**Terms and Conditions**" by selecting on the check box.

vi. Now, you will have to click on "**Login**" button.

vii. After you click on the "**Login**" button, home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically and join AGM 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.

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 members

i. 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 https://www.evoting.nsdl.com to reset the Password.

ii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for shareholders available at the download section of www.evoting.nsdl.com or call on 022 - 4886 7000 or send a request to Mr. Amit Vishal, Vice President-NSDL or Ms. Pallavi Mhatre, Deputy Vice-President - NSDL at evoting@nsdl.com or contact at NSDL, T-301, 3rd Floor, Naman Chambers, G Block, Plot No- C-32, Bandra Kurla Complex, Bandra East, Mumbai- 400051.

Process for those members 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

a. 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 RTA at investor.relations@vccipl.com or to the Company's email id cs@birlanu.com.

b. 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) by email to RTA at investor.relations@vccipl.com or to the Company's email id cs@birlanu.com. 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 for Individual shareholders holding securities in demat mode.

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

d. In terms of SEBI master circular dated January 30, 2026, 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.

B. Instructions for members for attending the AGM through VC/OAVM are as under:

i. Members will be able to attend the AGM through VC/OAVM through the NSDL e-Voting system. After successful login, you can see VC/ OAVM link placed under Join meeting menu against the Company name. This link will be enabled 30 minutes before the schedule time of AGM. **You are requested to click on VC/OAVM link placed under "Join Meeting" menu**. 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. Further, members can also use the OTP based login for logging into the e-Voting system of NSDL.

ii. Members are encouraged to join the AGM through Laptops / computers for better experience and use internet with a good speed to avoid any disturbance during the AGM.

iii. Please note that members 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.

iv. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM.

v. Members who need assistance before or during the meeting, can contact NSDL on evoting@nsdl.com or call on toll free No: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Deputy Vice President-NSDL at evoting@nsdl.com or contact at NSDL, T-301, 3rd Floor, Naman Chambers, G Block, Plot No. C-32, Bandra Kurla Complex, Bandra East, Mumbai- 400051.

vi. Members seeking any information with regard to the accounts or any matter placed at the AGM, may send their questions to the Company from their registered e-mail address mentioning their name, DP ID and Client ID/Folio number, PAN, mobile number at cs@birlanu.com **latest by Thursday, July 23, 2026**. The same will be replied by the Company suitably.

vii. **Registration as Speaker at the AGM:** Members who would like to express their views or ask questions during the AGM may register themselves as a speaker shareholder by sending request from their registered e-mail address mentioning their name, DP ID and Client ID/Folio number, PAN, mobile number at cs@birlanu.com between Tuesday, July 28, 2026 (9:00 a.m. IST) and Thursday, July 30, 2026 (5:00 p.m. IST). Those members who have pre-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 and time for speaking, depending on the availability of time for the AGM.

viii. Further members, who have registered themselves as speaker shareholder, will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

21. The Board of Directors of the Company has appointed Mr. Mohit Gurjar, (CP No. 18644 and Membership No. 20557) of M/s P.S. Rao & Associates, Company Secretaries, as the Scrutiniser to scrutinise the e-Voting process before and during the AGM in a fair and transparent manner.

22. The Scrutiniser shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast prior to AGM) and make a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or any officer of the Company so authorised by the Board.

23. The results shall be declared along with the Scrutiniser's report within 2 working days from the conclusion of AGM and shall be placed on the website of the Company https://birlanu.com/ and on the website of NSDL at www.evoting.nsdl.com immediately. The Company shall simultaneously communicate the results to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed. The recorded transcript of the 79th AGM shall also be made available on the website of the Company https://birlanu.com/ in the Investor's section, as soon as possible after the AGM is over.

24. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of AGM, i.e., Thursday, August 6, 2026.

Statement in respect of the Special Business setting out all material facts relating to the business mentioned under Item No. 4, 5 and 6 of the accompanying Notice pursuant to Section 102 of the Companies Act, 2013

Item No. 4

It is informed that the shareholders of the Company, on April 4, 2023, approved by way of an ordinary resolution, the appointment of Mr. Akshat Seth (DIN: 10039820) as the Chief Executive Officer ("CEO") & Key Managerial Personnel ("KMP") with effect from February 1, 2023 and as the Managing Director ("MD") with effect from February 11, 2023 for a term of 5 (five) years along with payment of managerial remuneration which includes salary, allowances, perquisites and other benefits, retirals, variable pay and long term cash and stock incentives as per Company's Scheme, for the said period.

The said resolution empowered the Board, on the recommendation of the Nomination and Remuneration cum Compensation Committee ("NRC"), to determine and approve annual increments to the salary and performance-based variable pay, subject to a ceiling of 25% of the last drawn basic salary and performance-based variable pay, respectively, in compliance with the provisions of Sections 196, 197 read with Schedule V of the Companies Act, 2013 ("the Act").

In accordance with the above authority, the Board at its meeting held on May 12, 2026, on the recommendation of NRC, approved the remuneration of Mr. Akshat Seth, Managing Director & CEO, for the financial year 2026-27 as per the details mentioned in resolution to item no. 4 of this Notice, subject to the necessary approvals.

Further, in the said meeting, the Board also approved that the shareholders' approval be sought by way of special resolution, as appended in this Notice, in terms of the provisions of Section 197 read with Schedule V of the Companies Act, 2013, so that the aggregate salary, allowances, perquisites and other benefits, variable pay and long term incentives as per Company's Scheme paid/payable to Mr. Akshat Seth for the financial year 2026-27, be paid as minimum remuneration for the said financial year.

Accordingly, the Board proposes to seek shareholders' approval by way of a special resolution, as appended in this Notice, authorizing the Company to pay such remuneration in FY 2026-27 even if it exceeds the thresholds set forth in Section 197 read with Schedule V of the Act.

The information as required by second proviso of Paragraph B of Section-II of Part-II of Schedule V of the Companies Act, 2013, is given below:

I. General Information

(1) Nature of industry

The Company operations are broadly classified into Roofs, Walls, Pipes & Construction Chemicals and Others. Roofs consists of manufacturing, selling and distribution of Fiber Cement Sheets, Colored Steel Sheets and Cement based Non-Asbestos Corrugated Sheets. Walls include Wet-Walling Solutions and Dry-Walling Solutions, comprising Fly Ash Blocks, Smart Fix, Smart Bond, Panels and Boards. Pipes & Construction Chemicals consists of UpVC, CpVC, SWR Pipes & Fittings and Wall Putty. It includes the trading of Construction Chemicals consisting of Ready-mix Plasters, Primers, Block Joining Mortars and Tile Adhesives. During the current year, through Composite Scheme of Merger of five Crestia group companies were amalgamated into BirlaNu Limited. These companies are engaged in the business of manufacturing and trading of various types of pipes and fittings, water storage injections, molding items etc., which are classified under Pipes & Construction Chemicals. Others include Material Handling and Processing related to plant and equipment and revenue generated through Wind Turbine Generators.

(2) Date of commencement of commercial production: June 23, 1955

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable

(4) Financial performance based on given indicators (on standalone basis) (₹ in Crore)

Particulars	2025-26	2024-25*	2023-24
Total income	2,511.44	2,424.15	2,266.76
Earnings Before Interest, Depreciation, Amortization & Tax	145.76	104.65	174.53
Profit Before Tax and Exceptional items	22.15	(17.33)	95.82
Profit/(Loss) after tax for the year	(14.05)	53.59	102.98
Basic Earnings Per Share (in ₹)	(18.63)	71.07	136.59

*Figures have been restated to give effect to the amalgamation of Crestia Polytech Private Limited, Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited, Prabhu Sainath Polymers Private Limited and Topline Industries Private Limited with BirlaNu Limited.

(5) Foreign investments or collaborations, if any:

The Company has below overseas subsidiaries/ Joint venture:

Sl. No.	Legal name of the entity	Relationship	Country of incorporation and Date	Full address
1	BirlaNu International GmbH	Wholly Owned Subsidiary (WOS)	Germany, 03.07.2018	Millenkamp 7-8, 48653 Coesfeld, Germany
2	Parador Holding GmbH	Step Down Subsidiary (WOS to BirlaNu International GmbH)	Germany, 20.06.2016	Millenkamp 7-8, 48653 Coesfeld, Germany
3	Parador GmbH	Step Down Subsidiary (WOS to Parador Holding GmbH)	Germany, 21.09.2015	Millenkamp 7-8, 48653 Coesfeld, Germany
4	Parador Parkettwerke GmbH	Step Down Subsidiary (WOS to Parador GmbH)	Austria, 10.04.1998	Wiener Strasse 66, 7540 Güssing, Austria
5	Parador (Shanghai) Trading Co. Ltd.	Equity Joint venture (50%) of Parador GmbH and (50%) Horgus Oriental Glamour Co., Ltd.	Republic of China, 08.08.2018	Room 1006, Floor 10, No 233 Taicang Road, Huangpu District, Shanghai Municipality, the People's Republic of China
6	Parador UK Limited	Step Down Subsidiary (WOS to Parador GmbH)	England and Wales, 13.07.2022	C/o Rodl & Partner Legal Ltd 170 Edmund Street Ground Floor, Birmingham, United Kingdom B3 2HB
7	Parador Inc.	Step Down Subsidiary (WOS to Parador GmbH)	United States of America 23.01.2025	1209 Orange Street, City of Wilmington, Country of New Castle, Zip Code 19801

II. Information about the appointee

(1) Background details

Mr. Akshat Seth (DIN: 10039820), aged 47 years, is a professional holding Bachelor's and Master's Degree in Chemical Engineering from Indian Institute of Technology (IIT), Delhi and Master of Business Administration (MBA) from Indian Institute of Management (IIM), Calcutta.

Akshat has over two decades of proven track record of scaling up and transforming businesses and building high performing teams. His sharp, strategic mindset and an eye for operational excellence has helped him create and unlock value across multiple industry segments in India, Europe and the Middle east.

He joined CKA Birla Group in 2014 to lead the Office of Growth & Strategy driving strategy, M&A and new business development across all group companies. In this role, he worked closely with the business leadership teams for strategy formulation, performance tracking and driving special improvement projects. He has been instrumental in driving the growth plans for the Company, both organic and inorganic.

Mr. Akshat has been associated with CK Birla Healthcare Pvt. Ltd. as Vice Chairman and was instrumental in conceptualizing and scale up of the brand of CK Birla Hospitals and chain of fertility clinics – Birla Fertility & IVF as well to foray in Digital Health within the CK Birla Healthcare platform.

(2) Past remuneration (p.a.)

Mr. Akshat Seth was paid remuneration for the financial year 2025-26 as under:

Basic salary & allowances of up to ₹ 595.76 lakh per annum

In addition to the above, Mr. Akshat Seth was paid:

i. Annual performance linked variable-pay of ₹ 229.93 lakh (Rupees Two Crore Twenty Nine Lakh and Ninety Three Thousand only) for the financial year 2025-26 subject to the performance of the Company and achievement of agreed targets as decided by the NRC/Board.

ii. Nil payment made under the Long-term Cash Incentive Plan 2023 and Long-term Cash Incentive Plan 2025 of the Company for the financial year 2025-26.

iii. Provident Fund including perquisite thereof and Gratuity as per Company Rules.

iv. Chauffeur driven Company maintained car.

v. Medical Insurance and Personal Accidental Insurance Coverage under the Group Mediclaim Insurance Scheme and Group Personal Accidental Insurance Scheme as applicable to employees of the Company from time to time.

vi. Encashment of leave at the end of the year / tenure / cessation of service / retirement, as per the applicable rules of the Company.

vii. Reimbursement of Mobile handset, telephone connection and broad band connection at residence and the expenses towards its usage at actuals as per the applicable rules/policy of the Company.

Subject to as aforesaid, the Managing Director shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.

(3) Recognition or awards

The Company was awarded several prestigious awards including the following prominent awards earned during the financial year 2025-26:

- Super Brand Award 2026 Realty+ Iconic Brand Award for Charminar BirlaNu and BirlaNu Aerocon.
- Most Trusted Brands of India Marksmen Daily for BirlaNu Leakproof Pipes.
- ET Polymers: Best Plastics and Polymer Brands 2026 for BirlaNu Leakproof Pipe.
- BW Excel Awards 2026 Gold for rebranding campaign - "NU_ERA: Build Your New World With BirlaNu.

(4) Job profile and suitability

Please refer point no. 1 under the above heading "Information about the appointee".

(5) Proposed Remuneration: As detailed in resolution no. 4 of this notice.

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person

Having regard to the size and complexity of the Company's business and the role, responsibilities, skills, and experience of Mr. Akshat Seth, the proposed remuneration is commensurate with remuneration paid for similar roles, based on publicly available information.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

Except the remuneration and perquisites as stated above, Mr. Akshat Seth has no direct or indirect pecuniary relationship with the Company or managerial personnel. Further, he does not hold any shares in the Company.

III. Other information

(1) Reasons of loss or inadequate profits

During the financial year 2025–26, the Company recorded a modest revenue growth of 2% and profit before tax excluding exceptional items improved by 228% compared to the previous year. This was primarily due to volume growth across most product categories and cost optimisation measures. Furthermore, the interest cost remained same during the year despite marginal increase in borrowings for acquisition of Clean Coats and capex in BirlaNu for capacity enhancement. However, there remains a reasonable possibility that profits for the financial year 2026–27 may be inadequate to meet the limits specified under Section 197 of the Companies Act, 2013.

(2) Steps taken or proposed to be taken for improvement

a) The Company is leveraging its expertise and experience and investing continuously to build strong momentum towards growth and expansion of its business. With the acquisition of Clean Coats Private Limited, the Company has further enhanced Company's brand strength in specialty coatings business.

b) There have been continuous efforts to manage the cost and profitability through improved contribution margins driven by lower raw material and freight costs and sourcing excellence as well as efficient management of working capital and inventory would help limit the negative impact of headwinds.

c) The Company is employing various means to reduce the impact of rising costs through building long-term partnerships with its suppliers, reducing the risk of price fluctuations. The Company has mapped and developed its extensive vendor base to insulate itself from any geopolitical instability. The Company has built a global network of suppliers that allows diversification of supply sources and unhindered logistical movement of its inventory. Several other cost saving initiatives and operational improvements have been executed.

d) In line with Company's broader digital ambition, it continues to expand the application of Artificial Intelligence and advanced analytics across operational processes. The Company also plans to extend AI adoption to enterprise-level procurement, intelligent supply chain optimisation, and smart decision-support systems, with a view to unlocking further value across the business.

(3) Expected increase in productivity and profits in measurable terms

The Government's increasing focus on modernising and further strengthening the country's infrastructure, is likely to have significant positive impact on the building materials sector as the construction activity gathers pace across segments. With the above initiatives and many more, it is expected that the profitability in the coming year is likely to improve.

IV. Disclosures

The disclosures as required on all elements of remuneration package such as salary, benefits, bonuses, pensions, details of fixed components and performance linked incentives along with performance criteria, service contract details, notice period, severance fees, etc. shall be made in the "Corporate Governance Report" forming part of the Board's Report for FY 2026-27.

Mr. Seth along with his relatives does not hold any shares in the Company nor has any relationship with any of the Directors or Key Managerial Personnel of the Company. He has been granted 36,603 stock options under the HIL Employees Stock Option Scheme 2023, convertible into an equivalent number of equity shares, of which 14,641 options are exercisable on or after July 17, 2024 and the remaining 21,962 options on or after April 1, 2025, subject to the terms of the said scheme. Further, he has been granted 52,624 stock options under the BirlaNu Employees Stock Option Scheme, 2019, convertible into an equivalent number of equity shares, of which 21,050 options are exercisable on or after February 13, 2027 and the remaining 31,574 options on or after February 10, 2028, subject to the terms of the said scheme. As on the date of this Notice, he has not exercised any of the aforesaid stock options.

Mr. Seth is directly concerned and interested in this resolution, as it relates to his remuneration. Except Mr. Seth, no other Director or Key Managerial Personnel of the Company and their relatives are in any way, either financially or otherwise, concerned or interested in the proposed resolution.

The Board recommends the resolution set forth at Item no. 4 for the approval of the shareholders as a special resolution.

Item No. 5

With an intent to attract, motivate and retain high-calibre talent at the senior management level, and to further incentivise the execution of the Company's long-term business plan while ensuring long-term retention of the leadership team in an intensely competitive environment, the Company has introduced a Long-Term Cash Incentive Plan 2025 ("LTCIP 2025"). The Plan aims to reward exceptional individual performance that is directly linked to the achievement of pre-determined revenue and profitability targets of the Company. The LTCIP 2025 is effective from April 1, 2025.

As part of the LTCIP 2025, the Nomination and Remuneration cum Compensation Committee ("NRC") and the Board have identified a select group of senior executives as eligible employees and granted long term incentive, payable in cash as well as by way of stock options to all such eligible employees, considering the specific facts and laws applicable in relation to each executive.

The Board of Directors at its meeting held on February 13, 2026, on the recommendation of the NRC and Audit Committee and subject to the approval of the shareholders of the Company, granted Long Term Cash Incentive of up to 150% of ₹ 2,14,72,121/- (Rupees Two crore fourteen lakh seventy-two thousand one hundred twenty-one only) ("Award Amount") to Ms. Avanti Birla, President - Strategy, effective from April 01, 2025, to be considered for payment in cash. The said Award shall be payable in cash, in two tranches of 50% each of the Award Amount, at the end of the financial year ("FY") 2026-27 and FY 2027-28 subject to achievement of pre-determined targets at the end of respective years as outlined in the grant letter and/or as may be decided by the Board of Directors.

Ms. Avanti Birla is the President – Strategy at the Company. She leads the Company's strategic agenda and enterprise-wide transformation initiatives, working closely with the Board and senior leadership to accelerate the Company's growth and building its future readiness. She plays a key role in driving strategic clarity, portfolio and capability shifts, and digital and technology-led transformation across the organisation.

During her tenure, the Company has undergone a strategic transformation, including its rebranding as BirlaNu and diversification of its building solutions business. This transformation has been supported by expansion of manufacturing and distribution capabilities, product innovation and premiumisation, and strengthened brand positioning.

The aforesaid Long-Term Cash Incentive is in addition to the annual remuneration payable to Ms. Avanti Birla, which was approved by the shareholders at the Annual General Meeting held on July 31, 2023.

Ms. Avanti Birla being a related party within the meaning of Section 2(76) of the Companies Act, 2013, occupies an office or place of profit in the Company and accordingly, pursuant to the provisions of Section 188(1)(f) of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, approval of the shareholders of the Company is required for the grant of the Award and for the payment of the Award Amount. The information as per Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 is as follows:

a. Name of the Related Party: Ms. Avanti Birla.

b. Name of Director or Key Managerial Personnel who is related: Mr. CK Birla, Chairman and Non-executive Director and Ms. Amita Birla, Non-executive Director of the Company.

c. Nature of Relationship: Ms. Avanti Birla is daughter of Mr. CK Birla and Ms. Amita Birla.

d. Nature, material terms, monetary value and particular of contract and arrangement: As detailed above and in the resolution no. 5, Ms. Avanti Birla does not hold any shares of the Company.

e. Any other important/relevant information: None

Except Mr. CK Birla and Ms. Amita Birla, being relative of Ms. Avanti Birla, none of the other Directors, Key Managerial Personnel or their respective relatives are, in any manner, concerned or interested, whether financially or otherwise, in the passing of this resolution.

The Board recommends the resolution set forth at Item no. 5, for the approval of the shareholders as an ordinary resolution.

Item No. 6

As per the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the Board of Directors of the Company, at its meeting held on May 12, 2026, based on the recommendation of the Audit Committee, re-appointed M/s S.S. Zanwar & Associates, Cost Accountants in Practice (Firm Registration No. 100283), as Cost Auditors of the Company to conduct audit of its cost records for the financial year 2026-27, at a remuneration of ₹ 9 lakh (Rupees Nine Lakh only) plus other applicable taxes and actual travel, stay, conveyance and other miscellaneous expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors must be ratified by the Members of the Company. Accordingly, the consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2027.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, either financially or otherwise, in the said resolution.

The Board recommends the resolution set forth at Item no. 6 for the approval of the shareholders as an ordinary resolution.

Details of Director(s) seeking appointment/re-appointment pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings

Name of the Director	Ms. Amita Birla
Director Identification Number (DIN)	00837718
Age	69 years
Qualification	GCE-A Level
Date of first appointment on the Board of the Company	April 1, 2024
Nature of expertise in specific functional area	Expertise in management and operation of diverse nature of business.
Remuneration last drawn (Sitting fee and Commission for FY 2025-26)	₹ 4.00 lakh as sitting fee and ₹ 2.25 lakh as commission for FY26.
Remuneration proposed to be paid	Directors are entitled to receive remuneration by way of sitting fees for attending the meetings of the Board and Committees thereof of which membership, if any, is held by them, reimbursement of expenses for participation in the meetings and also commission on an annual basis, of such sum as may be recommended by the NRC and approved by the Board, subject to the overall limits as specified under the Act and the Rules framed thereunder.
Number of Board meetings of the Company attended during the financial year 2025-26	4 (four) out of 5 (five) meetings
Directorships held in other Indian Public Limited Companies	a. Birlasoft Limited- Non-executive- Non-independent Chairman b. Neosym Industry Limited-Non-executive Director
Memberships/ Chairmanships of Committees of Board of Indian Public Limited Companies in which she is a Director	a. Birlasoft Limited ▸ Nomination and Remuneration Committee – Member ▸ Corporate Social Responsibility Committee- Chairman b. BirlaNu Limited ▸ Corporate Social Responsibility Committee - Chairman
Listed entities from which she has resigned in the past three years	1. Orient Cement Limited 2. National Engineering Industries Limited
Number of shares held in the Company including as a beneficial owner	Nil
Relationships between Directors inter-se or Manager and other Key Managerial Personnel of the Company	None of the other directors are related to Ms. Amita Birla, except Mr. CK Birla, a non-executive Director of the Company, who is the spouse of Ms. Amita Birla.

birlanu

PIPES CONSTRUCTION CHEMICALS PUTTY ROOFS WALLS FLOORS

BirlaNu Limited

(Formerly HIL Limited)

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SLN Terminus, Survey No.133, Near Botanical Garden,

Gachibowli, Hyderabad-500032, Telangana, India

Ph. No.: +91 40 6824 9000

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