



Ref. No: HSCL / Stock-Ex/2026-27/24
Date: 15/05/2026

E-mail: monika@himadri.com

Ref: Listing Code: 500184 BSE Limited Department of Corporate Services P. J. Towers, 25 th Floor, Dalal Street, Mumbai- 400 001	Ref: Listing Code: HSCL National Stock Exchange of India Ltd Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra (E) Mumbai- 400 051

Sub: Notice of 38th Annual General Meeting (AGM) and Integrated Annual Report for the financial year 2025-26

Dear Sir/Madam,

In furtherance to our letter dated 14 May 2026 and pursuant to Regulation 30 and 34 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we are enclosing herewith a copy of Integrated Annual Report of the Company for the financial year 2025-26, along with Notice of the 38th AGM to be held on **Thursday, 11 June 2026 at 11:00 a.m. (IST)** through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") in compliance with the Circular No.03/2025 dated September 22, 2025 issued by Ministry of Corporate Affairs ("MCA").

In accordance with the circulars issued by MCA and SEBI Listing Regulations, the Notice of the 38th AGM and Integrated Annual Report for the financial year 2025-26 are being sent through e-mails to the Members of the Company at their registered e-mail addresses and the same will also be available on the website of the stock exchange(s) i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

The Notice of the 38th AGM and Integrated Annual Report for the financial year 2025-26 and other relevant documents will also be available on the website of the Company at www.himadri.com

We request you to kindly take on record the same.

Thanking You,

Yours faithfully,
For Himadri Speciality Chemical Ltd

Monika
Saraswat
Digitally signed
by Monika
Saraswat
Date: 2026.05.15
15:28:40 +05'30'

Monika Saraswat
Company Secretary & Compliance Officer
ACS: 29322

Enclosed: a/a

Himadri Speciality Chemical Ltd

(Formerly known as Himadri Chemicals & Industries Limited) CIN: L27106WB1987PLC042756
Regd. Office: 23A, Netaji Subhas Road, 8th Floor, Kolkata – 700 001, India
Corp. Office: 8, India Exchange Place, 2nd Floor, Kolkata – 700 001, India
Tel: 91-33-2230-9953, 2230-4363, Fax: 91-33-2230-9051, Website: www.himadri.com



Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

Regd. Office: 23A, Netaji Subhas Road, 8th Floor, Suite No. 15, Kolkata – 700 001

Corp. Office: 8, India Exchange Place, 2nd Floor, Kolkata- 700 001

E-mail: investors@himadri.com; Website: www.himadri.com; Ph: 033-22309953

Notice to the Members

NOTICE is hereby given that the 38th Annual General Meeting (“AGM”) of the Members of Himadri Speciality Chemical Ltd (“Company”) will be held on Thursday, 11 June 2026 at 11:00 a.m. (IST) through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of the Company together with the report of the Board of Directors and Auditors’ thereon for the financial year ended 31 March 2026.
2. To declare a final dividend of ₹ 0.80 (80%) per equity share of face value of ₹ 1 each for the financial year ended 31 March 2026.
3. To appoint a Director, in place of Mr. Anurag Choudhary (DIN: 00173934), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **To ratify remuneration of Cost Auditor for the financial year ending 31 March 2027.**

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the rules framed thereunder and other applicable laws (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, the remuneration of ₹ 1,00,000/- (Rupees One Lakh only) plus applicable taxes and reimbursement of actual travel and out of pocket expenses incurred in connection with the cost audit, payable to Mr. Sambhu Banerjee, Cost Auditor (Membership No. 9780), who has been appointed by the Board of Directors as the Cost Auditor for conducting the audit of the Cost Accounting Records as required to be maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014

for the financial year ending 31 March 2027, be and is hereby ratified and confirmed;

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof constituted to exercise its powers (including the powers conferred by this resolution) and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, matters, deeds and things and give such directions as may be deemed necessary or expedient for the purpose of giving effect to this resolution and for matters in connection with or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company, including but not limited to filing of necessary forms with the ROC and to comply with all other requirements in this regard.”

5. **To re-appoint Mr. Girish Paman Vanvari (DIN: 07376482) as an Independent Director.**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules framed thereunder and Regulation 16, 17 and 25 and all other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and other applicable laws (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and upon recommendation of the Nomination & Remuneration Committee and approval of Board of Directors of the Company, Mr. Girish Paman Vanvari (DIN: 07376482), who was appointed as Non-Executive Independent Director of the Company at the Annual General Meeting held on 29 September 2021 for the first term, for a period of 5 (five) consecutive years with effect from 22 June 2021 and whose present term shall expire on 21 June 2026 and who has submitted the necessary declaration to the effect that he meets the

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criteria for independence as prescribed in the Act and the SEBI Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the second term for the office of an Independent director, and being eligible, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for the second term of 5 (five) consecutive years with effect from 22 June 2026 to 21 June 2031 (both days inclusive), on such terms and conditions as detailed in the explanatory statement annexed thereto;

RESOLVED FURTHER THAT Mr. Girish Paman Vanvari, shall be entitled to the sitting fees (if any), as may be prescribed by the Board and subject to the limits prescribed under Section 197 and all other applicable provisions, if any, of the Act and the rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and applicable provisions, if any, of the SEBI Listing regulations;

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof constituted to exercise its powers (including the powers conferred by this resolution) and/or the Company Secretary of the company be and are hereby severally authorized to do all such acts, matters, deeds and things and give such directions as may be deemed necessary or expedient for the purpose of giving effect to this resolution and for matters in connection with or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company, including but not limited to filing of necessary forms with the ROC and to comply with all other requirements in this regard."

6. To re-appoint Mr. Gopal Ajay Malpani (DIN: 02043728) as an Independent Director.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules framed thereunder and Regulation 16, 17 and 25 and all other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and other applicable laws (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and upon recommendation of the Nomination & Remuneration Committee and

approval of Board of Directors of the Company, Mr. Gopal Ajay Malpani (DIN: 02043728), who was appointed as Non-Executive Independent Director of the Company at the Annual General Meeting held on 29 September 2021 for the first term, for a period of 5 (five) consecutive years with effect from 13 August 2021 and whose present term shall expire on 12 August 2026 and who has submitted the necessary declaration to the effect that he meets the criteria for independence as prescribed in the Act and the SEBI Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the second term for the office of an Independent director, and being eligible, be and is hereby re-appointed a Non-Executive Independent Director of the Company, not liable to retire by rotation, for the second term of 5 (five) consecutive years with effect from 13 August 2026 to 12 August 2031, (both days inclusive), on such terms and conditions as detailed in the explanatory statement annexed thereto;

RESOLVED FURTHER THAT Mr. Gopal Ajay Malpani, shall be entitled to the sitting fees (if any), as may be prescribed by the Board and subject to the limits prescribed under Section 197 and all other applicable provisions, if any, of the Act and the rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and applicable provisions, if any, of the SEBI Listing regulations;

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof constituted to exercise its powers (including the powers conferred by this resolution) and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, matters, deeds and things and give such directions as may be deemed necessary or expedient for the purpose of giving effect to this resolution and for matters in connection with or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company, including but not limited to filing of necessary forms with the ROC and to comply with all other requirements in this regard."

By Order of the Board

Sd/-

Monika Saraswat
Company Secretary &
Compliance Officer
ACS: 29322

Place: Kolkata
Date: 23 April 2026

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ("**Act**") setting out material facts relating to Special Business under Item No. 4, 5 and 6 of the Notice to be transacted at the 38th AGM is annexed hereto. The recommendation of the Board of Directors of the Company ("**Board**") in terms of Regulation 17(11) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") is also provided in the said Statement.
2. The Ministry of Corporate Affairs, Government of India ("**MCA**") has, vide its circular No. 3/2025 dated September 22, 2025, read with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, September 25, 2023 and September 19, 2024, (collectively referred to as "**MCA Circulars**"), *inter-alia* allowed conducting of AGM through Video Conferencing/ Other Audio-Visual Means ("**VC/OAVM**") facilities, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular dated May 5, 2020, which does not require physical presence of the Members, Directors, Auditors and other persons at common venue. In compliance with the provisions of the Act, SEBI Listing Regulations, MCA Circulars and SEBI Circular and all other relevant circulars issued from time to time, the 38th AGM of the Company is being conducted through VC / OAVM facility. The deemed venue for the 38th AGM shall be the Corporate Office of the Company situated at Ruby House, 8 India Exchange Place, 2nd Floor, Kolkata – 700 001. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC / OAVM is given in the Notice under Note No. 28.
3. The 38th AGM of the Company is being convened through VC/OAVM in compliance with the applicable provisions of the Act, SEBI Listing Regulations, and read with all the applicable MCA and SEBI Circulars.
4. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI Listing Regulations, revised Secretarial Standards on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM and facility for those Members participating in the AGM to cast vote through e-voting system during the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ("**NSDL**") for facilitating voting through electronic means, as the authorized agency. NSDL will be providing facility for voting through remote e-Voting, for participation in the 38th AGM through VC/OAVM facility and e-Voting during the 38th AGM. The instructions and other information relating to e-Voting are given in the Notice under Note No 28. Once the vote is casted by the Member, the same shall not be allowed to be changed subsequently or cast again.
5. In terms of the MCA Circulars, since the physical attendance of the Members has been dispensed with, there is no requirement for the appointment of proxies. Accordingly, the facility to appoint proxies to attend and cast vote on behalf of the Members is not available for this AGM. However, in pursuance of Section 113 of the Act, and rules made thereunder, the Members who are Body Corporate(s) are entitled to appoint their authorised representatives to attend the AGM through VC/OAVM and participate and cast their votes through remote e-Voting and e-Voting during the 38th AGM of the Company.
6. Institutional / Corporate Shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body resolution/authorization etc., with attested specimen signature of the duly authorized signatory(ies) authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through the remote e-Voting and e-Voting during AGM, to the Scrutinizer by email through its registered email address to rajaghosh2002@gmail.com with a copy marked to monika@himadri.com and evoting@nsdl.com
7. The quorum for the AGM, as provided in Section 103 of the Act, is thirty members (including a duly authorized representative of a body corporate) and Members present in the meeting through VC/OAVM shall be counted for the purpose of quorum pursuant to MCA Circulars and other applicable circulars.
8. **Dispatch of Annual Report through E-mail**

In accordance with the MCA Circulars and SEBI Listing Regulations, the soft copy of Notice of the 38th AGM along with the soft copy of Annual Report of the Company for the financial year ended 31 March 2026 are being sent only through electronic mode (e-mail) to those Members whose email addresses are registered with the Company or the Registrar to an Issue and Share Transfer Agent ("RTA") or with their respective Depository Participant/s (DPs).

Members may note that the Notice and Annual Report for the financial year ended 31 March 2026 is also available on the Company's website www.himadri.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 the AGM Notice is also available on the website of NSDL

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(agency for providing the remote e-Voting facility) at www.evoting.nsdl.com.

The Company will also be sending printed copies of the Annual Report 2025-26 to the shareholders on receipt of specific requests. Further the Company will also be sending a letter providing the web-link, including the exact path, where complete details of the Annual Report is available to those shareholder(s) who have not registered email addresses.

9. **Record Date:** Record Date will be **Friday, 22 May 2026** to determine those Members who will be entitled to receive dividend which will be declared at the AGM.
10. **Dividend:** Subject to the approval of the Members at the AGM, the dividend will be deposited in a separate bank account within 5 (five) days from the date of declaration of the dividend and will be paid to the Members, subject to deduction of tax at source, as applicable, whose names appear on the Company's Register of Members as on the **Record Date (i.e., 22 May 2026)** and in respect of the shares held in dematerialised mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date. Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details and to the Members who have not updated their bank account details, dividend shall be paid to them electronically only upon completion of KYC and bank account details.

Dividend on equity shares as recommended by the Board for the year ended 31 March 2026, when declared at the AGM will be paid within 30 days from the date of declaration.

11. **Tax Deductible at Source:** Pursuant to the Income-tax Act, 2025, dividend income will be taxable in the hands of shareholders, and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Income-tax Act, 2025 and amendments thereof. The shareholders are requested to update their PAN with the Company/ RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).
- A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 121 (Previously known as Form 15G/15H as per Income Tax Act, 1961) to avail the benefit of non-deduction of tax at source by email to skcdivit@gmail.com or investors@himadri.com. Shareholders are requested to note that incase their PAN is not registered; tax will be deducted at a higher rate of 20%.
 - Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary

documents i.e. self-attested copy of the Permanent Account Number (PAN Card), if any, allotted by the Indian authorities; self-attested copy of Tax Residency Certificate (TRC) valid as on the AGM date obtained from the tax authorities of the country of which the shareholder is resident; self-declaration in Form 41 (Previously known as Form 10F as per Income Tax Act, 1961). Self-declaration confirming not having a Permanent Establishment in India and eligibility to Tax Treaty benefit by sending an email to skcdivit@gmail.com or investors@himadri.com. TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided.

The details of the TDS rate for each category of shareholders and necessary format of declarations are also available at the website of the Company at www.himadri.com.

12. Updation of PAN and KYC details

Physical Holding:

SEBI vide its Master Circular dated May 07, 2024, mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, in respect of such folios only through electronic mode with effect from 01 April 2024 upon completion/submission of the requisite documents/details in entirety.

In this connection, shareholders holding shares in physical form are requested to update their PAN, KYC, Nomination details, if not provided earlier to S K Infosolutions Private Limited, the RTA of the Company, by submitting the following forms.

- i. Form ISR-1: Request for Registering PAN/KYC, Bank details or Changes/Updation thereof
- ii. Form ISR-2: Confirmation of Signature of Shareholders by the Banker

The said Form can also be downloaded from our website www.himadri.com under Investor Section.

In case of any query / assistance, Members are requested to contact the Company's RTA, **M/s S. K. Infosolutions Pvt. Ltd., D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032, email: skcdilip@gmail.com**

Demat Holding:

Update the PAN and KYC (i.e. postal address with pin code, email address, mobile number, bank account details) through your Depository Participants (DPs).

The Company has sent reminders to those shareholders whose bank details are not available with the RTA, requesting them to update KYC to enable the Company for payment of dividend. The Company, before processing the request for payment of Unclaimed/

Unpaid Dividend, has been in practice obtaining necessary particulars of Bank Account of the Payee.

13. Nomination facilities

Section 72 of the Act read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, provides for the facility of nomination to security holders of the Company. This facility is mainly useful in the case of those holders who hold their shares in their own name. Investors are advised to avail of this facility to avoid any complication in the process of transmission, in case of death of the holders. Where more than one person holds the securities of a company jointly, the joint holders may together nominate, in the prescribed manner, any person to whom all the rights in the securities shall vest in the event of death of all the joint holders.

In case the shares are held in physical mode, the nomination form may be obtained from the Registrar to an issue and share transfer agent. In case of shares held in Demat form, such nomination is to be conveyed to the DPs as per the formats prescribed by them.

In this connection, shareholders holding shares in physical form are requested to update their Nomination details, if not provided earlier to S K Infosolutions Private Limited, the RTA of the Company, by submitting the following forms.

- i. Form ISR-3: Declaration to Opt-out of Nomination
- ii. Form SH-13: Nomination Form
- iii. Form SH-14: Change in Nomination
- iv. Form SH-14 and ISR-3: Cancellation of Nomination

The Nomination form is available at the website of the Company at https://www.himadri.com/home/investor_information

14. **Dispute Resolution Mechanism (SMART ODR):** In order to strengthen the dispute resolution mechanism for all disputes between a listed company and/or registrars & transfer agents and its shareholder(s)/investor(s), SEBI had issued a Standard Operating Procedure ("SOP") vide Circular dated May 30, 2022. As per this Circular, shareholder(s)/investor(s) can opt for Stock Exchange Arbitration Mechanism for resolution of their disputes against the Company or its RTA. Further, SEBI vide Circular dated July 31, 2023 (updated as on December 28, 2023), introduced the Online Dispute Resolution (ODR) Portal. After exercising and exhausting all the available options for resolution of the grievance, directly with the Company and through the SEBI Complaint Redress System (SCORES) platform, if the Shareholder is still not satisfied with the outcome, they may initiate dispute resolution through the Online Dispute Resolution Portal ("ODR") at <https://smartodr.in/login>. The process for online resolution of disputes in the securities market has been provided by SEBI in its Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated 28th December 2023. With the

said Circular, the existing dispute resolution mechanism in the Indian securities market is being streamlined under the aegis of Stock Exchanges and Depositories by expanding their scope and by establishing a common ODR Portal which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian securities market. The aforesaid Circular issued by SEBI in this regard can be accessed on the website of the Company at www.himadri.com. Through this ODR portal, the aggrieved party can initiate the mechanism, after exercising the primary options to resolve its issue, directly with the Company and through the SEBI Complaint Redress System (SCORES) platform. The Company has complied with the above circulars and the same are available at the website of the Company at https://www.himadri.com/home/investor_information

15. **Dematerialisation of physical shares:** Members may please note that in view of the proviso to Regulation 40(1) of the SEBI Listing Regulations, securities of listed companies can be transferred only in dematerialised form (DEMAT) with effect from 1 April 2019. Dematerialisation of shares would help to eliminate risks associated with Physical Shares. In this regard, SEBI has clarified by a Press Release No. 12/2019 dated 27 March 2019, that the said amendments do not prohibit an investor from holding the shares in physical mode and the investor has the option of holding shares in physical mode even after 1 April 2019. However, any investor who is desirous of transferring shares (which are held in physical mode) after 1 April 2019 can do so only after the shares are dematerialized.

As per the SEBI Circular dated January 30, 2026, RTAs/Companies are required to process shareholder service requests (including transmission, transposition, subdivision, consolidation, renewal, exchange, and name changes/deletions) and issue securities exclusively in dematerialised form, credited directly to the claimant's demat account, within 30 days of receipt of the request after resolving objections.

16. **Transfer of Unclaimed Dividend and Shares to IEPF:** Members are hereby informed that pursuant to Section 124(6) of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and all other applicable provisions, circulars and amendments thereto, the equity shares of the Company in respect of which dividends remained unclaimed or unpaid for seven consecutive years or more from the date of transfer of unclaimed or unpaid dividend to unpaid dividend account, are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF") as established by the Central Government in terms of Section 125(1) of the Act.

Pursuant to the provisions of Section 124 of the Act read with Investor Education and Protection Fund

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Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and the relevant circulars and amendments thereto ('IEPF Rules') the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the IEPF, constituted by the Central Government.

The amount of unpaid dividend for the year ended 31 March 2019 and onwards is lying in separate banking accounts for the respective years. Members who have not claimed dividend for the year ended 31 March 2019 and onwards, if any has been provided an opportunity to claim such dividend by sending a letter under their signature along with one cancelled cheque/bank details, claiming the amount of unpaid dividend, so as to reach with the Company's RTA, M/s S.K. Infosolutions Pvt. Ltd, D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032.

Members are hereby informed that the dividend for the financial year ended 31 March 2019 declared at the AGM held on 25 September 2019, is also due to be transferred to IEPF Authority on 31 October 2026, after expiry of the period of seven years. The details of those Members who have not claimed dividend for a consecutive period of seven years or more and the relevant details of shares due to be transferred to the IEPF Authority, is available on Company's website at www.himadri.com under Investors Section.

The unclaimed dividend and the unclaimed shares, after being transferred to IEPF Authority can be claimed back from the IEPF Authority by filing the web-based e-Form IEPF-5 online. Ms. Monika Saraswat, Company Secretary & Compliance Officer, is the Nodal Officer of the Company for the purpose of verifying such claims. It was further clarified that if any dividend is paid or claimed for any year during said period of seven consecutive years, the shares shall not be transferred to IEPF.

17. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 read with Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025, has mandated the listed companies to issue securities in demat form only while processing service requests viz. issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, subdivision/ 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 in and signed Form ISR – 4. The said form can be downloaded from the Company's website, www.himadri.com.
18. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order

of names are requested to send the share certificates to the Company's RTA for consolidation into a single folio.

19. Non-resident Indian Members are requested to inform the Company's RTA, M/s S. K. Infosolutions Pvt. Ltd., D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032, email: skcdilip@gmail.com, immediately of :
 - (a) Change in their residential status on return to India for permanent settlement.
 - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
20. The Board has appointed CS Rajarshi Ghosh, Practising Company Secretary (FCS: 12595; C.P. 8921), as the Scrutinizer to scrutinize the remote e-voting process and also e-voting during the meeting in a fair and transparent manner. The Scrutinizer shall, after the conclusion of e-voting at the 38th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting system and shall make a consolidated Scrutinizer's Report.
21. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.himadri.com and on the website of the NSDL at www.evoting.nsdl.com immediately after declaration. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
22. A recorded transcript of the meeting shall be uploaded on the website of the Company www.himadri.com and the same shall also be maintained in the safe custody of the Company.
23. The scanned copies of the relevant documents referred to in the accompanying notice/explanatory statement will be made available at www.himadri.com for inspection by the Members at the AGM, from the date of circulation of this Notice up to the date of this AGM.

During the AGM, the scanned copy of Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act, the Certificate from Secretarial Auditor of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and any amendment thereof and the Memorandum and Articles of Association of the Company shall be available for inspection upon login to NSDL e-Voting system at www.evoting.nsdl.com.

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24. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company's RTA/ Depositories for receiving all communications including Annual Reports, Notices, Circulars etc. from the Company electronically.

25. Ms. Monika Saraswat, Company Secretary and Compliance Officer of the Company shall be responsible for addressing all the grievances in relation to this AGM including e-Voting. The Members may contact at the following address:

Name: **Ms. Monika Saraswat**

Designation: Company Secretary and Compliance Officer
Corporate Office: 8, India Exchange Place, 2nd Floor, Kolkata-700001

Email id: monika@himadri.com;

Phone No.: 033-2230 9953

26. Details as required under Regulation 36(3) of the SEBI Listing Regulations and revised Secretarial Standards on General Meeting (SS-2) with respect to Director seeking appointment and re-appointment at the AGM is given in the **Annexure- I** to this Notice.

27. Since the AGM will be held through VC / OAVM facility, the Attendance slip, and Route Map are not annexed to this Notice.

28. **Conduct of AGM through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) facility.**

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

- i. The Members are requested to join the 38th AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting i.e. at 11:00 A.M. (IST) by clicking on the link <https://www.evoting.nsdl.com> under Members login, where the EVEN of the Company will be displayed, by using the remote e-voting credentials and the same shall be kept open throughout the meeting. The Members are also requested to follow the procedure mentioned in these notes.
- ii. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on a first come first served basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are

allowed to attend the AGM without restriction on account of first come first served basis.

iii. In line with the MCA Circulars, the Notice calling the 38th AGM has been uploaded on the website of the Company at www.himadri.com. The Notice can also be accessed from the 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 the AGM Notice is also available on the website of NSDL (agency for providing the remote e-Voting facility) i.e. www.evoting.nsdl.com.

iv. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of the Company will be displayed. Please note that the Members who do not have the User ID and password for e-voting or have forgotten the User ID and password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-voting system of NSDL.

v. Members who would like to express their views or ask questions during the 38th AGM of the Company will be required to register themselves as a speaker by sending e-mail to the Company Secretary & Compliance Officer at himadriagm2026@himadri.com from their registered e-mail address mentioning their name, DP ID and Client ID number/folio number, email id, mobile number. Members who have registered their name as speakers till 07 June 2026 will be eligible to speak at the AGM.

Further, Members who would like to have their questions/queries responded to during the AGM are requested to send such questions/queries in advance within the aforesaid date and time, by following the similar process as stated above.

vi. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

vii. When a pre-registered speaker is invited to speak at the meeting, but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a

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device with a video/camera along with good internet speed. Please note that Members connecting from mobile devices or tablets or through laptops etc 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.

- viii. Members desiring any information regarding the Financial Statements of the Company to be placed at the AGM are requested to write to the Company through email on himadriagm2026@himadri.com till 07 June 2026 so as to enable the management to keep the information readily available at the meeting.
- ix. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at himadriagm2026@himadri.com. The same will be answered by the Company suitably.
- x. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
- xi. In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not casted their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. After the members participating through VC/OAVM facility, eligible and interested to cast votes, have casted their votes, the e-voting will be closed with the formal announcement of the closure of the 38th AGM of the Company.
 - a. Institutional Investors who are Members of the Company, are encouraged to attend and vote in the 38th AGM of the Company through VC/OAVM facility.
 - b. Members who need assistance before or during the AGM with use of technology, can:
 - Send a request at evoting@nsdl.com or call at: 022 - 4886 7000.
- xii. The Members who have cast their vote by remote e-Voting prior to the AGM may also attend / participate

in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

B. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING AGM ARE AS UNDER:-

- i. The remote e-Voting period shall begin at **09:00 a.m. (IST) on 07 June 2026 and ends at 5:00 p.m. (IST) on 10 June 2026**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 04 June 2026**, may cast their vote electronically. A person who is not a member as on the cut-off date should treat this Notice for information purpose only. The remote e-Voting module shall be disabled by NSDL for voting thereafter and the facility shall forthwith be blocked.
- ii. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the **cut-off date i.e. 04 June 2026**. Members are eligible to cast vote electronically only if they are holding shares either in physical form or demat form as on that date. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as of the **cut-off date i.e. 04 June 2026**, may obtain the login ID and password by sending a request at evoting@nsdl.com

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

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode

In terms of SEBI Circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants (DPs). Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- 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. - Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - 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  
Individual Shareholders holding securities in demat mode with CDSL	- 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. - 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 evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

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Type of shareholders	Login Method
	- 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. - Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

How to Login to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

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4. 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 folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than individual shareholders are given below:

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

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

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

6. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:

- 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.
- "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

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

8. Now, you will have to click on "Login" button.

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

Step 2: Cast your vote electronically and join AGM on NSDL e-Voting system

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

- 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.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- 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.
- Upon confirmation, the message "Vote cast successfully" will be displayed.

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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.

Process for those shareholders whose email IDs are not registered with the Depositories for procuring user id and password and registration of e mail IDs for e-Voting for the resolutions set out in this Notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to the Company's email id at investors@himadri.com or, Company's RTA email id at skcdilip@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to the Company's email id at investors@himadri.com or, Company's Registrar to an issue and share transfer agent email id at skcdilip@gmail.com. If you are an individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **Step 1 (A)** i.e., Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-Voting by providing above mentioned documents.
4. In terms of SEBI Circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants (DPs). Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the AGM is the same as the instructions mentioned above for remote e-Voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.

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

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush.
2. Members are encouraged to join the meeting through laptops for a better experience.
3. Further Members will be required to allow a camera and use the Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

General Guidelines for Shareholders

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
2. 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. Pritam Dutta, Assistant Manager at pritamd@nsdl.com / evoting@nsdl.com

Explanatory statement pursuant to the provisions of Section 102 of the Act read together with Regulation 17(11) of the SEBI Listing Regulations (as amended)

The following Statement sets out all material facts, rationale and recommendation of the Board relating to the Business set out in item no. 4 to 6 of the accompanying Notice dated 23 April 2026.

Item No. 4

The Board at its meeting held on 23 April 2026 based on the recommendation of the Audit Committee has considered and approved the appointment of Mr. Sambhu Banerjee, Cost Accountant, (Membership No. 9780) as the Cost Auditor of the Company for conducting audit of Cost Accounting Records as required to be maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 for the financial year 2026-27 at a remuneration of ₹ 1,00,000/- (Rupees One Lakh only) per annum plus GST as applicable and reimbursement of actual travel and out of pocket expenses.

Pursuant to Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration, as approved by the Board on the recommendation of the Audit Committee, is required to be ratified by the Members of the Company. Accordingly, the consent of the Members is being sought to pass an Ordinary Resolution as set out under Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31 March 2027.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the Resolution as set out under Item No. 4.

The Board recommends passing the Resolution as set out under Item No. 4 of the Notice for approval by the Members of the Company as an Ordinary Resolution.

Item No. 5

Mr. Girish Paman Vanvari (DIN: 07376482), was appointed as a Non-Executive Independent Director of the Company at the Annual General Meeting held on 29 September 2021 for the first term of 5 (five) consecutive years with effect from 22 June 2021 and his present term shall expire on 21 June 2026 and he is eligible to be re-appointed as such for the second term of five years.

Mr. Vanvari is a distinguished Fellow of the Institute of Chartered Accountants of India with more than three decades of experience across taxation, corporate finance, M&A, valuations, corporate restructuring, and corporate governance. In the boardroom, he is known for bringing financial discipline and oversight, regulatory insight, practical business judgment, contributing across audit committee deliberations, risk management, capital allocation, RPT reviews, and governance frameworks.

The Company has also received a declaration to the effect that Mr. Vanvari is not disqualified from being appointed as a Director in terms of Section 164 of the Act and he is not debarred from holding the office of Director by virtue of any order of Securities and Exchange Board of India or any other statutory authority. Further, he is not related to any of the Directors of the Company. He has given his consent to act as an Independent Director of the Company. The Company has received necessary declaration from Mr. Vanvari that he meets the criteria of independence as prescribed under Section 149(6) of the Act as well as prescribed in Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, he fulfils the conditions specified in the Act, rules framed thereunder and the SEBI Listing Regulations, for being appointed as an Independent Director and he is independent of the management of the Company.

The Company has received a notice in writing under the provisions of Section 160 of the Act, from a member proposing his candidature for the office of Director, for a period of five consecutive years with effect from 22 June 2026.

The Board, based on the performance evaluation and as per the recommendation of the Nomination & Remuneration Committee and in view of his educational background and experience and considering his contributions for the growth and development of the Company, has proposed re-appointment of Mr. Vanvari as Non-Executive Independent Director of the Company, not liable to retire by rotation, for the second consecutive term of 5 (five) consecutive years on the Board of your Company with effect from **22 June 2026 to 21 June 2031**, subject to the approval of the Members.

The Board considered that Mr. Vanvari is a person of integrity and has relevant skill, experience and expertise to be re-appointed as Independent Director of the Company, for the aforesaid term and his continued association with the Company as an Independent Director would be beneficial to the Company. The Board, based upon his declaration of Independence and declaration of compliance under Rule 6 (1) and (2) of the Companies (Appointment and Qualification of Directors) Rules, 2014 regarding inclusion of his name in data bank for Independent Directors maintained by the Indian Institute of Corporate Affairs is of opinion that he fulfils the conditions specified in the Act and the Rules made thereunder and SEBI Listing Regulations for the appointment as an Independent Director.

Mr. Vanvari will be entitled to receive remuneration by way of sitting fees for attending each meeting of the Board and Committees thereof and /or for any other services whatsoever as may be decided by the Board from time to

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time, and reimbursement of expenses for participating in the Board and other meetings.

A Copy of draft letter of appointment of Mr. Vanvari as an Independent Director setting out the detailed terms and conditions would be available for inspection by Members at the website of the Company i.e., www.himadri.com until the date of the AGM.

Save and except, Mr. Vanvari, being the appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution.

The Board recommends passing of the Resolution as set out under Item No. 5 of this Notice for approval by the Members of the Company as a Special Resolution.

Brief Profile of Mr. Vanvari, pursuant to para 1.2.5 of SS-2 ("Revised Secretarial Standard on General Meetings"), Regulation 36(3) of the SEBI Listing Regulations and other applicable provisions, is annexed as **Annexure-I** to the explanatory statement.

Item No. 6

Mr. Gopal Ajay Malpani (DIN: 02043728), was appointed as a Non-Executive Independent Director of the Company at the Annual General Meeting held on 29 September 2021 for the first term of 5 (five) consecutive years with effect from 13 August 2021 and his present term shall expire on 12 August 2026 and he is eligible to be re-appointed as such for the second term of five years.

Mr. Malpani is LLB, CA, B. Com, and M.B.L. from the National Law School of India University, Bangalore, with more than two decades of practice experience. He's an accomplished Advocate offering invaluable legal advisory services in corporate law, business setup, mergers and acquisitions, property law, and financial statement advisory. Mr. Malpani plays a pivotal role in guiding businesses through complex transactions, ensuring compliance and strategic decision-making.

The Company has also received a declaration to the effect that Mr. Malpani is not disqualified from being appointed as a Director in terms of Section 164 of the Act and he is not debarred from holding the office of Director by virtue of any order of Securities and Exchange Board of India or any other statutory authority. Further, he is not related to any of the Directors of the Company. He has given his consent to act as an Independent Director of the Company. The Company has received necessary declaration from Mr. Malpani that he meets the criteria of independence as prescribed under Section 149(6) of the Act as well as prescribed in Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, he fulfils the conditions specified in the Act, rules framed thereunder and the SEBI Listing

Regulations, for being appointed as an Independent Director and he is independent of the management of the Company.

The Company has received a notice in writing under the provisions of Section 160 of the Act, from a member proposing his candidature for the office of Director, for a period of five consecutive years with effect from 13 August 2026.

The Board, based on the performance evaluation and as per the recommendation of the Nomination & Remuneration Committee and in view of his educational background and experience and considering his contributions for the growth and development of the Company, has proposed re-appointment of Mr. Malpani as Non-Executive Independent Director of the Company, not liable to retire by rotation, for the second consecutive term of 5 (five) consecutive years on the Board of your Company with effect from **13 August 2026 to 12 August 2031**, subject to the approval of the Members.

The Board considered that Mr. Malpani is a person of integrity and has relevant skill, experience and expertise to be re-appointed as Independent Director of the Company, for the aforesaid term and his continued association with the Company as an Independent Director would be beneficial to the Company. The Board, based upon his declaration of Independence and declaration of compliance under Rule 6 (1) and (2) of the Companies (Appointment and Qualification of Directors) Rules, 2014 regarding inclusion of his name in data bank for Independent Directors maintained by the Indian Institute of Corporate Affairs is of opinion that he fulfils the conditions specified in the Act and the Rules made thereunder and SEBI Listing Regulations for the appointment as an Independent Director.

Mr. Malpani will be entitled to receive remuneration by way of sitting fees for attending each meeting of the Board and Committees thereof and /or for any other services whatsoever as may be decided by the Board from time to time, and reimbursement of expenses for participating in the Board and other meetings.

A Copy of draft letter of appointment of Mr. Malpani as an Independent Director setting out the detailed terms and conditions would be available for inspection by Members at the website of the Company i.e., www.himadri.com until the date of the AGM.

Save and except, Mr. Malpani, being the appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution.

The Board recommends passing of the Resolution as set out under Item No. 6 of this Notice for approval by the Members of the Company as a Special Resolution.

Brief Profile of Mr. Malpani, pursuant to para 1.2.5 of SS-2 ("Revised Secretarial Standard on General Meetings"), Regulation 36(3) of the SEBI Listing Regulations and other applicable provisions, is annexed as **Annexure-I** to the explanatory statement.

Notice (Contd.)



Annexure- I

Disclosure pursuant to Regulation 36(3) of SEBI Listing Regulations and Clause 1.2.5 of SS-2 with respect to Directors seeking appointment / re-appointment at the AGM

Name of Director	Mr. Anurag Choudhary	Mr. Girish Paman Vanvari	Mr. Gopal Ajay Malpani
DIN	00173934	07376482	02043728
Date of Birth / Age	03-08-1972 (53 years)	10-04-1972 (53 years)	25-08-1981 (44 Years)
Date of first appointment on the Board	14-08-2019	22-06-2021	13-08-2021
Qualifications	B. Com (Hons)	FCA, B.Com	LLB, CA, B.Com, M.B.L. (National Law School of India University, Bangalore)
Shareholding in the Company as on the date of the Notice	4,33,17,676	Nil	Nil
Experience (approx.)	34 years	32 years	20 years
Nature of Expertise and Brief resume.	Mr. Anurag Choudhary, Chairman cum Managing Director & CEO and Promoter of the Company, is a visionary leader whose exceptional leadership has propelled the Company to global prominence. He is a commerce graduate. He has been looking after the overall affairs and operations of the Company under the supervision and control of the Board of Directors. He joined Himadri as part of Management in 1992 and was promoted to the post of CEO in 2006 and appointed as Managing Director & CEO w.e.f 14-08-2019. He has led Company's transformation from a coal tar pitch manufacturing Company to one of the world's most extensive value chains in the carbon segment. He started with a vision of creating the largest integrated speciality carbon complex in the world. Towards this end, the Group constantly forward integrated into value-added products creating value from every element of its key raw material – coal tar, thereby creating a one-of- its-kind specialty carbon complex globally. Under his administration, the Group has achieved leadership in its key products and expanded into new products like carbon black, lithium-ion battery material, construction chemicals etc. He believes in team building, which is the true asset of the Company.	Mr. Girish Paman Vanvari is a distinguished Fellow of the Institute of Chartered Accountants of India with more than three decades of experience across taxation, corporate finance, M&A, valuations, corporate restructuring, and corporate governance. In the boardroom, he is known for bringing financial discipline and oversight, regulatory insight, practical business judgment, contributing across audit committee deliberations, risk management, capital allocation, RPT reviews, and governance frameworks.	Mr. Gopal Ajay Malpani is LLB, CA., B. Com, and M.B.L. from the National Law School of India University, Bangalore, with more than two decades of practice experience. He's an accomplished Advocate offering invaluable legal advisory services in corporate law, business setup, mergers and acquisitions, property law, and financial statement advisory. Mr. Malpani plays a pivotal role in guiding businesses through complex transactions, ensuring compliance and strategic decision-making.

Notice (Contd.)

Name of Director	Mr. Anurag Choudhary	Mr. Girish Paman Vanvari	Mr. Gopal Ajay Malpani
Terms and conditions of appointment or re-appointment	In terms of applicable provisions of the Act, Mr. Anurag Choudhary who was re-appointed as Chairman Cum Managing Director & CEO for a period of five years w.e.f 14 August 2024 at the AGM held on 20 June 2024, is liable to retire by rotation.	Proposed to be re-appointed as a Non-Executive Independent Director for the second term of 5 (five) consecutive years with effect from 22 June 2026 to 21 June 2031, not liable to retire by rotation.	Proposed to be re-appointed as a Non-Executive Independent Director for the second term of 5 (five) consecutive years with effect from 13 August 2026 to 12 August 2031, not liable to retire by rotation.
Details of remuneration sought to be paid (₹ in lakhs)	₹ 400 annually plus perquisites	No remuneration other than sitting fees for attending Board/Committee meetings is payable.	No remuneration other than sitting fees for attending Board/Committee meetings is payable.
Remuneration last drawn during financial year 2025-26 (₹ in lakhs)	₹ 438.50 including perquisites	Nil	Nil
Number of Board Meetings attended during the financial year 2025-26	9/9	9/9	8/9
Relationship with other Directors & KMP	Mr. Shyam Sundar Choudhary, Whole-Time Director – Father Mr. Amit Choudhary, Whole-time Director – Brother	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Directorship in other Companies (excluding foreign companies)	Himadri Credit & Finance Limited Birla Tyres Limited Himadri Green Technologies Innovation Limited Himadri Clean Energy Limited Himadri Future Material Technology Limited Himadri Agro Tech Specialities Limited Himadri Advance New Energy Material Limited Invati Creations Private Limited Himadri Rare Earth Pride Resources Limited AAT Techno Info Private Limited Next Generation Traders Private Limited Next Generation Condominiums Private Limited Perfect Hi-Rise Private Limited Peaklevel Infrastructure Private Limited Modern Hi-Rise Private Limited	Aurobindo Pharma Ltd Kolte-Patil Developers Ltd Suzlon Energy Ltd Rategain Travel Technologies Ltd Blue Jet Healthcare Limited Menon and Menon Limited CMR Green Technologies Limited Rungta Greentech Limited Garware Fulflex India Private Limited	Legal Talky Real Estates Private Limited Legal Talky India Private Limited Gori Estates and Advisors Private limited Madhur Investment Private Limited MPL Plastics Limited Gori Assets and Consultants Private Limited Legal Talky Global Private Limited Malpani Consultants Private Limited SRM Energy Limited

Notice (Contd.)



Name of Director	Mr. Anurag Choudhary	Mr. Girish Paman Vanvari	Mr. Gopal Ajay Malpani
Names of listed entities in which the person also holds the directorship and Chairman/Member of the Committee of Board of other Companies (including unlisted and excluding foreign companies)	Directorship of the Board: Himadri Credit & Finance Ltd Membership of the Committees of the Board: Himadri Credit & Finance Ltd (Listed): Audit Committee, (Member), Stakeholders Relationship Committee (Member) Himadri Speciality Chemical Ltd (Listed): CSR Committee (Member) Risk Management Committee (Member) ESG Committee (Member) Share Transfer Committee (Member) Finance & Management Committee (Member) Strategy & Investment Committee (Member) Share Issue & Allotment Committee (Member)	Directorship of the Board: 1. Aurobindo Pharma Ltd; 2. Rategain Travel Technologies Ltd; 3. Kolte-Patil Developers Limited 4. Blue Jet Healthcare Limited 5. Suzlon Energy Limited Membership of the Committees of the Board: Aurobindo Pharma Ltd (Listed): Audit Committee (Chairman), Risk Management Committee (Chairman), Nomination & Remuneration Committee (Member), Stakeholders Committee (Member), CSR Committee (Member) Rategain Travel Technologies Limited (Listed): Audit Committee (Chairman), Nomination & Remuneration Committee (Chairman), Risk Management Committee (Chairman) Kolte-Patil Developers Ltd (Listed): Audit Committee (Member), Nomination & Remuneration Committee (Member), Stakeholder Relationship Committee (Member) Debenture Allotment Committee (Member) Corporate Social Responsibility Committee (Chairman), Risk Management Committee (Member) Himadri Speciality Chemical Ltd (Listed): Audit Committee (Chairman), Nomination & Remuneration Committee (Member).	Directorship of the Board: 1. MPL Plastics Limited 2. SRM Energy Limited Membership of the Committees of the Board: MPL Plastics Limited (Listed): Audit Committee (Member), Stakeholders Relationship Committee (Member), Nomination & Remuneration Committee (Member), Corporate Social Responsibility Committee (Member), SRM Energy Limited (Listed): Audit Committee (Chairman), Stakeholders Relationship Committee (Chairman), Nomination and remuneration Committee (Chairman), Himadri Speciality Chemical Ltd (Listed): Audit Committee (Member), Nomination & Remuneration Committee (Chairman).

Notice (Contd.)

Name of Director	Mr. Anurag Choudhary	Mr. Girish Paman Vanvari	Mr. Gopal Ajay Malpani
		Blue Jet Healthcare Ltd (Listed): Audit Committee (Chairman), Risk Management Committee (Member), Nomination & Remuneration Committee (Member) Menon and Menon Ltd: Audit Committee (Member), Nomination & Remuneration Committee (Member), CSR Committee (Member) CMR Green Technologies Limited: Audit Committee (Member), Nomination & Remuneration Committee (Member), IPO Committee (Member)	
Listed entities from which the Director has resigned from directorship in last three (3) years	None	Tarsons Products Limited	None
In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	Not Applicable	The Board has a defined list of core/skills/expertise/competencies, in the context of its business and sector for it to function effectively. The Nomination and Remuneration Committee of the Board has evaluated the profile of Mr. Vanvari and concluded that Mr. Vanvari possesses the relevant skill and capabilities to discharge the role of Independent Directors.	The Board has a defined list of core/skills/expertise/competencies, in the context of its business and sector for it to function effectively. The Nomination and Remuneration Committee of the Board has evaluated the profile of Mr. Malpani and concluded that Mr. Malpani possesses the relevant skill and capabilities to discharge the role of Independent Directors.

By Order of the Board

Sd/-

Monika Saraswat
 Company Secretary &
 Compliance Officer
 ACS: 29322

Place: Kolkata
 Date: 23 April 2026



NEW WORLD

Our company intends to emerge as a global speciality solutions institution – defined by science depth, application breadth, earnings resilience, and presence relevance across future-facing industries in a rapidly transforming landscape



Himadri Speciality Chemical Ltd
Annual Report FY 2025-26

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Forward-looking statement

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

This is not just another Annual Report.

This report is not just about how we performed in the last financial year.

It is a window onto how the world is rapidly transforming.

And how Himadri is investing proactively to capitalise on this transforming landscape.

With the objective to emerge as a global speciality solutions institution.

INTRODUCTION

5 FEATURES OF A NEW WORLD

1 *The world is electrifying*

Energy is moving from combustion and towards renewable electrons. Materials that improve conductivity, stability, thermal control, and lifespan are now mission-critical. Carbon has ceased to be a commodity and emerged as a precision enabler.

2 *Materials are becoming smarter than machines*

Material science influences how lighter something can be, how longer it can last, and how predictably it can perform under stress. Advanced application-based solutions are now the new determinant of product capability and acceptability.

3 *Scale without sustainability is no longer acceptable*

Regulators, customers, and capital now demand lower emissions, cleaner processes, longer product life, and circularity. The role of carbon, once an environmental cost, is now being reimaged.

4 *Supply chains are re-localising and de-risking*

Nations and corporations are building resilience into their supply chains. Industrial credibility now matters as much as price.

5 *The invisible is becoming indispensable*

A battery's life, a tyre's endurance, a coating's performance, a plastic's strength – these outcomes depend on microscopic interventions with macroscopic consequences. As products get more complex and margins tighter, precision materials quietly decide success or failure.



REVENUE ₹4,661 Cr Increased share from value added products	EBITDA* ₹1,006 Cr A 19% increase YoY	EBITDA MARGIN 22% +322 bps YoY
PBT ₹1,001 Cr +24% YoY	PAT ₹755 Cr +36% YoY	ROCE# 32% Focussed value creation
NET CASH ₹121 Cr Net cash positive	R&D SPEND ₹129 Cr 180+ scientists including 28 Ph.Ds	ROE 18% Increased share from value added products
SUSTAINABILITY RATING Platinum EcoVadis Platinum- 2nd consecutive year	PER DIVIDEND SHARE ₹0.80 +33% YoY	PROMOTER HOLDING 52.5% Balanced ownership structure

*Earnings before interest, tax, depreciation, amortisation, foreign exchange fluctuation gain/ (loss) and other income.
#Excludes investments and CWIP.

5 principal messages of how Himadri is transforming

- 1

Himadri is balancing a conventional resource business at one end with the manufacture of cutting-edge products at the other
- 2

Himadri is seeding its business with advanced technology-intensive products positioned to capitalise on the unprecedented global energy transition story
- 3

Himadri is broadbasing its products portfolio through an integrated approach – end products become raw materials for other products
- 4

Himadri is creating a robust complement of initiatives – acquisition, expansion, distribution, service and branding – to accelerate growth
- 5

At the heart of this framework lies a people-first approach directed to enhance competence, delegation and ownership – happiness.



PART
1

Who we are
and what we do

“At Himadri Speciality Chemical Ltd,
we believe that our corporate
success is dependent on the well-
being of our planet and society.”

Anurag Choudhary
CMD & CEO



CORPORATE SNAPSHOT

About us

Himadri is a global speciality solutions company built on decades of deep material science expertise and a strong culture of innovation. Having evolved significantly beyond its carbon chemistry roots, Himadri today delivers high-value, differentiated solutions across lithium-ion batteries, paints, plastics, tyres, aluminium, defence, agrochemicals and construction chemicals, with its products trusted across 61 countries.

As a pioneer in lithium-ion battery materials, Himadri is strategically positioned within the global energy transition landscape. With eight zero-liquid discharge manufacturing facilities, in-house clean power meeting 100% of its electrical energy requirements, and a people-first culture supported by strong in-house R&D capabilities, the Company has undertaken a deliberate transformation from commodities to specialised solutions and from scale to value-led growth. Today, Himadri stands at the cusp of disproportionate value creation.

Talent

At Himadri, we believe that we are a people company that manufactures cutting-edge products - not a products company that employs people. We had around 1,161 professionals (manufacturing, technical, research, and corporate) working with us as on 31 March 2026. Our culture is one of innovation, safety, operational excellence, continuous technology

cum product development, product quality, competitiveness, and market responsiveness. Average age of our team was 38 as on 31 March 2026.

Focus

At Himadri, we are driven by the need to build a global speciality solutions institution - that leverages knowledge for the development of products adjacent to its core competence, underscored by the depth of science, breadth of application, and resilience of earnings. This focus influences everything we do: enhance scale, scope, sophistication and sustainability. This clarity has helped our company grow from a singular Coal Tar Pitch manufacturing personality into one of India's foremost speciality chemical and carbon materials producers.

Future-facing

The one thing that distinguishes us it is our commitment to manufacture products addressing futuristic applications and manufacturing products in line with the best standards of the world – and then leading those markets. This explains the extension of our conventional portfolio into Speciality Carbon Black, lithium battery materials, high-performance chemical products and tyres addressing electric vehicles (proposed). The result is that our businesses address green energy transition and premium material science.

Research-driven

The Company has been a proactive investor in research capabilities consistently. The Company invested in advanced chemical laboratories, marked by cutting-edge infrastructure investment and specialised talent engagement. This focus empowered the Company to extend proprietary capabilities into advanced carbon materials and battery chemistries while maintaining a leadership in conventional product segments.

Global mindset

Himadri is Indian by origin but global by standards. This means that research efficacy, manufacturing scale, operating efficiency, customer presence, sustainability orientation and certifications need to be consistently global. Exports to 61 countries accounted for 29.81% of the Company's revenues in FY 2025-26.

Solutions focus

At Himadri, the focus is not just to manufacture and market; the focus is to customise products in line with evolving and demanding downstream needs, empowering our customers to win market share, helping them protect the viability of their products and delivering products just-in-time so that their operations are not interrupted. This product-plus approach across the energy storage, infrastructure, tyres, aluminium, paints, and speciality chemical application segments has helped deepen its customer relationships into the long-term.

First-to-launch personality

At Himadri, we are convinced that to succeed in competitive or futuristic spaces, it will be imperative to pioneer products. The Company enjoys an attractive record: it was among the first Indian companies to commercialise various grades of carbon pitch, Speciality Carbon Black grades as well as lithium-ion battery material technologies (anode and cathode). The Company's state-of-the-art R&D infrastructure focuses on process optimisation, product customisation, and the development of high-value advanced materials for next-generation applications.

Respect

Himadri emphasises environmentally responsible manufacture, efficient resource utilisation, and ethical business practices. Its sustainability framework focuses on lowering emissions, energy efficiency, waste reduction, and community impact. As an extension of this commitment, the Company has been recognised the world over for its sustainability practices. The EcoVadis Platinum Medal, awarded for second consecutive year, places the Company among the top 1% of 1,50,000 global companies assessed, reaffirming its sustained leadership in environmental, ethical and ESG performance.

Marquee clients

Himadri engages with marquee customers who put a value on

proactive capacity expansion, superior quality, service and productisation. Inevitably, these engagements have translated into trust-based long-term partnerships, where the customers have turned to Himadri as their single source supplier.

Manufacturing facilities

Himadri operates seven manufacturing facilities in India (the flagship plant in Mahistikry on the outskirts of Kolkata being integrated). On the one hand, these facilities are benchmarked around holistic international standards; on the other, these facilities are inter-linked (end product from one process becoming the raw material of another), helping save infrastructure costs. Besides, these facilities are proximate to resource-providing locations, a logistical advantage.

Performance

Himadri is focused on the manufacture of value-added products with an overarching objective: to lead those markets and deliver superior financials. This is visible in the Company's financials following FY 2020-21: revenues grew a compounded 23%, EBITDA* grew 50% and EBITDA margins increased 1,380 bps to 22% during the period. This outperformance over the sectoral average was the outcome of prudent products selection, disciplined capital allocation, enduring competitive advantage and a timely diversification into future-ready materials.

**Earnings before interest, tax, depreciation, amortisation, foreign exchange fluctuation gain/ (loss) and other income.*

Credit rating

Himadri's pedigree, performance and prospects have been validated by its credit rating. This has been influenced by robust cash flows, debt reduction, investment from accruals and capacity expansion. The ICRA credit rating agency maintained the Company's rating at **[ICRA] AA-(Positive)** / **[ICRA] A1+** for the long term and short-term in FY 2025-26.

Valuation

Himadri is a publicly listed company on NSE and BSE. As of 31 March 2026, its market capitalisation was ₹22,281 Crores, reflecting investor confidence in the Company's prospects. This valuation positions Himadri among the small to mid-cap players in the advanced materials sector.

Awards

Himadri has received strong public recognition as an industry outperformer, reflecting its consistent focus on operational excellence, people practices, sustainability, and responsible growth.

These accolades highlight the Company's contribution to India's manufacturing landscape, commitment to building a progressive workplace, and efforts towards environmental stewardship and social responsibility, reinforcing its position as a well-rounded future-focused organisation.

Big numbers

8
Manufacturing facilities

22,281
₹ in Crores, market capitalisation as of 31 March 2026.

4,661
₹ in Crores, revenue generated in FY 2025-26 (On a consolidated basis)

Big numbers

128
₹ Crores, Spent on R&D in FY 2025-26

ICRA]AA-(Positive)/
[ICRA]A1+
Long-term credit rating for FY 2025-26



Awards & Recognition

Himadri’s recognitions highlight its leadership in the area of speciality chemicals, manufacturing excellence, and workplace practices.



Recognised among the Top 100 Fastest, Most Consistent and All-Rounder Wealth Creator in 30th Annual Wealth Creation Study by Motilal Oswal Financial Services Ltd.



Recognised by Dun & Bradstreet as India’s Top Value Creator 2025 - Chemicals



Mr. Anurag Choudhary (CMD & CEO) was conferred Business Today India’s Best CEO Award 2026 (Chemicals) at BT MindRush 2026, recognising his leadership in driving Himadri’s transformation into a diversified speciality chemicals and advanced materials company.



Awarded at the prestigious 4th Edition of Chemconnect 2026, for the International Supply Chain Excellence in Speciality Chemicals segment.



Winner of Golden Peacock Occupational Health & Safety Award- 2025, given under the seal of Institute of Directors, India.



International Safety Award, Merit 2026 for demonstrating a strong commitment to good health and safety management.



Recognised with six prestigious awards at the 13th The Golden Globe Tigers Award 2025, across key categories in CSR, workplace excellence, climate action and sustainability leadership

Accreditations

Himadri’s accreditations and rankings have reaffirmed its credibility across ESG, CSR, and performance benchmarks. They underscore a consistent commitment to responsible growth, governance, and industry best practices.



The Company has been recognised for world-class sustainability. The EcoVadis Platinum Medal, awarded for the second consecutive year, places the Company among the top 1% of 1,50,000 global companies assessed, reaffirming its sustained leadership in environmental, ethical and ESG performance.



Awarded Indian Social Impact Award for Best 3 Integrated CSR Initiative of the Year - 2025, by brand honchos.



Winner of the 20th Exceed OHS & Security Award 2025. Legend (Emerging) - recognised for performance and commitment to excellence in OH&S category in Chemical & Fertilizer Sector.



Recognised at the 19th Exceed Environment Award 2025 - Champion (Outstanding) in Quality Management Category and Outstanding Award in the CSR category.



Recognised at the 19th Exceed CSR Award 2025 - Outstanding Award for ‘Building Futures - Empowering Communities’ in the CSR Category (Sector: Speciality Chemicals).



Honoured with four wins at the 24th Greentech Global Environment & Sustainability Awards 2025, recognising the Company’s leadership across key sustainability pillars.



Certified as a Great Place to Work®, reflecting a high-trust, inclusive and people-centric workplace culture.



CDP A rating for Supplier Engagement reflecting best-in-class supplier collaboration on climate action.



CDP B rating for Climate and Water Security, reflecting strong environmental management and responsible impact stewardship.



Certified ISCC Plus for strong leadership in Sustainable and Traceable Supply Chains



What we were.
*A coal tar
derivatives company*

What we have become.
*A global advanced materials
and application-driven solutions company*



How we have grown across four decades

Himadri's story is one of sustained growth, transformation and reinvention

- 1

Our milestones indicate continuous growth
- 2

The flywheel effect is evident; growth is quicker now
- 3

The Company has created a large broad-based organisation

The early years: 1990-1999

Aggregating the blocks: 2000-2009

- 1990

Commissioned a coal tar distillation plant in Howrah, West Bengal
- 1991

Name changed to Himadri Chemicals & Industries Pvt. Ltd.
- 1992

Himadri became a public limited company
- 1993-99

Commissioned a second coal tar distillation plant in Howrah and a manufacturing unit in Visakhapatnam

- 2000

Merged Himadri Ispat Limited's coal tar distillation facility with the Company
- 2004

Established a new coal tar distillation plant in Mahistikry, Hooghly, West Bengal
- 2005

Capacity expansion at Mahistikry, Hooghly, West Bengal
- 2006

Commissioned a by-product refining plant in Mahistikry, Hooghly, West Bengal

- 2007

Established a new manufacturing plant in Korba, Chhattisgarh
- 2009

Strengthened its presence in construction chemicals through the acquisition of a SNF plant in Vapi, Gujarat.
- Commissioned

SNF production at its Mahistikry facility in Hooghly and commenced Carbon Black production coupled with a captive power generation plant in Hooghly, enhancing integration, efficiency, and scale.

Bringing sustainability into play: 2010-2026

- 2010

The Company completed capacity addition at its Coal Tar distillation plant in Mahistikry, Hooghly, West Bengal, strengthening its raw material integration. During the same year, Himadri completed the expansion of its SNF (Sulphonated Naphthalene Formaldehyde) capacity at the Vapi plant, enhancing its position in the construction chemicals segment.
- 2011

The R&D center at the Mahistikry plant in Hooghly was recognised by the Government of India.

Himadri undertook a significant expansion. It completed capacity addition for Carbon Black at Mahistikry, Hooghly, and commissioned the production of SNF at the same location. The Company established a 100% export-oriented unit in Falta, West Bengal, and set up a Coal Tar Pitch plant in Longkou, Shandong Province, China.
- 2012

Himadri executed a brownfield expansion of its power plant, increasing its capacity from 12 MW to 20 MW.
- 2014

The Company commenced operations of expanded coal tar distillation and ventured into the Speciality Carbon Black space, marking its entry into a value-added segment. It also completed a major brownfield project that enhanced its Coal Tar distillation capacity in India by 60%, strengthening its scale and competitiveness.
- 2015

The Company initiated the setting up of a pitch melting plant at Sambalpur, Odisha.
- 2016

The Company adopted the name Himadri Speciality Chemical Ltd, reflecting the nature and diversification of its business. It commenced pitch melting operations at the Sambalpur, Odisha plant, overhauled its Carbon Black marketing approach, and installed a continuous furnace for advanced carbon materials at the Falta SEZ, signalling its transition towards next-generation materials.
- 2017-19

Himadri commenced commercial operations of the pitch melting plant at Sambalpur, Odisha. It initiated the setting up of a manufacturing facility for Advanced Carbon Material (HSCP) in West Bengal and undertook the debottlenecking of coal tar distillation capacity to generate higher throughput and operational efficiency.
- 2020-24

The Company commenced commercial production of 60,000 TPA of Speciality Carbon Black at Mahistikry. It further strengthened its innovation pipeline in Speciality Carbon Black and next-generation battery materials through in-house R&D. It commenced the commercial production of over 60 grades of speciality Carbon Black. In the New Energy Materials segment, Himadri advanced towards commercialising its LFP Cathode Active Material by setting up a pilot plant.

- Strategic actions during the year included an investment in Sicona Technologies, Australia, to advance anode innovation, and the acquisition of Birla Tyres, enhancing its presence across global tyre and materials ecosystems.
- Himadri acquired a 40% stake in Invati Creations, advancing its strategy in high-quality lithium-ion battery materials and next-generation battery technologies.
- Himadri commissioned a high-temperature liquid Coal Tar Pitch terminal at the Haldia Port, strengthening its export presence. The move marked its expansion into the liquid pitch export segment, reinforcing its international presence.
- 2025

Himadri acquired a 17.29% stake in International Battery Company, Inc. (USA). IBC has its R&D setup in California along with a manufacturing facility in South Korea. This partnership allows Himadri access to IBC's AI capabilities and ramp the lab to commercialisation journey of its products.
- Himadri delivered its first export shipment of Liquid Coal Tar Pitch to the Middle East from Mangalore Port in November 2025.
- The Company expanded into the liquid Coal Tar Pitch segment, strengthening its export presence and entering key international markets.
- Commercial production commenced in February 2026 as a part of the brownfield expansion of 70,000 TPA of speciality blacks, increasing its total Speciality Carbon Black capacity to 1,30,000 TPA - the world's largest single-site facility for Speciality Carbon Black.



PRODUCT PORTFOLIO

Himadri manufactures products used to sustain a modern world

What is good for the world is good for our Company

Overview

Our businesses are future-facing; they address growing humankind needs.

This make are businesses relevant, future-facing and contemporary.

We have invested in businesses that address products fundamental to modern living.

The products manufactured by our company and customers enhance convenience or competence (directly or indirectly).

We make products that enhance the efficacy of downstream products made by our customers.

The result: if the Indian or global economy grows, we grow. What is good for the world is good for our Company.



Lithium-ion batteries

Foundational to electric mobility and energy storage ecosystems.

Long-term growth is driven by decarbonisation and electrification.

The Indian market is projected to grow at a CAGR of 39.3% from 2025 to 2030 in terms of energy demand from LiBs.

Lithium-ion battery component materials and advanced carbon materials manufactured by Himadri are used to improve conductivity, energy density, and cycle life. (Source: PIB)



Paints

Indispensable for homes, offices and consumer products.

No change foreseen in its criticality.

The Indian market is projected to grow at a CAGR of 9.28% from 2026 to 2031.

Speciality Carbon Black and Carbon Black manufactured by Himadri are used as pigments and performance enhancers in decorative and industrial coatings. (Source: Mordor Intelligence)



Plastics

Essential for packaging, consumer goods, automotive and infrastructure applications.

Demand driven by urbanisation, light weighting and material substitution.

The Indian market is projected to grow at a CAGR of 10.9% from 2025 to 2030.

Speciality Carbon Black and Carbon Black manufactured by Himadri are used for colour, UV protection, conductivity, and reinforcement in plastic compounds. (Source: IBEF)



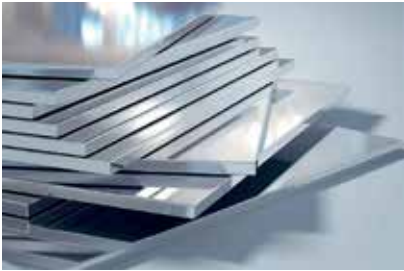
Technical rubber goods

Critical for automotive, industrial and engineering applications.

Performance requirements rising with safety and durability standards.

The Indian market is projected to grow at a CAGR of 5.9% from 2025 to 2030.

Carbon Black, Speciality Carbon Black, and speciality oils manufactured by Himadri are used to improve strength, elasticity, and processing efficiency. (Source: Grand View Research)



Aluminium

Key material for light weighting structures, power transmission and construction.

Increasing adoption driven by energy transition and infrastructure growth.

The Indian market is projected to grow at a CAGR of 6.9% from 2025 to 2030 in terms of volume.

Coal Tar Pitch manufactured by Himadri is used as a binder in aluminium smelting and electrode applications. (Source: NEXTMSC)



Graphite (in electrodes):

Indispensable for cell operations.

Demand linked to battery and cell manufacturing.

The Indian market is projected to grow at a CAGR of 6.2% from 2025 to 2033 in terms of volume.

Coal Tar Pitches - Binder grade and Impregnated Grades manufactured by Himadri are used in the manufacture of graphite electrodes. (Source: IMARC)



Agrochemicals

Essential for crop protection and agricultural productivity.

Structural demand supported by food security and yield optimisation.

The Indian market is projected to grow at a CAGR of 9% from FY 2024-25 to FY 2027-28.

Naphthalene and SNF manufactured by Himadri are used as intermediates and dispersing agents in agrochemical formulations. (Source: IBEF)



Dyes

Critical inputs for textiles, leather and speciality applications.

Export competitiveness and compliance driving steady demand.

The Indian market is projected to grow at a CAGR of 5.5% from 2024 to 2030.

Naphthalene manufactured by Himadri is used as a key raw material for dye intermediates. (Source: Grand View Research)



Inks

Essential for packaging, printing and labelling applications.

Demand aligned with FMCG growth and organised retail expansion.

The Indian market is projected to grow at a CAGR of 9.07% from 2025 to 2031.

Speciality Carbon Black manufactured by Himadri is used as a pigment for colour strength, dispersion stability, and print durability. (Source: Data Insight Market)



Tyres

Core component for mobility across passenger, commercial and off-road segments.

Growth supported by vehicle production and replacement demand.

The Indian market is projected to grow at a CAGR of 8-9% from 2025 to 2032.

Carbon Black, Speciality Carbon Black, and speciality oils manufactured by Himadri are used to enhance tyre performance and longevity. (Source: Markets and Data)



Construction (used in additives)

Integral to cement, concrete performance and infrastructure durability.

Growth driven by urban development and public infrastructure spending

The Indian market is projected to grow at a CAGR of 7.46% from 2026 to 2031.

Polycarboxylate ether (PCE) and SNF made by Himadri are used as concrete admixtures to enhance strength, workability, and durability. (Source: Mordor Intelligence)



OUR GLOBAL FOOTPRINT

Our products are available in 61 countries.

The Company’s international operations are driven by ‘emotional or physical customer proximity’.

The Company ensures that customer operations are never interrupted on account of a stock out.





The World of Himadri.

A journey backed by stakeholder confidence

Across Himadri’s journey spanning well over three decades, the Company has built a strong and diverse shareholder base.

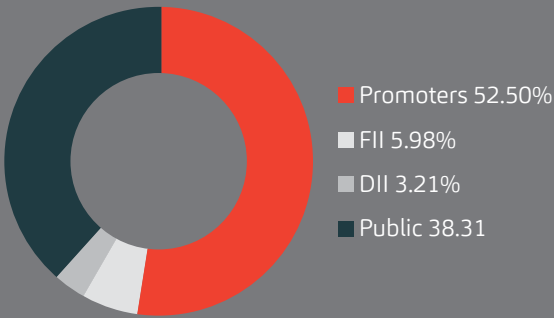
As on 31 March 2026, Himadri was supported by over 4,08,408 shareholders, reflecting the deep trust and confidence reposed by stakeholders.

This ownership base is a testament to the credibility of our growth journey and our consistent focus on long-term value creation.

It is also reflected in the balanced nature of our shareholding structure, comprising institutional as well as retail participation, signaling sustained investor belief in Himadri’s strategic direction and performance.

Balanced ownership

Over the last three years, the promoters have increased their shareholding in the Company from ~45% to ~52%, reflecting their conviction in the business, long-term vision, and growth journey.



Total Promoter & Promoter Group’s shareholding in our Company

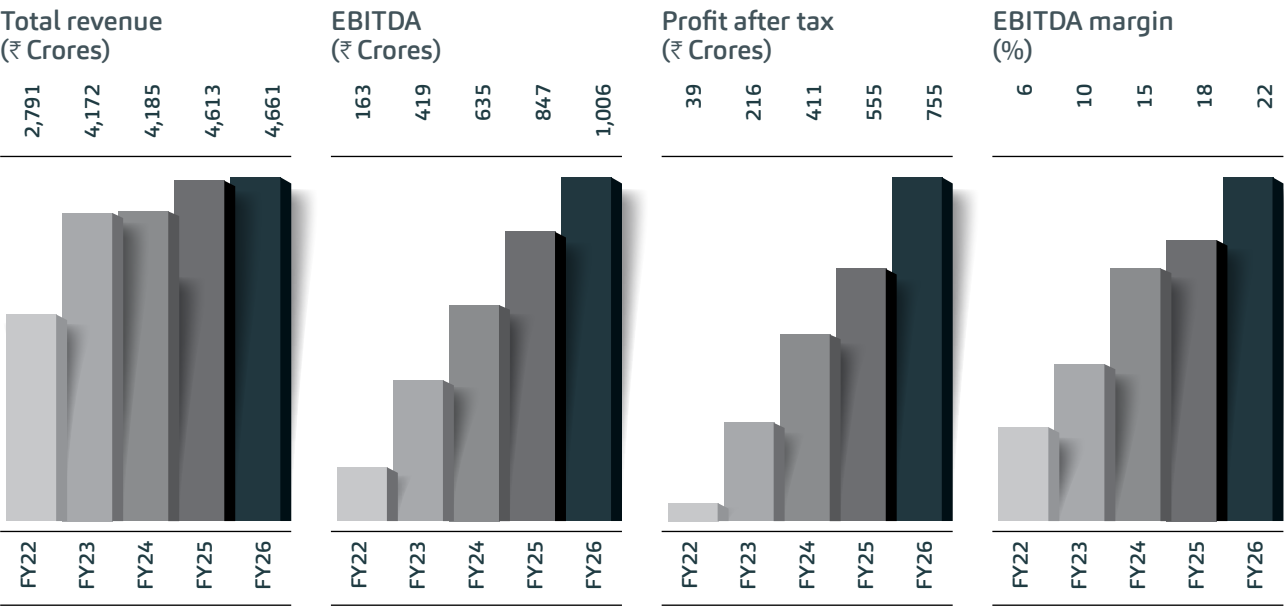
31.03.2022		31.03.2023		31.03.2024		31.03.2025		31.03.2026	
Number of shares	% of total No. of shares	Number of shares	% of total No. of shares	Number of shares	% of total No. of shares	Number of shares	% of total No. of shares	Number of shares	% of total No. of shares
19,03,18,874	45.43	19,73,83,674	44.62	24,77,33,674	50.29	25,48,59,302	51.61	26,48,59,302	52.50



FINANCIAL PERFORMANCE

At Himadri, our competitive business model has translated into a sustained industry outperformance

(On a consolidated basis)



Definition
Total revenue is the complete income a company earns from its business activities before any expenses are deducted.

Why it is measured
It is tracked to evaluate the Company's ability to make market inroads, generate revenues and strengthen its market position.

Value impact
The Company generated a 67% increase in revenues during the last five financial years. Himadri has strategically advanced through multiple stages of forward integration

This integrated structure has significantly strengthened the Company's financial performance, most notably reflected in the robust expansion of EBITDA and PAT levels over recent years.

Definition
Earnings before interest, tax, depreciation, amortisation, foreign exchange fluctuation gain/ (loss) and other income represents a company's operating profitability by indicating earnings from core business activities before accounting for financial and non-cash expenses.

Why it is measured
It is used to assess a company's operational performance and compare profitability across businesses before the impact of financing or accounting decisions.

Value impact
The Company generated a 19% increase in EBITDA during the last financial year, which was the highest in its existence, endorsing its product integration, value-addition and scale economies

Definition
Profit after tax is the net income a company retains after all expenses, including taxes, have been deducted from total revenue.

Why it is measured
It is measured to determine the actual earnings available to shareholders and evaluate the Company's holistic financial health.

Value impact
The Company generated a 36% increase in PAT during the last financial year, validating the strength of the business model and overall competitiveness

Definition
EBITDA margin is a company's EBITDA as a percentage of its total revenue, indicating the Company's operational profitability relative to its sales.

Why it is measured
It is tracked to evaluate how efficiently a company converts revenue into operating profit, often used as a basis of comparison with other companies.

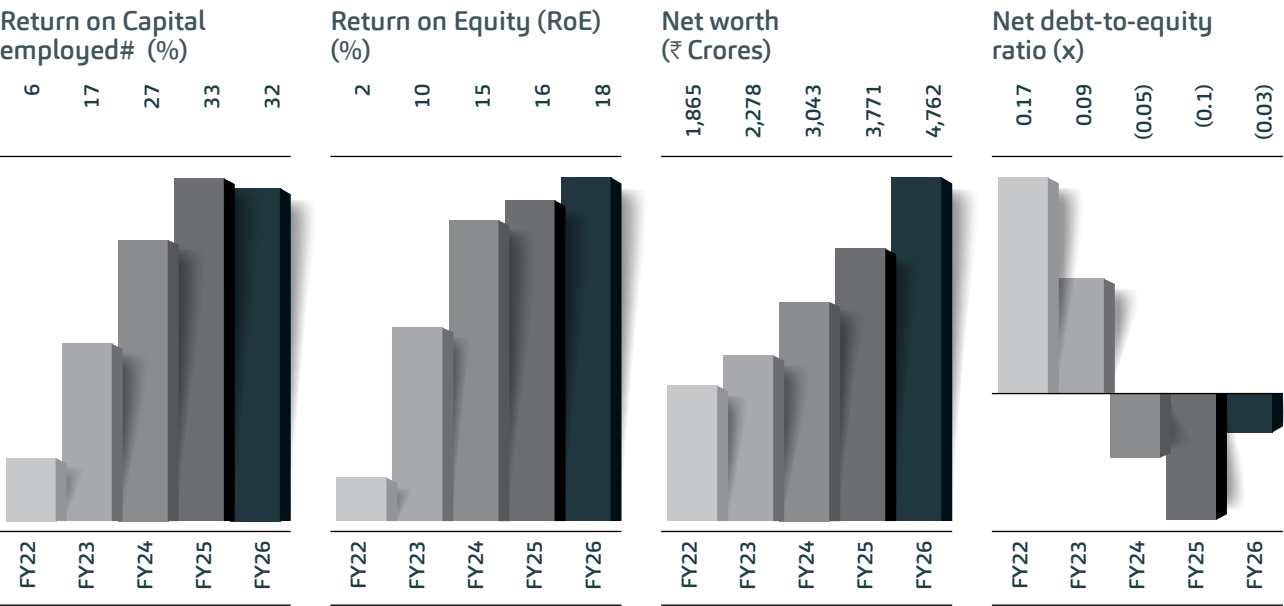
Value impact
The Company generated a 322 bps increase in EBITDA margin during the last financial year, the highest in its existence. This validated the Company's value-addition, product integration and scale economies

We have reported revenue and profit CAGR higher than the broad Indian chemicals sector

We are generating an attractive return on employed capital, the most trusted measure of our intrinsic profitability

This sustained outperformance has been the result of prudent product selection and disciplined capital allocation

The business model is largely weighted towards growing the Company through shareholder funds



Definition
RoCE measures the profitability and efficiency of a company in generating returns from its total employed capital, expressed as a percentage.

Why it is measured
It is used to assess how effectively a company is using its available funds to generate a surplus and compare this with other companies.

Value impact
The RoCE for the year FY 2025-26 stood at 32% reflecting the Company's capital efficiency a validation of the Company's project management, competitiveness, product selection, terms of trade and marketing.

Definition
RoE measures the profitability of a company in relation to shareholders' equity, indicating how effectively the Company uses invested its resources to generate a surplus.

Why it is measured
It is tracked to evaluate the returns generated for shareholders and assess the efficiency of equity utilisation.

Value impact
The Company generated a 140 bps increase in RoE to 18% during the last financial year, the highest in recent years; at a time when the cost of funds in India is sub-10%, the available spread indicates the intrinsic profitability of the business.

Definition
Net worth represents the total value of a company's assets minus its total liabilities, reflecting the Company's overall financial position.

Why it is measured
It is measured to understand the Company's financial strength and assess the value available to shareholders if all obligations were settled.

Value impact
The Company generated a 26% increase in net worth during the last financial year, the highest in its existence.

Definition
Net debt-equity ratio is a financial metric that compares a company's net debt (total debt minus cash) to its shareholders' equity, indicating the proportion of debt used to finance the business.

Why it is measured
It is measured to evaluate the Company's financial leverage and assess the risk associated with its capital structure.

Value impact
Net debt-equity ratio stood at (0.03) from (0.1).

Excludes investments and CWIP



PART
2

A new world...
and Himadri's
growing place in it

"We are living through a moment
when the future is not arriving
gradually – but all at once."
Anurag Choudhary
CMD & CEO



The world is passing through a historic transition.

This is creating an unprecedented opportunity for a future-facing company like Himadri.

Overview

We are living through a moment unlike any other in human history.

Technological acceleration, environmental stress, and societal change are no longer unfolding sequentially.

They are converging simultaneously, reshaping the foundations of our existence.

Machines are beginning to ‘think’ and energy systems are being reinvented.

This is not merely an era of modest change, but an age where scale, speed, and consequence have decisively aligned.

These make the present moment in human existence unprecedented.



“Scale, speed, and consequence have converged to redefine the foundations of modern industry.”

Anurag Choudhary
CMD & CEO





An unprecedented transformation is transpiring in the global speciality chemicals sector.

“At Himadri, we see transformation not as a disruption, but as a once in-a-generation opportunity.”

Anurag Choudhary
CMD & CEO

PERFORMANCE CHEMISTRY

An unprecedented transformation is deepening the context for a speciality chemicals company like Himadri

The global speciality chemicals sector is being reshaped by electrification, sustainability, and advanced manufacturing. As materials become central to performance and strategic advantage, the industry is shifting toward specialised, application-driven solutions. This evolving landscape is redefining value creation at the molecular level.





Himadri operates the world's largest integrated carbon complex.

Reflecting its scale, integration strength and leadership in value-added carbon materials.

“Our growth is not about volume alone – it is about value, precision, and performance.”

Anurag Choudhary
CMD & CEO



| We have charted a new vision for our company

To build a pioneering institution that transforms dreams into reality and creates happiness through innovation, courage, and sustainability.

This new vision marks a shift from product-centric growth to institution-building and purpose-led impact.

By emphasising innovation, courage, sustainability, and happiness, Himadri is focusing on maturity, long-term ambition, and a commitment to enhance value beyond financial outcomes.

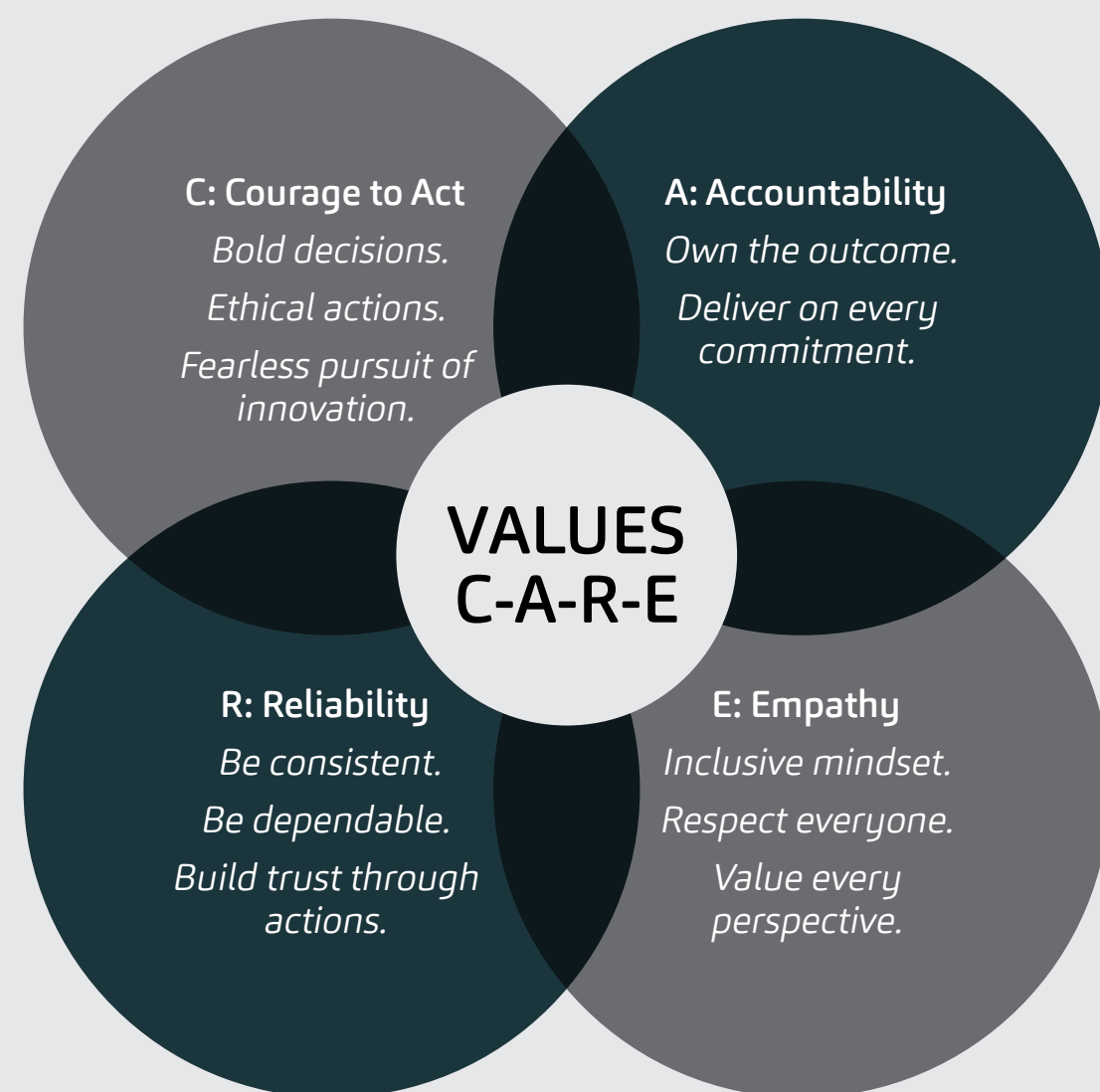
| This is our new mission

To responsibly create sustainable value for all stakeholders by empowering people to make bold, ethically grounded decisions, developing breakthrough innovations, and delivering excellence in everything we do.

This new mission reflects Himadri's transition to a values-led, stakeholder-driven organisation.

By emphasising ethical decision-making, empowerment, breakthrough innovation, and excellence, it captures a more integrated approach to value creation.

Our new 'CARE' values framework



The new CARE values framework reflects Himadri's evolution into a people-centred, stakeholder focused-led organisation. They extend beyond functional behaviour to shape leadership mindset, decision-making, and culture.

Our memorable and enduring logo



Himadri's logo captures the spirit of our organisation. The logo – a vibrant butterfly with multiple wings – reflects the Company's growth, diversification and care.

Each wing represents different business streams emerging from a common foundation (R&D backed Innovation), symbolising integrated strength.

The colour palette balances energetic ambition with stable purpose, resonating Himadri's vision of sustainable, value-adding speciality solutions leadership.



STRATEGIC TRANSFORMATION

Driven by a new vision, Himadri is transforming holistically.

Himadri Speciality Chemical operates at the intersection of materials science, energy transition, and high-performance applications.

In a world undergoing a structural transformation, Himadri’s portfolio aligns across multiple emerging realities.

The Company expects to compress the growth achieved across three decades in just the next few years.

Energy transition → Advanced carbon materials	Electrification of mobility → Battery-focused chemistries	From commodities to customisation → Speciality-focused portfolio	Materials as strategic assets → Domestic capability with global relevance
The shift to clean energy and electrification requires materials that enhance conductivity, thermal stability, and efficiency. <i>Himadri’s advanced carbon materials play a critical role in batteries, electrodes, and energy storage systems –core enablers of this transition.</i>	Electric vehicles demand specialised materials that improve charge cycles, safety, and performance. <i>Himadri’s presence in battery-grade advanced products aligns directly with the global EV and storage ecosystem.</i>	As industries move away from bulk chemicals, demand will rise for application-specific formulations. <i>Himadri’s evolution from commodity carbon products to engineered, speciality offerings mirrors this global shift.</i>	Strategic materials are increasingly sourced from trusted, resilient suppliers. <i>Himadri’s manufacturing depth in India supports national self-reliance and global supply diversification.</i>
Sustainability by design → Cleaner processes and higher yield	Performance over volume → Value-dense output	Carbon re-imagined → Functional, not fossil	Supply chain re-regionalisation → Integrated manufacturing platform
Modern customers evaluate not only product performance, but carbon intensity and lifecycle impact. <i>Himadri’s process innovations and efficiency-led manufacturing directly support this expectation.</i>	Markets now reward performance per unit, not merely tonnage. <i>Himadri’s focus on higher-value derivatives improves relevance in applications where reliability and precision matter.</i>	Carbon is no longer viewed merely as a fuel derivative but as a functional material. <i>Himadri’s portfolio reflects this redefinition – carbon as an enabler of energy, mobility, and infrastructure.</i>	As global supply chains shorten, manufacturers prefer partners with integrated, end-to-end capabilities. <i>Himadri’s backward integration enhances reliability and responsiveness.</i>

Geopolitical fragmentation → Trusted supplier status	Customer shift to solution providers → Application-led engagement	Faster innovation cycles → Agile R&D and scale-up	Precision manufacturing → Consistency at scale
In a world of trade realignments and material nationalism, buyers value stable, long-term partners. <i>Himadri’s scale, governance, and operational continuity position it as such a supplier.</i>	Customers increasingly seek co-development, not off-the-shelf materials. <i>Himadri’s technical engagement model supports deeper, longer-term customer relationships.</i>	Shorter product cycles require rapid translation from lab to plant. <i>Himadri’s R&D-to-manufacturing linkage enables faster commercialisation.</i>	Advanced applications require tight tolerances and batch-to-batch consistency. <i>Himadri’s process controls and quality systems align with these rising expectations.</i>
Regulation as a differentiator → Compliance as capability	Capital flow to responsible industry → Long-term investability	India as an innovation hub → From scale to significance	Infrastructure modernisation → Durable, performance materials
Environmental and safety regulations increasingly reward process sophistication. <i>Himadri’s compliance readiness becomes a competitive advantage, not a constraint.</i>	Capital flow to responsible industry → Long-term investability Investors favour companies with sustainable chemistry, governance strength, and future relevance. <i>Himadri’s strategic positioning supports durable capital confidence.</i>	India is emerging as a global materials innovation centre, not merely a low-cost base. <i>Himadri’s speciality focus aligns with this national evolution.</i>	Infrastructure today demands longer life, lower maintenance, and environmental resilience. <i>Himadri’s products contribute to enhanced material durability across applications.</i>
Data-driven manufacturing → Process intelligence	Talent as differentiation → Science-led organisation	Risk management through integration → Operational resilience	Future built at the molecular level → Chemistry as destiny
Advanced manufacturing increasingly leverages data for efficiency and yield improvement. <i>Himadri’s operations are positioned to integrate analytics into chemical production.</i>	The future of speciality chemicals belongs to companies that attract deep scientific talent. <i>Himadri’s R&D orientation supports this transition.</i>	Vertical integration reduces exposure to raw material volatility and disruptions. <i>This strengthens Himadri’s ability to deliver consistently in uncertain environments.</i>	The defining challenges of the century–energy, mobility, sustainability–are all materials challenges. <i>Himadri operates precisely at this molecular frontier.</i>



THE BIG PICTURE

What Himadri seeks to become

Our objective

- To build a future-ready global institution in advanced materials, anchored in innovation, sustainability and responsible growth.
- A company that markets high-value, low-footprint molecules and systems.
- A company trusted by upstream industrial customers and downstream brands.
- A performance-driven company powered by in-house R&D, advancing circularity and rapid co-innovation.

Core identity

- Premium speciality innovator:** Known for formulations and molecules that solve customer pain points (performance, regulatory compliance, sustainability).
- Sustainability first:** Recognised for low-carbon, low-toxicity chemistries and closed-loop solutions.
- Digital co-innovator:** Markets chemistry + software (predictive formulation, supply-chain transparency, lifetime analytics).
- Trusted partner:** Deep, long-term relationships with OEMs, consumer brands and recyclers.

Product and portfolio mix

- Core specialties:** High-margin, proprietary molecules and formulations for adhesives, coatings, speciality polymers, agrochemicals intermediates, performance additives.
- Sustainable solutions:** Bio-based, recycled-feedstock, or low-VOC alternatives marketed as premium green substitutes.
- Systems and services:** Formulation-as-a-service, application engineering, monitoring & circular take-back.
- Integrated LiB materials and technology platform:** Development of an integrated lithium-ion battery materials platform spanning cathode and Anode Material technologies (including IBC cells), along with ongoing research in LiB recycling to support long-term resource independence.

Technology and manufacturing model

- Modular, electrified plants:** Smaller, flexible units (micro-reactors, continuous flow) allowing fast scale-up and low capex per product.
- Process intensification + AI:** AI-driven R&D and plant optimisation cut time-to-market and energy use.
- Circular feedstocks:** Large share from recycled streams, captured CO₂, and bio-feedstocks.
- Distributed production:** Plants close to key customers/markets to reduce logistics import and emissions.
- Dedicated high-temperature logistics fleet:** A specialised logistics network, comprising 292 custom-built tankers and vessels, ensures the safe, temperature-controlled delivery of liquid Coal Tar Pitch to customers across the domestic and international markets.

Sustainability and regulatory leadership

- Net-zero operations (target 2050):** Validated by science-based targets.
- Toxicity and compliance excellence:** Early adopter of safer-by-design chemistries, faster regulatory approvals for customers.
- Circular business lines:** Chemical recycling partnerships, take-back programs that create feedstock and revenue.

Customer proposition and go-to-market

- Technical service, co-development, faster iteration cycles.**
- Outcome-based selling:** Pricing tied to performance (e.g., lifetime energy savings, product durability).
- Digital contracts and traceability:** Full product digital passports (origin, carbon footprint, recyclability).

Organisation and culture

- Knowledge:** Small, multidisciplinary product squads comprising chemists, data scientists, application engineers, subject matter experts and doctoral researchers, focused on rapid innovation and commercialisation.
- Open innovation:** Active partnerships with universities, start-ups, and customer labs.
- Talent magnet:** Brand that attracts sustainability-minded chemists and process engineers, with strong reskilling programmes.

Geographic and market footprint

- Market:** Strong regional hubs in Asia, Europe, and North America for higher-margin specialties.

Financial and performance KPIs (illustrative)

- Revenue split:** Increase contribution of niche value-added products to total revenue (YoY).
- R&D intensity:** R&D intensity focused on high-value product pipelines.

Key capabilities

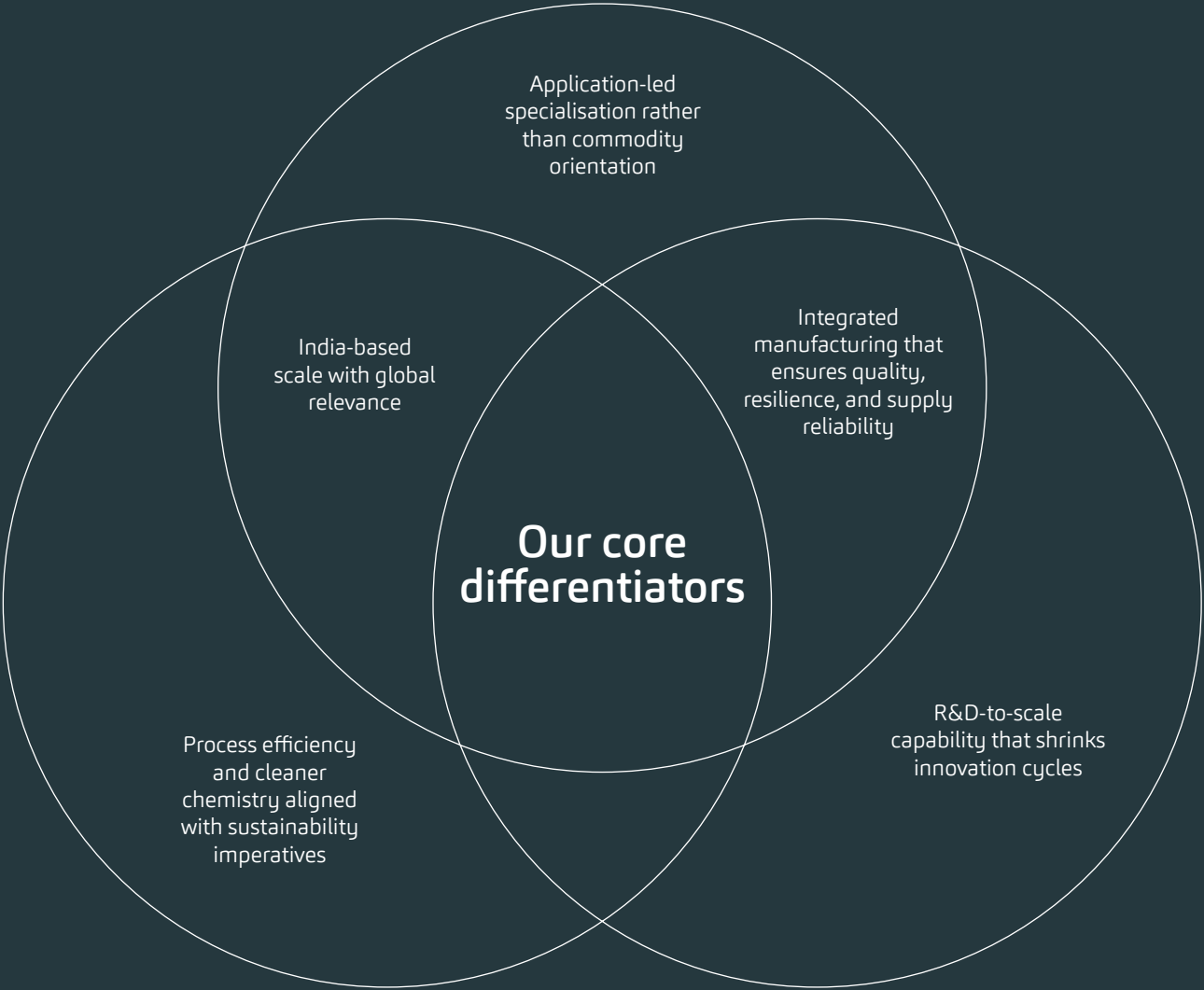
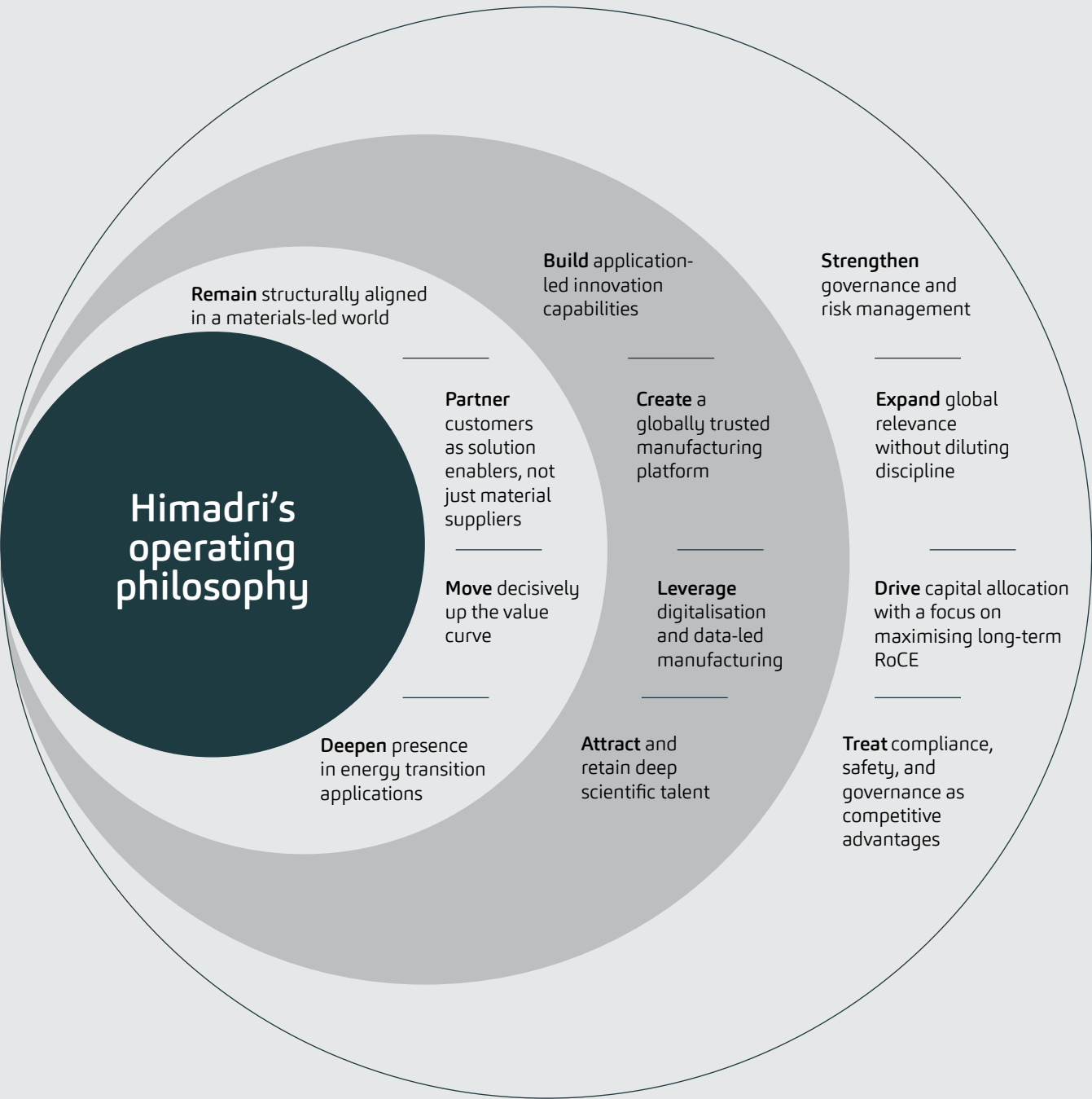
- Platform R&D:** A moderate number (3–5) of platform chemistries/processes that can spawn multiple products.
- Digital twin & process AI:** For scale and yield improvements.
- Circular feedstock partnerships:** With recyclers, bio-refineries, and waste-to-wealth projects.
- Regulatory & safety center:** Accelerate safer-by-design and global approvals.
- Customer lab & pilot lines:** Rapid co-development with key accounts.

Strategic risks and mitigation

- Feedstock volatility:** Risk hedged through diversified circular feedstocks, long-term purchase agreements and backward-integrated capabilities.
- Commoditisation pressure:** Conscious climb of the value chain towards speciality solutions and advanced applications.
- Talent scarcity:** Aggressive reskilling, partnering with academia, and remote/hybrid R&D hubs.
- Regulatory shifts:** Invest in compliance foresight and safer chemistries.

Cultural and brand promises

- “We reduce the customer’s carbon product footprint without sacrificing performance.”
- “We co-invent — addressing the customer’s problem with our chemistry leading to measurable outcomes.”
- “We provide transparent supply chains — traceable, circular, certified.”





We have reinvented our business in the last few years around responsibility and sustainability.

Rapid transformation to address a changing world.

2023

- Adoption of a new line of business and subsidiary ownership:** Approved new business lines including cathode active materials. Created Himadri Clean Energy Ltd; a wholly owned subsidiary, positioning it for expansion into new domains.
- Strategic expansion into Silicon Carbon for Anodes (Sicona Partnership):** Equity investment in Australia's Sicona Battery Tech to explore innovative technologies for the production of high-quality silicon-based Anode Materials
- Acquisition of Birla Tyres:** Part of a consortium that acquired Birla Tyres, adding a tyre manufacturing and speciality products business to its portfolio.

2024

- Acquisition of Invati Creations stake:** Acquired a 40% stake in Invati Creations to strengthen capabilities in advanced lithium-ion battery materials and accelerate innovation across the battery value chain.
- Portfolio expansion into advanced speciality products:** Plans launched to expand product offerings into high-value speciality chemicals by 2026, strengthening downstream exposure.
- Sustainability and net-zero pathway initiatives:** Implemented energy-efficiency measures and low carbon product development as a part of long-term sustainability planning.
- Commissioning of a Liquid Coal Tar Pitch Terminal at Haldia port:** Commenced operations at Haldia Port in October 2024, strengthening export infrastructure and enhancing global trade flexibility.

2025

- Capex for high-value speciality chemicals facility:** Announced a capital expenditure to develop high-value speciality chemicals (e.g., anthraquinone, carbazole) at existing sites, enhancing product diversification and margins.
- Investment in IBC:** Acquired an equity stake in International Battery Company (IBC). IBC has its R&D center in California and a manufacturing facility operational in South Korea. These, together with IBC's AI platform, are strengthening Himadri by providing access to global cell and battery technology, and helping Himadri scale the Lab-to-Commercial Lifecycle curve of its LiB materials.
- Localisation of Silicon Carbon for Anode in India (Sicona partnership):** Entered into a technology licensing partnership with Sicona for the first commercial scale silicon-carbon anode plant in the world using Sicona's proprietary technology
- First export of liquid Coal Tar Pitch from the New Mangalore port:** Executed inaugural shipment to the Middle East, broadening export corridors and diversifying international market presence.
- Speciality Carbon Black capacity expansion:** Began commercial production at the expanded Mahistikry Speciality Carbon Black facility (capacity 130,000 TPA), making it the world's largest single-site Speciality Carbon Black plant and the fourth largest globally.
- Anode Material facility:** Successfully commenced operations at our first Anode Material production facility (200 TPA) at Mahistikry, West Bengal in April 2026



PART
3

The perspectives
of our senior
management

“The future will belong to the companies that can continuously reload themselves—execute, reinvest, and scale again.”

Anurag Choudhary
CMD & CEO

Our leadership



◀ **Amit Choudhary**
Executive Director

◀ **Anurag Choudhary**
Chairman-cum-Managing
Director & Chief Executive Officer

CHAIRMAN'S MESSAGE

Reimagining the present. Responding to the future. Building an institution.

Overview

There are moments in history when change does not arrive incrementally, but in sweeping, irreversible waves. We are living through one such moment.

Across the world, the very foundations on which modern industry was constructed are being reconsidered and, in many cases, fundamentally re-engineered. Energy systems are transitioning away from fossil dependence towards electrification and renewable sources. Materials science is undergoing a renaissance, as industries seek lighter, stronger, more efficient and more sustainable inputs.

Supply chains—once optimised almost exclusively for cost—are now being redesigned around resilience, localisation, security and trust. Capital, too, is being reallocated, moving beyond the singular pursuit of growth towards a more balanced emphasis on responsibility, transparency and long-term value creation.

Simultaneously, the pace of technological change has accelerated with unprecedented intensity. Innovation cycles have compressed. What once took decades to mature now evolves within years—sometimes within months. The distance between laboratory discovery and commercial deployment has narrowed significantly, favouring organisations that possess not only the ability to innovate, but the discipline to scale.

Customers increasingly demand solutions rather than standalone products.

Investors are evaluating not merely near-term earnings, but the durability and resilience of business models in a carbon-constrained and resource-sensitive world.

Regulators and societies alike are seeking accountability—not as a compliance obligation, but as a defining operating philosophy.





In such an environment, continuity alone is no longer sufficient. Stability must be complemented by adaptability. Scale must be matched by sophistication. Ambition must be anchored in responsibility.

It is against this backdrop that Himadri is redefining its future.

Reimagining in a transforming world

At Himadri, we do not view this transformation as a disruption to be endured. We see it as a once-in-a-generation opportunity to redefine what we are, how we operate, and the role we play in the global industrial ecosystem.

Our desire is to capitalise on a transforming world with speed and effectiveness. We believe that the future will belong to companies that can continuously reload themselves—execute at scale, redeploy surpluses, invest in new capabilities, and execute more effectively. This is not a linear journey; it is a dynamic cycle of renewal.

In this emerging reality, there will be a growing premium on boldness. Incrementalism will be inadequate. Institutions that hesitate will find themselves overtaken by those willing to invest ahead of demand, build capability to research, innovate to execute ahead of revenue, and reimagine themselves before the market compels them to.

At Himadri, our strategy is anchored in perpetual reinvention – strengthening our core even as we extend into

adjacencies; extracting deeper value from existing assets while building entirely new platforms for the future.

This is why our aspiration is not merely to grow as a chemicals company, but to graduate into a speciality solutions institution – an organisation defined by the depth of science, breadth of application, resilience of earnings, and relevance across multiple future-facing industries.

From incremental growth to transformative change

The current phase of Himadri’s evolution is not intended to be incremental but designed to be transformative.

Transformative in scale—through some of the most significant investments in our history.

Transformative in scope—through our entry into advanced materials, energy transition technologies and circular economy solutions.

Transformative in substance—through a decisive shift from commoditised outputs to differentiated, high-value solutions.

Even as we strengthen our legacy businesses, we are moving decisively into segments where performance, reliability and innovation command a premium over price alone. This transition reflects confidence in our capabilities and conviction about the direction in which global industry is evolving.

Building platforms, not just plants

At Himadri, the architecture of our manufacturing ecosystem has been designed to be integrated and interlinked.

One end product becomes the raw material for another; that output, in turn, feeds yet another downstream application. This cascading value creation does more than diversify our portfolio – it creates product families, deepening specialised knowledge, and build formidable entry barriers.

The result is a business model that is not only sustainable but difficult to replicate. We are not merely manufacturing multiple products at one location; we are creating an ecosystem where chemistry, scale, and integration reinforce one another.

This integrated approach enables us to offer customers just isolated products, but comprehensive solutions – positioning Himadri as a one-stop partner across a growing range of applications. At the centre of this reimagination lies our vision to create an institution that transforms aspiration into achievement and generate enduring value through innovation, courage and sustainability.

This vision positions Himadri among a select group of companies seeking to redefine the contours of carbon and lithium-ion battery materials at a global scale. By taking scale and capability to new levels, we are enabling a broader and deeper product portfolio, accelerating the translation of research into

commercial reality, strengthening our ability to serve global customers and establishing benchmarks in operational excellence.

Importantly, these platforms are designed not only to produce more of what we already do well, but to produce what the future demands – around the convergence of scale, scope and sophistication.

We are not pursuing volume growth in isolation. Our focus is on premiumisation, margin enhancement and delivering solutions that meet increasingly complex customer requirements.

Our leadership in coal tar distillation continues to deepen, supported by expanding export markets and strengthened logistics infrastructure. At the same time, our entry into Speciality Carbon Black and advanced material platforms reflects our commitment to climbing the value chain.

Financial performance and capital discipline

This competitive positioning was reflected in our performance in FY 2025-26.

The year under review was one of strong financial performance, underpinned by both scale expansion and improving quality of earnings.

The Company reported profitable growth: with EBITDA* increased by 19%, Profit before tax increased by 24% and profit after tax strengthened by 36%.

*Earnings before interest, tax, depreciation, amortisation, foreign exchange fluctuation gain/(loss) and other income.

Our aspiration is not merely to grow as a chemicals company, but to graduate into a speciality solutions institution.

More importantly, the Company’s performance must be viewed through the lens of capital efficiency and return quality. Return on Capital Employed# remained robust at 32% in FY 2025-26, underscoring disciplined capital allocation and operational efficiency.

At our Company, RoCE continued to serve as a key internal benchmark guiding all capital allocation decisions. Every expansion initiative was evaluated against defined return thresholds, ensuring that growth was not pursued at the expense of capital productivity.

The contribution of value-added products in our revenue mix increased, and we have a roadmap in place to incrementally increase this further. This progressive shift is already resulting in faster bottom-line growth relative to our topline, indicating improving margins quality.

A combination of strong earnings visibility, disciplined capital allocation and high return ratios is expected to empower the Company to deliver consistent, long-term value creation.

#Excludes investments and CWIP.

Business progress and diversification

FY 2025-26 was a transitional and landmark year. Our core capacities were expanded, downstream capabilities strengthened and new product lines introduced.

During the year, Himadri achieved several operational milestones.

The Company established the world’s largest single-location Speciality Carbon Black facility at Mahistikry, distinguished by its complete backward and forward integration. This facility represents a global benchmark in efficiency, scale and technological sophistication.

The transformation is not confined to chemicals alone. Importantly, the Company entered the tyre manufacturing segment through the acquisition (and projected turnaround) of Birla Tyres as strategic partner along with Dalmia Bharat Refractories Limited. The Birla Tyres plant, recommissioned during the year, is scaling operations around a modernisation and automation roadmap. The division’s product portfolio is being expanded across agricultural, mining and speciality tyre segments, with new products already introduced. Moreover, plans are underway to commission its PCR facility in the next two years to cater to tyres for EVs and SUVs. From revenues of a mere ₹187 Crores in FY 2025-26, the business is expected to scale to approximately ₹3,000 Crores in the next few years, catalysed by product

Highlights, FY 2025-26

3+

Decades of experience built into our business

61+

Number of countries our products are available in

8

Manufacturing facilities across India and overseas

Our vision positions Himadri among a select group of companies seeking to redefine the contours of carbon and lithium-ion battery materials at a global scale. By taking scale and capability to new levels, we are enabling a broader and deeper product portfolio, accelerating the translation of research into commercial reality, strengthening our ability to serve global customers and establishing benchmarks in operational excellence.



diversification, operational efficiency and expanding market presence.

Beyond traditional carbon

Innovation built around proprietary research has always been our strength. This is what has continued to drive our ambition beyond traditional carbon/ Coal Tar Pitch applications.

What differentiates Himadri is its fully integrated value chain—from the development of specialised Coal Tar Pitch to its conversion into high-quality precursor coke and further processing into advanced Anode Materials and energy transition technologies—areas that will define industrial competitiveness in the coming decades.

Innovation, anchored in strong in-house research and development, continues to drive our expansion beyond traditional carbon chemistry. We are investing decisively in advanced materials and energy transition technologies—domains that will define industrial competitiveness.

We are commissioning a lithium iron phosphate cathode active material facility, the first of its kind outside of China. Our Anode Material commercial scale plant with a capacity of 200 TPA was successfully commissioned. Our silicon-carbon technology collaboration with Sicona is progressing. Together, these initiatives position Himadri within the global battery materials ecosystem – at the intersection of electric mobility, energy storage, and decarbonisation.

The Company’s entry into Anode Materials represents the culmination of over a decade of our sustained investment in research, process development and capability building. This is not a peripheral diversification. It is a deeply integrated capability, built through years of scientific effort and capital commitment.

This integration ensures superior product performance, particularly in terms of battery capacity, positioning Himadri uniquely within the global energy storage ecosystem.

Our current capacity represents only the first step in a larger journey. Over the next few years, we intend to scale this platform, supported by a structured capital investment roadmap.

Sustainability and innovation as strategies

Sustainability and circularity are not peripheral to Himadri but central to our operating philosophy and business model.

We invested proactively and significantly in research and development—even when returns were not immediately visible. In an environment where many companies allocate around 0.1 to 0.2% of revenues to R&D, Himadri consistently extended beyond this. In FY 2025-26 alone, we invested ₹128 Crores in R&D.

The result is that we innovated across products, processes and technologies—delivering more

with less, improving yields, and reducing environmental impact. Our sustainability orientation aligned us with environmentally conscious customers, investors, and regulators across the world.

As a validation of this commitment, Himadri received the EcoVadis Platinum Medal, the second time in a row, placing us in the top 1% of 1,50,000 global companies for our sustainability performance.

Our manufacturing operations were distinguished by clean energy-based recovery plants rather than conventional thermal power systems. During the year under review, 100% clean energy use for our electrical needs helped reduce our energy intensity by 19%.

Innovation remained central to our strategy. In industries where product life cycles are shrinking, the ability to rapidly translate laboratory breakthroughs into commercial solutions became the true measure of our leadership.

Cultural leap

Himadri is transitioning from a company into an institution.

While companies focus on targets and quarterly outcomes, institutions are defined by purpose, people, values, and legacy. Institutions build leaders, safeguard the future, and create enduring relevance.

Our aspiration is to build an institution where profit generation has a purpose, growth has a meaning, and

responsibility extends beyond the present generation.

Himadri evolved from carbon chemistry to a global speciality solutions powerhouse - from commodities to specialised solutions, and from scale to significance.

In doing so, Himadri stood at the cusp of a period of disproportionate value creation.

We are bringing together two powerful drivers: an unprecedented investment in manufacturing assets while funding this investment largely through internal accruals. This approach diverges from conventional models that rely heavily on leverage.

Our strategy remains disciplined:

- Investment only in value-added products
- Focus on segments with structurally improving demand
- Deeper relationships with existing customers
- Consume more of our own resources
- Build entry barriers through complex chemistry

- Redeploy surpluses to reinforce advantage
- Strengthen our brand as a premium speciality materials and solutions enterprise.
- What took three decades to build is now poised to be accelerated dramatically.

Outlook and conclusion

By 2030, Himadri will be a fundamentally different enterprise.

Our earnings outlook reflects visibility and confidence. Having achieved a PAT of approximately ₹555 Crores in FY 2024-25, we are targeting a doubling of profit by FY 2027-28. This growth will be driven by an improving product mix, scale efficiencies and the increasing contribution of high-value segments.

The Company remains confident of sustaining its RoCE above 30% across the medium term, even as it undertook a significant production expansion across multiple business segments.

While a portion of earnings was supported by prudent financial

management—including interest income, structured investments and mark-to-market gains—the long-term focus remains firmly anchored in strengthening core operating performance.

Our legacy businesses will continue to grow. New-age segments—including electric mobility, battery materials, advanced carbon products and circular solutions—will contribute significantly to revenue and profitability.

FY 2025-26 was not merely a record year. It was the beginning of a defining phase in our journey—a phase characterised by conviction, capability and clarity of purpose.

We are not merely responding to change. We are positioning ourselves to shape it.

Stay with us.

Anurag Choudhary
Chairman-cum-Managing Director & Chief Executive Officer

Himadri has evolved from carbon chemistry to global speciality solutions powerhouse, from commodities to specialised solutions, and from scale to significance. In doing so, Himadri stood at the cusp of a period of disproportionate value creation.

Highlights,
FY 2025-26

180+

R&D professionals driving innovation-led growth

EcoVadis

Platinum sustainability rating (top 1% globally, consecutive years)

28+

PhDs | Translating science into scale

In an environment where many companies allocate around 0.1 to 0.2% of revenues to R&D, Himadri consistently extended beyond this. In FY 2025-26 alone, we invested ₹128 Crores in R&D.



EXECUTIVE DIRECTOR'S PERSPECTIVE

Project execution, culture, digital transformation and responsible growth

Overview

Himadri is undergoing one of the most significant transformations in its history. The Company is reinventing itself from a conventional manufacturing enterprise into an advanced materials platform designed around the future of energy, mobility and industrial innovation.

This transition is not incremental. It is structural, strategic and deliberate.

At the heart of this transformation lies an unprecedented capital investment programme. Himadri is executing projects that comprise not merely capacity additions, but are designed as global benchmark manufacturing platforms that will define the Company's next growth phase.

Each project has been conceived with a long-term perspective. Plant selection, technology adoption and process architecture are being aligned with Himadri's ambition to emerge as a global speciality solutions institution. Investments across Speciality Carbon Black, advanced solutions across the carbon value chain and battery material platforms are being executed using technology-led project management frameworks, ensuring precision, transparency and accountability at every stage of implementation.

The Company recognises that capital expenditure alone does not build a competitive advantage; execution does. Accordingly, there is an uncompromising emphasis on timely project delivery and strict adherence to budgeted estimates. Projects are being developed as integrated manufacturing ecosystems, capable of generating long-term value through operational synergies, technological depth and scalable infrastructure.



Amit Choudhary
Executive Director

To ensure this outcome, Himadri has embedded cross-functional coordination at the centre of project execution. Production, research, procurement and commercial teams operate through a tightly integrated framework, ensuring that every investment decision reflects technical excellence and commercial foresight. This approach has strengthened the Company's reputation for disciplined execution while building a foundation capable of sustaining global-scale growth.

Building a culture for a transforming enterprise

Institutional transformation requires cultural alignment. As Himadri enters

a new growth phase, the Company has strengthened its administrative systems and organisational processes to support a larger and more complex enterprise.

The leadership structure continues to provide clear strategic direction and governance oversight, ensuring a consistency in decision-making and institutional discipline across all operational and administrative functions.

A pillar of this transformation is talent management. In a capital-intensive organisation, the difference between an ordinary asset and a high-performing one lies in the capability of the people who build and operate it. Himadri has focused on the strategic

deployment of talent – placing the right competencies in the right roles at the right time.

This capability becomes particularly critical during project execution. Efficient talent deployment can accelerate commissioning timelines, improve operational readiness and strengthen competitive positioning. By aligning human capital with project requirements, the Company has converted organisational capability into a tangible operational advantage.

At the same time, Himadri has embedded its organisational ethos through the CARE values framework – Courage, Accountability, Reliability and Empathy. These values guide leadership behaviour, decision-making and team engagement across the organisation.

The Company's people philosophy emphasises collaboration, innovation and ownership. A variety of initiatives have been introduced to enhance team engagement, strengthen capability building and encourage cross-functional knowledge sharing. Teams from research, production, marketing and support functions operate within shared strategic objectives, reinforcing the principle that long-term institutional success is built through collective responsibility and shared ownership.

This culture of openness and collaboration has created an environment in which ideas move across functions, innovation is

encouraged and teams remain aligned with the Company's long-term vision.

Advancing digital intelligence and AI integration

As Himadri extends into advanced materials, digital capability is emerging as a critical enabler of operational excellence.

The Company initiated a structured programme to incorporate artificial intelligence, automation and advanced digital technologies across its manufacturing ecosystem. These initiatives are designed to strengthen plant efficiency, enhance operational visibility and support data-driven decision-making.

Automation and process intelligence systems have been introduced across multiple operational layers. These systems enable predictive maintenance, manufacturing precision, process optimisation and operational reliability – reducing downtime while improving productivity and product consistency.

Importantly, Himadri's digital initiatives are not being implemented in isolation. AI integration and automation are aligned with the Company's long-term innovation roadmap, ensuring that digital transformation complements technological leadership in advanced materials.

Through this approach, Himadri is building future-ready manufacturing architecture – one where physical infrastructure and digital intelligence operate in tandem to deliver superior efficiency and reliability.

Strengthening ESG as a strategic commitment

Himadri recognises that long-term industrial leadership must be anchored in responsible business practices. Environmental stewardship, social responsibility and governance integrity are integrated into the Company's operational philosophy.

Over the years, the Company strengthened its ESG framework, sustainability embedding into its business model.

Continuous improvements were undertaken to enhance resource efficiency, environmental management and operational safety.

Himadri's procurement practices increasingly emphasised responsible sourcing, aligning supply chain behaviour with the Company's sustainability expectations. This integrated approach ensured that ESG principles extended beyond internal operations into the broader value chain.

Through these initiatives, the Company has strengthened its global ESG positioning, aligning itself with the expectations of international stakeholders, investors and customers.

Creating a future-ready institution

FY 2025-26 marked a defining inflection in Himadri's institutional journey, with the articulation of a renewed Vision, Mission and CARE values framework. This reflected a shift from product-led expansion to a purpose-driven, people-led organisation defined by capability, values and long-term relevance.

Strategic pillars, disciplined execution, cultural alignment, digital transformation and ESG integration continued to function as interconnected enablers.

Investments in advanced materials were complemented by strengthened organisational capability, scientific infrastructure and cross-functional collaboration, accelerating the conversion of innovation into scale.

This approach underscored a commitment to innovation, execution excellence and responsible governance, ensuring growth that is rapid and resilient. Sustainability remained integral, guiding decisions across processes and partnerships, with initiatives in energy, water, waste and safety improving efficiency while reducing environmental intensity.

Collectively, FY 2025-26 represented a foundational year, positioning Himadri to accelerate its trajectory and build a future-ready institution aligned with the evolving global advanced materials landscape.

Conclusion

I am pleased to communicate that the Company exited the year stronger, more confident, and structurally prepared to compress decades of progress into the next few years.

Amit Choudhary
Executive Director



ANALYSIS

Chief Financial Officer’s performance review



Overview

FY 2025–26 represented a year of meticulous financial execution for Himadri, characterised by strong profitability, disciplined capital allocation, Balance Sheet resilience, and the creation of long-term financial optionality.

This resulted in our entry into a growth spiral, where forward integration—from Coal Tar Pitch to Carbon Black, Naphthalene and downstream specialties—will create an internal feedstock loop that enhances efficiency and margins, amplified by prudent research, relationship capital and responsible stewardship.

The Company’s financial performance during the year validated its strategic direction and its conservative, yet ambitious, approach to growth.

Operating leverage

At the core of this performance was sustained operating leverage. Revenues expanded on the back of higher volumes (arising out of superior capacity utilisation) and improved realisations, while EBITDA* growth

outpaced topline expansion, reflecting an increasing share of value-added products, integration benefits, and cost efficiencies. The increase in realisations was not cyclical or incidental; it was structural, arising from years of portfolio refinement and process optimisation.

Capital efficiency

Return metrics strengthened meaningfully. Return on Capital Employed and Return on Equity improved, underscoring Himadri’s ability to convert incremental capital into superior earnings. Importantly, this was achieved in an environment of global uncertainty – highlighting the robustness of the underlying business model.

Liquidity

Cash flow generation remained a standout feature. Operating cash flows were strong enough not only support

review with cash on books of ₹121 Crores.

Balance Sheet hygiene

The Balance Sheet remained the Company’s strategic asset. With a positive net-cash balance, liquidity remained comfortable, and financial risk was consciously moderated. This conservative financial posture is not a constraint; it is a deliberate choice that preserves optionality, enhances credit confidence, and ensures resilience across cycles.

Fiscal discipline

Capital allocation during the year reflected clarity and discipline. Investments were directed toward projects with clearly articulated return thresholds, strong strategic fit, and long-term demand visibility. Major allocations toward value-added battery materials, tyres, Speciality Carbon Black expansion, advanced chemicals, and integrated manufacturing platforms were sequenced to balance growth ambitions with execution risk.

Capex pipeline

A notable financial strength was the Company’s ability to commit to a substantial multi-year capex pipeline while maintaining Balance Sheet integrity. This reflected confidence in future cash-generating capacity and the management’s commitment to ensuring that shareholder

value creation remained central to expansion decisions.

Cost management

Cost management during FY 2025-26 extended beyond expense control. It focused on cost intelligence—improving yields, reducing energy intensity, recovering waste value, and

embedding efficiency at the process level. These initiatives enhanced margins while supporting sustainability objectives, demonstrating the convergence of financial and environmental performance.

Compounding

From a shareholder perspective, FY 2025-26 reinforced Himadri’s credibility as a compounding enterprise. Market confidence, as reflected in valuation, continued to be anchored in predictability, transparency, and disciplined growth.

Risk management

Risk management remained integral to financial stewardship. Exposure

to feedstock volatility was mitigated through raw material cost pass-on model, integration and long-term sourcing strategies. Currency and export risks were managed conservatively. Capital commitments were phased to ensure that scale-up risk remained manageable.

Prospects

The Company entered the next phase of growth from a position of strength. Announced investments are expected to materially enhance revenue, margins, and capital efficiency over the medium term. Crucially, these investments are structured to be value-accretive, not volume-driven. Besides, the investments are expected to be

funded from earnings, creating a case for superior prospective shareholder value.

Validation

FY 2025-26 demonstrated that Himadri’s financial strategy – growth funded by earnings, guided by returns, and protected by prudence – is working. The Company proved that aggressive ambition and conservative finance are not contradictory, but complementary. This foundation positions Himadri to pursue transformational growth without compromising its financial integrity.

Kamlesh Kumar Agarwal
Chief Financial Officer

Key performance highlights

(On a consolidated basis)

Credit rating

Long Term / Short Term – Fund Based / Non Fund Based-Others

[ICRA]A+(Stable)/
[ICRA]A1

In FY 2023-24

[ICRA]AA-(Stable)/
[ICRA]A1+

In FY 2024-25

[ICRA]AA-(Positive)/
[ICRA]A1+

In FY 2025-26

Commercial Paper

[ICRA]A1

In FY 2023-24

[ICRA]A1+

In FY 2024-25

[ICRA]A1+

In FY 2025-26

Profitability

EBITDA margin %

15

In FY 2023-24

18

In FY 2024-25

22

In FY 2025-26

PAT margin %

10

In FY 2023-24

12

In FY 2024-25

16

In FY 2025-26

*Earnings before interest, tax, depreciation, amortisation, foreign exchange fluctuation gain/(loss) and other income.



OPERATIONAL EXCELLENCE

Engineering efficiency into a sustainable advantage

The Company has implemented various initiatives to deepen its sustainability

At Himadri, efficiency is engineered – not assumed – through continuous innovation across energy, water, and waste systems. By reimagining processes at a granular level, the Company is converting operational challenges into sources of value. This approach strengthens resilience, reduces environmental impact, and embeds sustainability into everyday manufacturing.

1 Turning exhaust gas into an advantage

In the earlier operating models, process gases were safely flared as part of a standard manufacturing practice. Over time, Himadri identified the opportunity to convert this latent energy into productive use. Himadri’s engineers asked: ‘What if waste was treated simply as energy in the wrong place?’

Answering it required persistence – retrofitting boilers, integrating turbines, and redesigning flows in a plant that operates without pause. It demanded capital investment without immediate returns, and months of calibration before the first unit of power was generated. Himadri proceeded.

Waste gases began producing electricity - at scale - to power operations, and export surplus energy to the grid. What once dissipated into the sky now strengthened margins while reducing emissions.

2 Strengthening combustion efficiency

Within Himadri’s furnaces, inefficiency appeared as soot, unburnt hydrocarbons, excess fuel consumption, and rising maintenance cycles. The losses were invisible—but cumulative and costly. Instead of accepting the prevailing norm, Himadri experimented.

Fuel chemistry was re-examined. Combustion catalysts were tested, rejected, refined, and tested again. Progress was incremental, data-driven, and at times frustrating. Persistence delivered. A precisely formulated fuel additive altered combustion behaviour. Flames

burned cleaner. Fuel yielded more usable energy per unit. Emissions declined—not because output fell, but because efficiency rose. This was achieved by mastering what others overlooked. The science inside the flame.

3 Building resilience through water stewardship

Water scarcity reveals quietly – through rising costs, regulatory pressure, and community concern. Himadri encountered all three. Carbon material manufacturing requires water, even as freshwater availability tightens. Reducing dependence without disrupting operations posed a structural challenge.

Himadri chose to rethink water as a circulating resource, not as a single-use input. Condensate recovery systems were installed to reclaim steam water. Effluents were treated, cleaned, and rerouted for cooling and auxiliary applications. Water flows were measured, monitored, and optimised relentlessly.

The outcome was transformational. More than half the water previously lost was recovered and reused. Freshwater drawal declined. The Company demonstrated that water stewardship can coexist with industrial scale, even in resource-stressed regions.

4 Closing the loop on organic waste

At most industrial facilities, canteen waste is an afterthought—disposed of, transported, forgotten. At Himadri, nearly 200 Kg of organic waste generated daily presented a persistent challenge. Disposal was easy. Transformation was harder.

A biogas plant was installed – not as a symbolic CSR initiative, but as a functioning system. Waste segregation was enforced. Inputs were monitored. Early inefficiencies tested patience, as methane yields fluctuated and processes required fine-tuning. Then stability followed.

Organic waste began producing biogas, replacing LPG in cooking operations. The residue became nutrient-rich manure, returning value to the soil. What was once a routine operational issue evolved into a working demonstration of the circular economy.



Our sustainability agenda

FY 2025–26 reinforced a core belief at Himadri — sustainability is embedded in the way we design, operate and grow our business. During the year, we delivered steady progress across energy efficiency, water stewardship, circularity and safety, strengthening environmental performance while enhancing operational resilience. Our approach remains anchored in execution excellence, with a clear focus on measurable outcomes,

disciplined implementation and system-led improvements. Sustainability at Himadri translates into consistent, data-driven progress that supports long-term value creation for all stakeholders. As we expand our footprint in advanced materials and deepen our circular economy approach, particularly in enabling electrification and energy storage, sustainability continues to guide both our operational practices and product

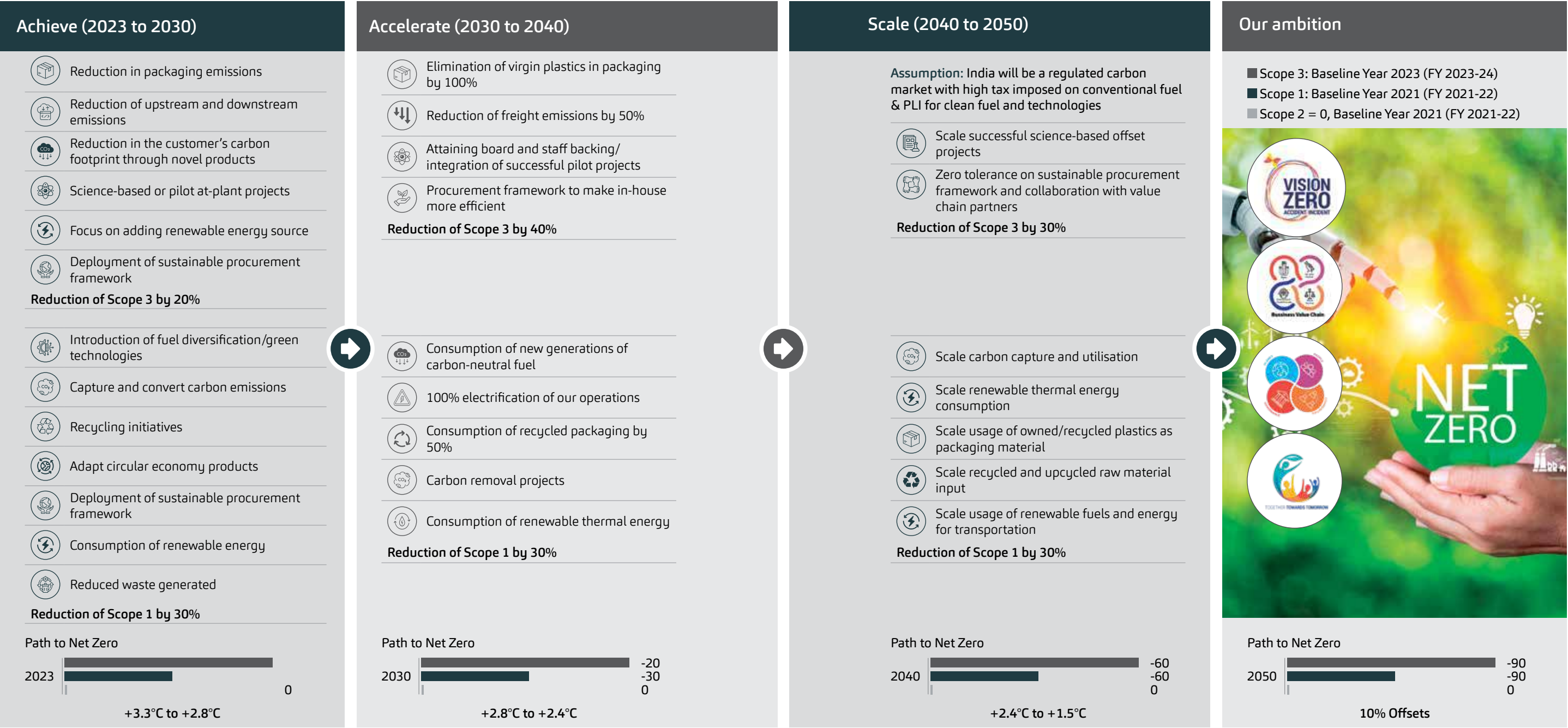
strategy. This alignment strengthens our ability to create solutions that contribute meaningfully to a low-carbon future. Guided by our philosophy, “Together Towards Tomorrow,” we continue to build a future where responsible growth and business excellence advance in tandem. Avijit Sasmal Chief Sustainability Officer



Himadri’s road map: Net Zero target by 2050.

Making long-term responsibility a priority for today.

- This is a phased roadmap to Net Zero
- This is being driven by investments that have already commenced
- This long term commitment is being monitored at the Board level





PART
4

The distinctive
culture at
Himadri

Himadri has chosen happiness
as its objective

Because its upsides come down to people – our principal business driver	Because happiness provides stakeholders with a larger purpose
Because happy people help companies outperform in a sustainable way	Because happiness ensures that all stakeholder needs have been addressed

HAPPINESS MEANS...

Delighting all stakeholders

The Company's commitment to graduate to internationally respected certifications... every stakeholder's assurance

The Company's capacity to be proactively invested... what every shareholder seeks

The Company's commitment to invest in competence and knowledge... making it a turn-to advisor

The Company's readiness to help create a cleaner and better world...beneficial for all

The Company's willingness to be completely compliant with regulations... enhancing every stakeholder's confidence

The Company's commitment to consistently plug mission-critical needs with innovative products... delivering a customer's peace of mind

The Company's track record of delivering on-time and in-full each time... delivering customer delight





HAPPINESS MEANS...

Leading the market

Coal Tar Pitch sits at a quiet but critical junction of aluminium production.

The material is complex, not because it is exotic, but because small chemical deviations can destabilise one of the most capital-intensive industrial processes on earth.

Without pitch, there is no anode; without the anode, there is no aluminium. With approximately 0.4 to 0.45 tonnes of anode required per tonne of aluminium, pitch quality becomes existential.

Coal Tar Pitch is not a single compound but a chemically evolving system of polycyclic aromatic compounds, where even a marginal variation can impact performance. Poor quality pitch can increase smelter power consumption by 20 to 40 kWh per tonne, translating into significant economic impact.

The result is that large international aluminium producers evaluate pitch suppliers on five non-negotiable dimensions: product consistency, controlled chemical structure, enhance anode performance, operational reliability at scale, and ESG cum regulatory preparedness.

The result: Coal Tar Pitch must behave like a liquid glue, and carbon precursor – perfectly, every day, at nearly 1,000°C.

The two words that most customers tell Himadri when they engage are ‘For life.’ In more senses than one.



“Himadri believes work must excite. In many organisations, I have seen the routine dominate – process, compliance and repetition. Here I see curiosity. Young PhDs sit with professionals carrying 40 years of experience. They bring exuberance, AI tools, questions; we bring process memory. They bring algorithms; we bring failure histories. The leadership repeatedly encourage, ‘Enjoy what you are doing.’ The result is that even at 66, I learn every day and that energy keeps me going.”

Sandeep Kumar Deshpande
Head - New Energy Materials Project Division

HAPPINESS MEANS...

Addressing India’s needs

When critical speciality chemicals became unavailable to India’s defence sector, the gap was not merely one of supply - it was one of national security.

The Defence programmes required materials built to exacting tolerances. A shortage of the right chemical inputs did not merely pause a programme; it threatened it.

In this instance, what was needed had never been developed in India as the country was completely dependent on imports.

India’s Defence sector’s requirement was specific and complex: a specialised pitch, capable of protecting the nose of long-range warhead missiles from extreme thermal conditions at a high atmospheric altitude.

The sophistication warranted the curation of a material to withstand hypersonic velocity and an air compression-induced temperature beyond the capacity of ordinary materials. Since the nose cone would bear the full impact of the heat, there was a premium on the enduring integrity of the material coating.

Here comes the challenge: the material could not be reserve-engineered; no sample was available. It needed to be conceived, developed, and validated from scratch.

Himadri’s R&D team doubled-down on this challenge.

The team collaborated with key defence stakeholders; it leveraged its pitch chemistry expertise to innovate a specialised Coal Tar Pitch grade, engineered for an unprecedented application.

After an extensive and painstaking tenure, Himadri engineer emerged: its innovative solution could now be applied to the nose of a long range warhead.

No fanfare. No announcement. Just chemistry, quietly at work - in the pursuit of an objective larger than commerce.

Himadri’s conviction: when the calling is higher than a commercial application, it raises its game.



HAPPINESS MEANS...

Attempting what others consider impossible

When graphite electrode needs became increasingly complex more than a decade ago, Himadri turned to its scientists to plug the gap.

The Company embarked on the development of Zero QI pitch, a refined coal-tar (or petroleum-derived) pitch in which Quinoline Insolubles (QI) are reduced to near-zero levels (typically <0.1%, sometimes <0.05% by weight) when compared with conventional coal-tar pitch where QI levels are usually 3–8%. When achieved, the pitch would be optically clean, structurally uniform, and chemically controlled.

This was inherently challenging due to the nature of pitch chemistry and thermodynamics. High temperature reactions required a narrow operating window, where even minor variations could trigger runaway QI formation, affect softening point, or weaken binding strength.

There was also something called ‘yield penalty’: removing QI reduced usable pitch yield by 10–30%, affecting viability.

Most experts said that developing a relevant product would be virtually impossible for Himadri.

Himadri’s scientists rose to the challenge. They combined customer insight, technical expertise, and sustained experimentation.

In a few months, Himadri’s scientists had something unexpected to report: the first small batch of zero-QI pitch, developed outside Japan.

The word went around: ‘If you need something difficult to manufacture, try Himadri.’



“Himadri keeps hierarchy out of innovation. If I have an idea, I walk into the MD’s office. If a young chemist has an idea, she walks into the lab to try it. The facilities are available. The instruments are ready. The authority is decentralised. That is why ideas move fast and products reach markets ahead of time.”

Dipankar Dey
Deputy General Manager, Quality Control

HAPPINESS MEANS...

Safe and timely material delivery.

At Himadri, Coal Tar Pitch needs to be dispatched molten at 250°C.

In 2001-02, the Company extended its business from manufacturing to logistics.

The Company acquired and operates a fleet of 292 specialised heated tankers over the years.

These tankers deliver molten pitch directly to customers’ plants.

The tankers eliminate the risk of solidification, delay or customer downtime.

This extension from manufacture to delivery ensures that material is delivered in a completely usable form; that smelter operations remain uninterrupted; that material delivery is just-in-time.

The result: Himadri has built long standing relations with its customers over three decades of its business.



“Himadri’s approach: the customer should never worry about supply once it has placed an order. Whether it is a weekday, holiday or a late-night requirement, our team responds. Over time, customers develop confidence that if Himadri has committed, the material will reach on time.”

Anshuman Parashar
Assistant Vice President - Marketing



HAPPINESS IS...

Leaving the world cleaner

Himadri turns ‘dirty’ feedstock into clean, high-value products.

This is unusual: Most companies can process clean feedstock well; few like Himadri can clean bad feedstock economically.

Himadri’s capabilities: Manufacture coal tar with variable composition, produce residual oils and convert end-of-life products into battery-acceptable, aluminium-grade, or speciality materials.

This warrants deep investments in separation science, impurity tolerance engineering and yield optimisation under constraints.

Besides, Himadri has graduated ESG into an operating discipline through Board-level ESG governance, external assurance, quantified intensity reductions and supply-chain engagement.

In a world where customers screen suppliers for risks (emissions, governance and reputation), Himadri’s ESG commitment is a licence to operate globally.

A customer told Himadri: ‘When we work with you, we can report to our stakeholders with our heads held high.’



“Himadri is present where safety and sustainability are non-negotiable. Operating in a populated area like Liluah, the plant follows strict environmental controls—treating wastewater through ETPs, recycling water, and conducting regular safety training and audits. Greenery, including fruit-bearing trees, reflects its ongoing environmental focus.”

Indrajeet Bhattacharya
GM - Process and Renewal Unit



HAPPINESS IS ...

Capturing all knowledge within

Himadri is a company with deep, hard-to-replicate specialised competencies that extend well beyond commodity chemicals.

The Company sits at the intersection of carbon chemistry, process engineering, materials science, and industrial sustainability.

Himadri’s specialised competencies lie in three areas.

One, the Company specialises in turning ‘dirty’ carbon streams into high-performance, future-facing materials.

Two, the Company operates where chemistry, physics, and sustainability intersect.

Three, the Company services customers for whom failure is not an option.

The word that encapsulates the engagement of Himadri with its stakeholders is not ‘vendor’; it is ‘partner’.



“Himadri trusts young shoulders with real responsibilities. I entered these gates on 4 September, 2023, fresh from the halls of academia as a ‘Graduate engineer trainee’. Most firms treat a Graduate trainee as a spectator, kept behind glass for a year of ‘observation.’ Not here. Here, you operate. I was learning, but I was also contributing. Within weeks, I was not just studying R&D; I was diagnosing customer complaints, tweaking process parameters, and feeling the heat of the shop floor. No one said, “You are new, just watch.” The unspoken message was, ‘Samajh lo, phir sambhalo.’ Within a year, I was promoted to Engineer. When my analysis led to corrective actions that were implemented, that was trust in action.”

Gauri Alle
Engineer, R&D and Technical Service



Our business portfolio

- This draws on the same resource material
- This is integrated
- This is value-added
- This enjoys multi-decade growth potential

PART
5

Our business
verticals



BUSINESS SEGMENT ANALYSIS

OUR NEW
ENERGY
MATERIALS
BUSINESS

New Energy
Materials
and Himadri.
The big picture

Battery storage materials are integral to cleaner mobility and decarbonised energy systems.

The growing demand for electric vehicles and renewable energy is likely to disproportionately grow battery storage solutions demand.

Himadri entered this business through the manufacture of Lithium ion battery-grade materials by commissioning its commercial scale facility for anode active material.

Work is underway for establishing its commercial facility for LFP Cathode Active Materials (globally a first at commercial scale, ex- China). These facilities will produce cathode and anode active material, integral to electric vehicles, energy storage systems, and grid-scale batteries..

Himadri’s New Energy Materials business sits attractively at the cusp of the golden age of energy transition, promising long-term growth.

Why this New Energy Material business is futuristic.

Traditionally, power systems depended on fossil fuels as feedstock. In the last decade, two transformative shifts have reshaped the landscape: 'Electric mobility' and 'Renewable energy integration.'

These trends are driving the need for reliable, flexible, and cost-efficient energy storage solutions.

The result: Traditional energy systems are yielding to battery storage applications.

The emergence of new digital power demands, including Compute Per Megawatt (CPM), is accelerating the need for high-performance battery systems to support next-generation AI-driven data infrastructure.

This structural shift is creating long-term opportunities for companies like Himadri Speciality Chemical Ltd that are focusing on technology-led, high-performance battery materials.

The result: Himadri is attractively positioned to address a large and rapidly growing global sunrise opportunity.





Himadri: Deepening its New Energy Materials presence

Himadri made a decisive long-term entry into the battery materials segment.

The Company underlined the seriousness of its intent by commissioning laboratory, pilot and

demonstration facilities - concurrently to shrink commissioning tenures.

This research-driven approach has empowered the Company in establishing a first-mover position in India related to product certification, customer validation and predictable scale-up.

Himadri is focusing on integrated anode and cathode material manufacture, while evaluating a backward integration into lithium, graphite and lithium carbonate.

Himadri is laying the foundation of a large and integrated battery materials platform business that is likely to deepen its relevance across the coming decades.

Strategic snapshot

- Focus on the manufacture of anode and cathode materials - the most value-intensive battery components
- Structured progression from lab → pilot → commercial scale
- Proactive engagements with global battery cell manufacturers (customers)
- Focus on timely certifications and qualifications, a hedge in a business with extended and high approval barriers
- Fundamental alignment with the global standards of sustainability, energy security and self-reliance

Futuristic

Lithium-ion batteries have evolved since their commercialisation for the consumer electronics sector in 1991. Since then, the nature of the chemistry, battery management

systems and manufacturing scale advances have transformed performance, safety and affordability. The segment has matured to a cusp where it is positioned to grow faster.

This evolution has also empowered LiBs to graduate applications beyond portable electronics: they have now emerged as the cornerstone of the global energy transition—powering electric vehicles, renewable energy storage, and applications across the medical, aerospace and defence sectors.

LiBs are becoming increasingly critical because they offer a visible advantage over alternative chemistries (sodium-ion batteries). They combine high energy density, balanced cost-performance economics and global manufacturing scale. Ongoing innovation (in LFP and NMC chemistries), superior battery management systems and recycling

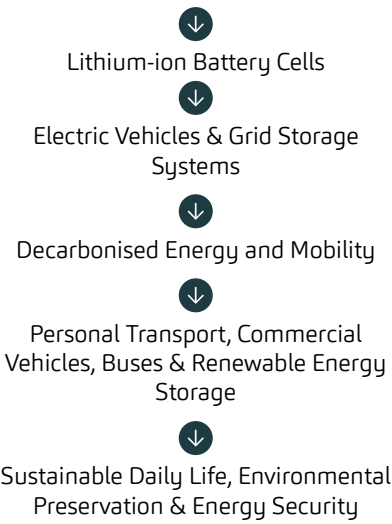
are only strengthening long-term relevance.

On account of proven versatility across EVs, energy storage and advanced applications, LiBs promise a lower market risk and remain the most dependably scalable battery platform for future-ready enterprises.

Products

Himadri is focused on the manufacture of battery-grade anode and Lithium Iron Phosphate (LFP) cathode active materials, the foundation of battery storage. The Company's competence in this space is expected to translate into superior battery safety, longevity, performance and cost-effectiveness. As a result, this competence makes Himadri a potent player in accelerating initiatives to counter climate change.

Battery-grade Graphite Anode + LFP Cathode Materials



Anode: It plays a crucial role in lithium-ion batteries, making material selection critical. The choice of anode influences discharge capacity, charging rate and cycle life. Graphite is preferred as the raw material on account of its low electrochemical reactivity, structural stability and favourable structure for lithium-ion storage.

Cathode: Lithium Iron Phosphate (LiFePO₄) and Lithium Nickel Manganese Cobalt Oxide (NMC) are among the most commonly used chemistries in the manufacture of cathodes, offering high lithium intercalation

capacity along with compatible chemical and physical properties required for EVs and other lithium-ion applications. LFP is preferred especially in tropical climate zones, due to its safety, thermal stability, extended cycle life and cost advantage.

Both: Anode and cathode materials account cumulatively for approximately 65% of the total lithium-ion battery cell cost, emphasising their strategic importance.

(Source: Visual Capitalist)

The LFP chemistry edge

Himadri is leveraging the Lithium Iron Phosphate (LFP) chemistry. This chemistry stands out among lithium-ion technologies for safety, durability and environmental advantages. The key benefits include the following:

- **Superior thermal and chemical stability**, reducing the risk of overheating or combustion
- **Longer operational life**, with more charge-discharge cycles than Lithium Nickel Manganese Cobalt Oxide batteries (NMC-based batteries)
- **Cost efficiency**, supported by abundant iron and phosphate and simpler supply chains

- **Reliable performance** across a wide temperature range and operating conditions
- **EV and electronics** polymers will increasingly be used in electrostatic discharge-safe housings (ESD-safe) components and cable shielding, where static control and EMI protection are critical.

Himadri's business

Himadri is focused on market leadership in anode and LFP Cathode Active Materials, feeding Indian and global EV and ESS supply chains.

Himadri has embarked on the manufacture of anode and LFP

cathode materials, proceeding towards large-scale commercial output.

A uniform process architecture across lab, pilot, demo and commercial stages has helped moderate scale-up risk and will lead to product consistency.

The Company's multiple grades are undergoing proactive qualification with domestic and international battery cell manufacturers (customers), positioning Himadri as a responsive long-term supplier.

Aerial view of our Mahistikry plant

New Energy Materials: Essential to a new emerging world



LiB Chemicals → Battery cells → EVs and grid storage → Clean power → Lower carbon footprint



LiB Materials → Energy storage → Renewable integration → Decarbonised daily living





Our competitive strengths

First-mover: An early entry into the anode and LFP segment will strengthen B2B brand visibility, positioning Himadri as a dependable supplier to domestic and international cell manufacturers.

Proprietary manufacture: Himadri will manufacture the two most critical parts of lithium-ion cells – anodes and LFP cathode materials. This is expected to reduce supply chain risks, helping the Company insulate against cost volatility.

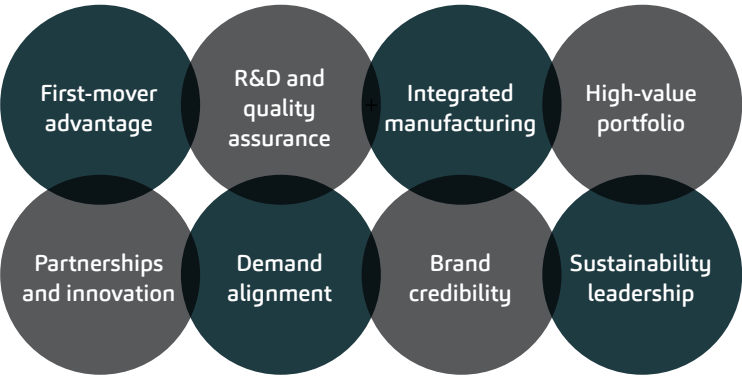
High demand: LFP cathodes are safe, thermally stable, cost-effective, and aligned with global trends; LFP adoption is projected to reach 40–50% in a few years.

Large potential: The Company's Phase 1 capacity of 40,000 TPA for LFP Cathode material is well below prevailing demand. Himadri is set to commence its first milestone capacity of 2,000 TPA by Q3FY27 and will scale with speed in accordance with customer approvals.

Technical expertise: Decades of experience in converting carbon to graphite and scaling chemical processes will help ensure quality, uniform products that address global standards.

Sustainability: A significant reliance on renewable energy will reduce the Company's environmental impact and also address stringent global regulatory standards.

Our strategic differentiators in this futuristic space



First-mover advantage: Entered the advanced anode and cathode materials segment early in the cycle, leveraging pilot plant. With the commercial facility for anode already commenced, work in progress for setting up LFP Cathode material facility to move ahead in sampling approval stage..

R&D excellence and quality assurance: Lab-first product development and rigorous customer qualification have helped ensure consistent quality, reduce scale-up risk, and anchor credibility among domestic and international battery manufacturers.

Integrated manufacturing and supply security: The concurrent planning of demonstration and commercial plants has helped accelerate time-to-market; research underway for backward integration into lithium, graphite, and lithium-carbonate has strengthened the Company's supply chain resilience.

High-value product portfolio: The Company is focused on premium, value-added battery materials with long and complex qualification cycles, providing high-growth and high-margin economics.

Partnerships and innovation: In 2023, Himadri acquired a strategic stake in Sicona Technologies, Australia, to advance silicon-composite Anode Materials and strengthen its next-generation battery capabilities.

In 2025, the Company partnered IBC, with a strategic stake while its cathode and Anode Materials are being deployed in IBC's Prabal 2000 series cells – marking an important commercial validation of its integrated materials platform.

Himadri acquired a 40% stake in Invati Creations Pvt. Ltd., enhancing its access to advanced lithium-ion

material innovations and nanotechnology-driven electrode development.

Demand alignment: Graphite anode and LFP cathode materials enjoy a robust demand that exceeds the Company's manufacturing capacity; this provides the Company with a scalable expansion platform to address EV and ESS requirements (domestic and global).

Brand credibility and global recognition: Technology leadership, integrated capabilities, and proactive investments have helped reinforce global brand recall, particularly among international customers seeking reliable and diversified material supply chains.

Sustainability leadership: Renewable energy-driven manufacturing and eco-conscious processes reduce carbon footprint and support ESG compliance.

Why Himadri is a preferred partner for Advanced Battery Materials

The Company comprises a cell R&D facility in California coupled with a manufacturing plant in South Korea, through its partnership with IBC, providing Himadri with a platform to showcase the performance of its advanced LiB materials.

The Company's materials delivered safer, longer-lasting battery operations.

Collaboration with Himadri accelerated the customer's product development.

There was a lower validation time due to dependable product consistency.

Consistent quality addressed the customer's customer battery solution needs.

Industry benchmarks for anode and cathode material performance were achieved.

Customer engineering teams were synced with Himadri teams.

The Company achieved optimal and competitive performance across applications.

The Company's business was certified globally, addressing stringent material standards.

The Company's streamlined supply chain helped achieve timely, predictable deliveries.

The Company's responsive culture translated into quicker decisions and project execution.

Building a proactive leadership

There is a premium on building a leadership in a sunrise sector that could translate into significant growth possibilities over time

Outlook

This strategic entry into LFP cathode materials is expected to strengthen Himadri's presence in the new energy value chain, generate recurring long-term demand, and establish the Company as a significant player in the area of global energy transition.

Big number

5.7 TWh

Global lithium-ion battery demand is forecasted to surpass 5.7 TWh (5,780 GWh) by 2035, driven primarily by electric vehicle adoption and broader energy storage deployment. (Source: Mckinsey)

Himadri and Lithium Iron Phosphate (LFP)

A new revolutionary Himadri product

Development: Himadri has entered the advanced battery materials space with the development of high-quality Lithium Iron Phosphate (LFP) cathode active materials. The Company is establishing capabilities across laboratory, pilot, demo and commercial-scale production to supply global battery manufacturers with reliable,

high-performance LFP cathode materials.

Deployment: LFP is a critical cathode material used in lithium-ion batteries for electric vehicles and large-scale energy storage systems. Known for its high thermal stability, safety, long cycle life, and cost efficiency, LFP is increasingly becoming the preferred chemistry

for mass-market EVs, buses, two-wheelers, and grid-scale storage applications.

Exposure: Himadri is actively engaging with domestic and international battery cell manufacturers, positioning itself as a credible supplier to India's emerging gigafactory ecosystem as well as global battery markets



Deployment of our products	Upsides
Lithium-ion battery cells: Battery-grade graphite anodes and LFP cathodes used in cell manufacturing for EVs and energy storage	Positions Himadri at the core of the global battery value chain; enables long-term, recurring demand from cell manufacturers with strong growth visibility
Electric Vehicles (EVs): Powering passenger vehicles, commercial vehicles, two-wheelers and buses	Benefits from rapid EV adoption worldwide; drives large-scale, high-volume material offtake with premium qualification-based relationships
Stationary Energy Storage Systems (ESS): Grid stabilisation, renewable integration and backup power solutions	Taps into expanding global demand for renewable energy storage; creates stable, long-duration demand cycles
Fast-charging battery platforms: Advanced anode and cathode materials for high-performance cells	Enhances charging speed, energy density and battery life, enabling technological differentiation and pricing power
Safer battery chemistries: LFP cathodes offering high thermal stability and safety	Aligns with global preference for safe and reliable batteries; supports adoption in mass-market EVs and critical infrastructure
Cost-effective energy storage: Optimised material solutions for affordable batteries	Enables competitive battery costs, accelerating mass adoption and expanding addressable markets
Gigafactory supply chains: Direct supply to large-scale domestic and global cell manufacturers	Creates long-term supply contracts, strategic partnerships and predictable revenue streams
Consumer electronics (emerging): High-performance cells for next-generation devices	Diversifies demand across multiple end markets beyond automotive
Future battery technologies: Continuous R&D for next-gen anode and cathode chemistries	Establishes technology leadership, higher entry barriers and sustained competitive advantage

Anode Materials

Development: Himadri established a 200 MTPA Anode Material facility in Mahistikry, West Bengal, backed by over a decade of in-house R&D spanning the full anode technology stack—from raw material processing to finished products. The process is anchored in proprietary know-how and the use of specially engineered, high-purity Coal Tar

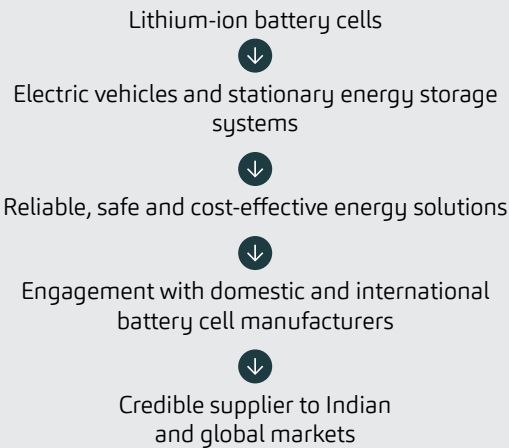
Pitch produced in-house, ensuring superior quality and consistency.

Deployment: Himadri successfully commissioned operations in April 2026. The facility is designed with feedstock flexibility, enabling the use of alternative raw materials to enhance scalability and operational resilience. Backward integration across the value chain supports

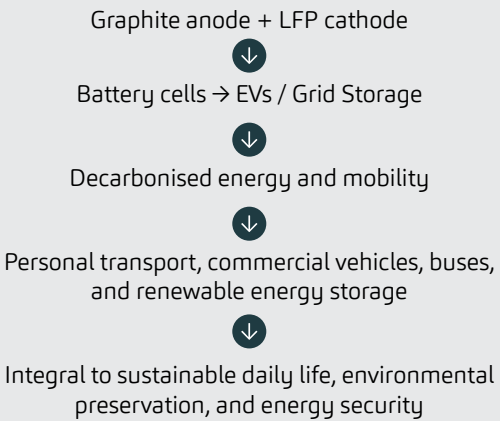
a self-reliant and fully integrated manufacturing ecosystem.

Exposure: This strengthens the Company’s position in advanced battery materials, enabling its participation in the rapidly growing EV and energy storage markets. This builds differentiated capabilities aligned with evolving global demand and technology transitions.

Battery-grade graphite anode + Lithium iron phosphate (LFP) cathode materials



How battery materials are integral to consumer lives



Why this business matters to Himadri

Global battery storage capacity is expected to expand manifold by 2030, driving a sustained demand for advanced battery materials. This growth strengthens the long-term relevance of Himadri’s battery materials for lithium-ion batteries as energy storage scales into critical infrastructure.



The management’s perspective

Himadri’s vision is to accelerate India’s transition to clean energy through the development of advanced battery technologies.

By producing quality anodes and LFP cathode materials, we are helping make EVs safer, affordable, and reliable.

I am happy to communicate that our demonstration plants are setting benchmarks in quality, efficiency, and sustainability.

By leveraging our first-mover advantage and proprietary expertise, we are positioned to address rapidly growing global demand.

In doing so, we seek to play a responsible role in reducing humankind’s fossil fuel dependence and shaping a greener future.

M.B. Gadgil
Business President, New Energy Material





Battery energy storage systems: The emerging economics of India’s next energy opportunity

How tariff arbitrage, renewable integration and grid modernisation could accelerate demand for advanced battery materials

One of the most significant developments shaping the future of the global energy ecosystem is the emergence of Battery Energy Storage Systems (BESS) as an economically viable and strategically indispensable infrastructure segment. What was once viewed primarily as an enabling technology for renewable energy integration is now evolving into an independent commercial opportunity driven by compelling economics, changing grid dynamics

and the accelerating electrification of economies. In India, this transition appears to have reached an important inflection point. The country’s power demand is rising at a pace that has surprised even sector planners. India recently recorded a historic peak power demand of 256 GW, substantially ahead of earlier projections. Simultaneously, the share of renewable energy within the

national energy mix continues to expand rapidly. While this transition strengthens sustainability and energy security, it also introduces a new operational challenge for the grid: renewable energy generation is inherently intermittent, whereas electricity demand remains continuous. This mismatch is creating a growing need for energy storage solutions capable of balancing supply and demand across time periods. (Source: ET Energy World)

The economics of tariff arbitrage are changing the game

The economics of this opportunity are becoming increasingly attractive because of one important structural factor: tariff arbitrage between afternoon and night-time electricity pricing.

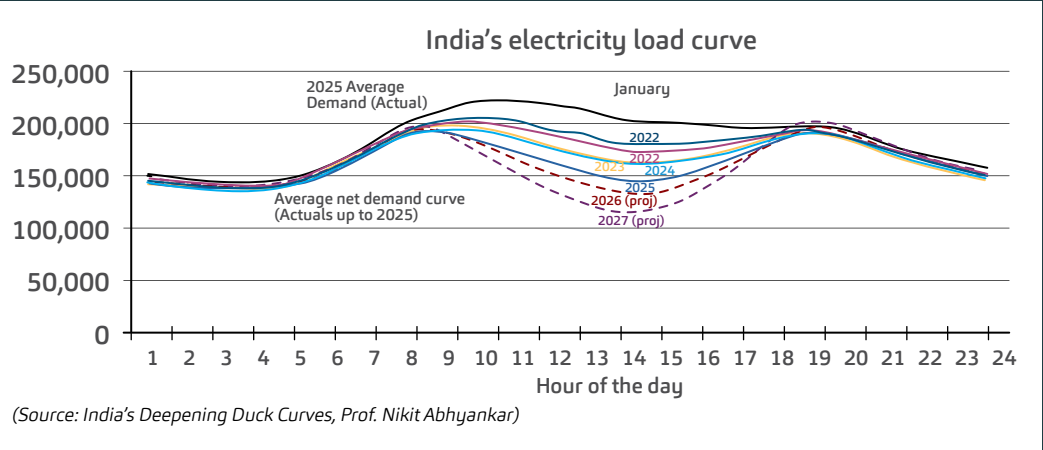
India’s renewable energy profile, particularly solar generation, creates periods of abundant power availability during daytime hours when generation peaks. As solar penetration rises, electricity prices during afternoon periods are expected to remain comparatively softer due

to excess generation availability. However, demand typically rises sharply during evening and night hours when solar generation declines but industrial, commercial and residential consumption remains elevated.

A widening spread between low-cost daytime power and higher-value evening power

There is a widening spread between low-cost daytime power and higher-value evening power. Battery Energy Storage Systems are uniquely positioned to monetise this differential. Electricity can be stored during low-tariff afternoon periods and discharged during higher-tariff evening or peak-demand hours, enabling economically attractive arbitrage opportunities. As battery costs continue to decline and grid-scale storage efficiencies

improve, this business model is becoming increasingly viable. The importance of this development cannot be overstated. Historically, energy storage economics depended heavily on policy incentives or renewable integration mandates. Increasingly, however, storage systems are beginning to stand on independent commercial logic. In effect, battery storage is transitioning from a policy-supported concept into an economically compelling infrastructure asset class.



Spread of electricity load across the day (Source: IEEFA India BESS)



Battery storage is becoming integral to grid stability

Beyond tariff arbitrage, Battery Energy Storage Systems provide several strategic advantages for the power sector. They support grid stability, reduce peak load stress, enhance renewable energy utilisation, improve transmission efficiency and strengthen energy reliability during demand fluctuations. They also reduce the need for expensive peaking power plants and provide

greater flexibility to utilities managing increasingly complex power networks.

As renewable energy capacities continue to expand across India, the strategic importance of storage systems is expected to rise materially. Renewable-rich states generating excess daytime power will increasingly require storage infrastructure to optimise power utilisation and reduce curtailment

risks. Simultaneously, industrial consumers seeking energy reliability and cost optimisation may increasingly adopt storage-linked solutions to manage energy costs more efficiently.

In many ways, battery storage is emerging as the missing bridge between renewable generation and reliable power availability.

opportunity across power, mobility, renewables, industrial infrastructure and decarbonisation. This broad-

based applicability enhances the long-term relevance of companies

participating in critical battery material ecosystems.

India’s push towards energy security could accelerate localisation

The strategic importance of domestic capability creation in this sector is increasing.

Countries globally are recognising the need to localise battery supply chains amid rising geopolitical sensitivities and growing energy security concerns. India’s policy direction increasingly supports domestic manufacturing ecosystems linked to advanced chemistry cells, battery materials and energy storage technologies. This could create

favourable conditions for companies with technological capability, specialised material expertise and scalable manufacturing potential.

For Himadri Speciality Chemical, this transition potentially represents more than participation in an emerging industry cycle. It reflects the opportunity to evolve from a conventional speciality materials player into a strategic contributor within the future energy ecosystem.

The Company’s expertise in advanced carbon chemistry, process capabilities and material science positions it favourably within sectors expected to benefit from the accelerating adoption of storage technologies. As battery ecosystems mature, customers are likely to prioritise quality consistency, technical reliability, supply security and performance optimisation — areas where specialised material manufacturers can create differentiated value.

The opportunity extends across the battery materials ecosystem

There is a long-duration structural opportunity across the battery materials value chain.

At the heart of every lithium-ion battery lies a highly specialised chemistry ecosystem where anodes and cathodes play defining roles in determining energy density, charging efficiency, safety, cycle life and overall battery performance. As

Battery Energy Storage Systems scale globally and domestically, demand for advanced battery materials is expected to increase substantially.

This is where Himadri Speciality Chemical is strategically positioned.

The Company’s expanding presence within advanced carbon materials and battery-related applications aligns

closely with the long-term structural growth expected in energy storage technologies. The increasing adoption of lithium-ion batteries across stationary storage systems, electric mobility and renewable integration platforms is expected to drive rising demand for high-performance anode and cathode materials capable of delivering reliability, conductivity and operational efficiency.

A long-term structural opportunity is emerging

Equally important is the scale of the opportunity itself.

Battery Energy Storage Systems are still at a relatively early stage of penetration in India. However, the convergence of renewable expansion, tariff arbitrage economics, grid modernisation requirements, industrial electrification and falling battery costs is expected to accelerate adoption meaningfully over the coming decade.

In many ways, India’s energy transition may increasingly depend not only on how much renewable energy the country can generate,

but on how effectively it can store, manage and distribute that energy across varying demand cycles.

This creates a powerful long-term foundation for the growth of battery materials.

As energy systems become more storage-centric, demand for advanced anode and cathode materials could rise structurally, supported by applications spanning grid infrastructure, mobility, industrial power management and renewable integration. Companies capable of positioning themselves early within this ecosystem may benefit from

sustained relevance in one of the world’s most important emerging industrial transitions.

For Himadri, the opportunity lies at the intersection of chemistry, energy transformation and technological evolution.

As Battery Energy Storage Systems move steadily from optional infrastructure to essential infrastructure, the demand drivers underpinning advanced battery materials may only continue to strengthen.

Why anodes and cathodes will matter more than ever

Anode Materials, particularly those based on advanced carbon and graphite derivatives, are critical to battery performance. They influence charging speed, cycle durability and energy retention capabilities. As storage systems become larger and more commercially critical, the requirement for high-quality,

performance-consistent Anode Materials is expected to increase significantly.

Similarly, cathode materials remain central to determining battery energy density and operating stability. The growth of advanced battery chemistries across grid-scale storage and mobility applications is expected

to create sustained demand for sophisticated material inputs across the value chain.

Importantly, the evolution of the BESS segment could create demand visibility that extends beyond the cyclical characteristics associated with traditional industrial sectors. Energy storage represents a convergence



For Himadri Speciality Chemical, the opportunity lies at the intersection of chemistry, energy transformation and technological evolution.



OUR STRATEGIC INVESTMENT

Sicona Battery Technologies

Our strategic investment in a next-generation battery materials platform

Through its technology platform and strategic partnership with Himadri, Sicona is positioned to become a leading global supplier of silicon-carbon Anode Materials and a key enabler of next-generation lithium-ion batteries.

Overview

Sicona is developing a leading silicon-carbon (SiCx®) anode platform for next-generation lithium-ion batteries. Its proprietary material delivers silicon-level performance while retaining graphite-like manufacturing, safety, and cost advantages — enabling seamless integration without cell-line retooling.

SiCx® enables 20%+ higher energy density and 40%+ faster charge/discharge rates.

Over the past year, Sicona advanced across technology validation, customer qualification, and commercial scale-up preparation, strengthening its position as one of the most scalable silicon-carbon anode platforms globally.

Industry trends supporting growth

Structural industry shifts favour scalable silicon-carbon platforms such as Sicona’s:

- Rapid LFP battery adoption

- OEM focus on drop-in, manufacturable solutions
- Regionalised battery supply chains
- Greater emphasis on sustainability and safer production processes

Together, these trends reinforce the demand for cost-effective, non-silane silicon-carbon technologies compatible with existing lithium-ion infrastructure.

The industry opportunity

Global lithium-ion battery demand continues to accelerate, driven by EV adoption, grid-scale storage, and high-performance electronics. While innovation has historically focused on cathodes, the anode is increasingly viewed as the next major lever for improvements in energy density, fast-charging capability, and cost efficiency.

Despite strong industry interest, most silicon-anode technologies rely on capital-intensive, silane-based production routes that constrain cost-effective scaling. Sicona addresses this gap through a mechanical, non-silane Si/C production process that is scalable and fully compatible with existing lithium-ion manufacturing infrastructure.

This positions the platform to support premium as well as mass-market applications, while enabling regionalised battery supply chains across the US, Europe, South Korea, India, and allied markets.

Technology roadmap

Sicona’s Gen3 SiCx® has demonstrated strong specific capacity, improved cycle life, low surface area, and high first-cycle efficiency. Development continues towards next-generation materials targeting

further cost reduction, enhanced durability, and superior fast-charging performance. Unlike silane-based approaches that face scaling constraints, Sicona’s

platform is designed to scale to tens of thousands of tonnes annually while maintaining full manufacturing compatibility.

Commercial traction

Sicona has established a strong market engagement:

- 26 global OEMs and cell manufacturers under NDA
- 14 active qualification programs
- Successful validation across pouch and cylindrical cell formats
- Independent testing confirming parity or superiority versus Tier-1

silicon-Anode Materials across NCM and LFP chemistries

During FY 2024-25, the pilot plant achieved key production milestones for Gen3. Gen4 SiCx® materials are now on track have now been dispatched for testing at major OEMs around the globe, supporting broader qualification and early-stage offtake discussions.

A key milestone was the strategic investment and technology licensing partnership with Himadri Speciality Chemical Ltd, enabling the localisation and commercialisation of SiCx® in India. This collaboration will accelerate scale-up and strengthen a regional supply chain resilience.

Allied and adjacent opportunities

Beyond EVs, Sicona is addressing high-growth segments including:

- Consumer electronics (3C)

- Micro-mobility and defence applications
- Emerging advanced battery ecosystems

Collaborations with complementary technology providers support system-level innovation and broaden long-term addressable markets.

Outlook

Sicona’s growth is supported by accelerating EV adoption, rising demand for high-energy-density and fast-charging batteries, increasing

supply chain localisation priorities, and expanding customer qualification activity. Through its technology platform and strategic partnership with Himadri,

Sicona is positioned to become a leading global supplier of silicon-carbon Anode Materials and a key enabler of next-generation lithium-ion batteries.

Sicona battery technologies
SiCx® Silicon-Carbon Anode Platform

20%+
Higher energy density

40%+
Faster charging

0
Zero manufacturing changes needed with drop-in solution





OUR STRATEGIC INVESTMENT

International Battery Company

Strengthening the battery value chain through cell level capabilities

Overview

Headquartered in Silicon Valley, USA, International Battery Company (IBC) is a full-service lithium-ion cell manufacturer specialising in the design, development and

production of prismatic form-factor cells for mobility and energy storage applications. IBC is focused on addressing structural gaps in the global lithium-ion cell market, which is expected to surpass a USD 500 Bn total addressable market by 2030.

The Company combines deep cell chemistry expertise with proprietary industrial AI-driven platforms and state-of-the-art R&D infrastructure to accelerate innovation, shorten development cycles and co-develop advanced battery materials.

Strategic investment and governance

Himadri made a strategic investment in IBC to strengthen its participation in the global battery value chain. As a part of this partnership, Himadri holds a Nominee Director's position on IBC's Board, enabling active governance participation and alignment of long-term strategy across material and cell technology development.

Manufacturing footprint and scale-up

IBC has built a phased and geographically diversified manufacturing strategy:

South Korea: Operates a 50 MWh lithium-ion cell manufacturing facility, operational since 2023. The plant has produced over 300,000 2170 NMC 5Ah

cell equivalents at yields exceeding 94%, validating IBC's cell design and process architecture.

India: Developing a gigafactory in Bengaluru through a joint venture with Mahanagar Gas Limited (a subsidiary of GAIL).

Commercial operations for the India Gigafactory is targeted by Q4FY27, supporting the localisation of battery manufacturing and materials integration.

2025: From validation to commercial deployment

FY 2024-25 marked IBC's transition from a pre-revenue to a revenue-generating enterprise, with multiple operational milestones:

- Over 1,200 two-wheeler battery packs deployed in the field.
 - More than ₹6 Crores worth of assets operational across customer deployments.
 - Over 200 battery packs completed one year of field operation with less than 1.5% State of Health (SOH) degradation, demonstrating a strong cycle life and performance reliability under real-world conditions.
- The year under review validated the Himadri-IBC collaboration, particularly in mobility-grade graphite and silicon carbide (SiC), while advancing development work in LFP cathode materials. These efforts established the technical and commercial foundation for scaled product integration beginning 2026.

Technology and product collaboration

The Himadri-IBC partnership integrates cell chemistry, materials science and device-level engineering under a structured joint product roadmap.

Key developments

- Approval of Himadri's graphite Anode Material samples, with integration planned for India's two-wheeler segment.
- Ongoing trials to develop cells using Himadri's LFP cathode materials, Anode Materials and Sicona's SiCx® anode technology for applications spanning grid storage, high-performance drones, electric aviation, defence and AI data centres.
- Progressive validation of battery-critical materials—from lab-scale testing to field deployment—creating robust real-world performance datasets.

The collaboration aims to position differentiated device-and-material packages not only for in-house deployment but also for potential adoption by global cell manufacturers.

Product roadmap: 2026 and beyond

Building on 2025 achievements, IBC has outlined aggressive growth plans for 2026:

Prabal 2000: LFP-Graphite based prismatic cells designed for mobility and energy storage.

Prabal 3000: High nickel (Ni-NMC) silicon-anode based prismatic cells delivering higher energy density and high C-rate performance.

Advanced 2170: High Ni-NMC cells powered by proprietary cathode chemistry and silicon-enhanced anode technologies.

These product platforms align with Himadri's material innovation pipeline in graphite, silicon carbon and LFP materials, enabling a vertical integration across cathode, anode and device technologies.

Market focus and strategic positioning

IBC's near-term commercial focus includes:

- B2B fleet operators
- Two- and three-wheeler OEMs
- Global battery exports for golf carts and energy storage systems

The roadmap targets high-value, performance-driven segments including defence applications, drones, electric aviation and AI data centres.

IBC's agenda

- Giga-scale manufacturing expansion.
- Localisation of cathode and Anode Material supply chains in India.
- Development of FEOC-compliant material supply chains for the US market.

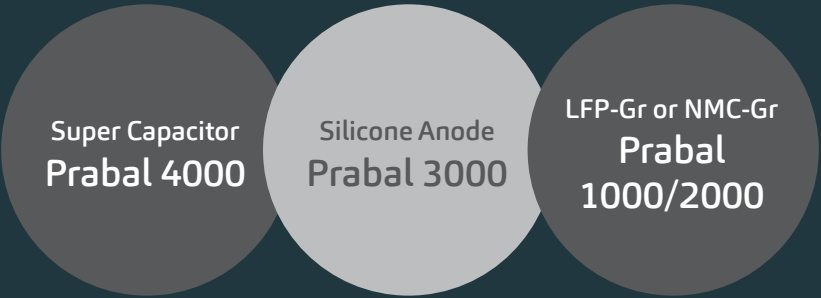
The Company is advancing research collaborations in next-generation technologies such as 100% silicon anodes, lithium-metal batteries, solid-state batteries and supercapacitors for high-performance markets.

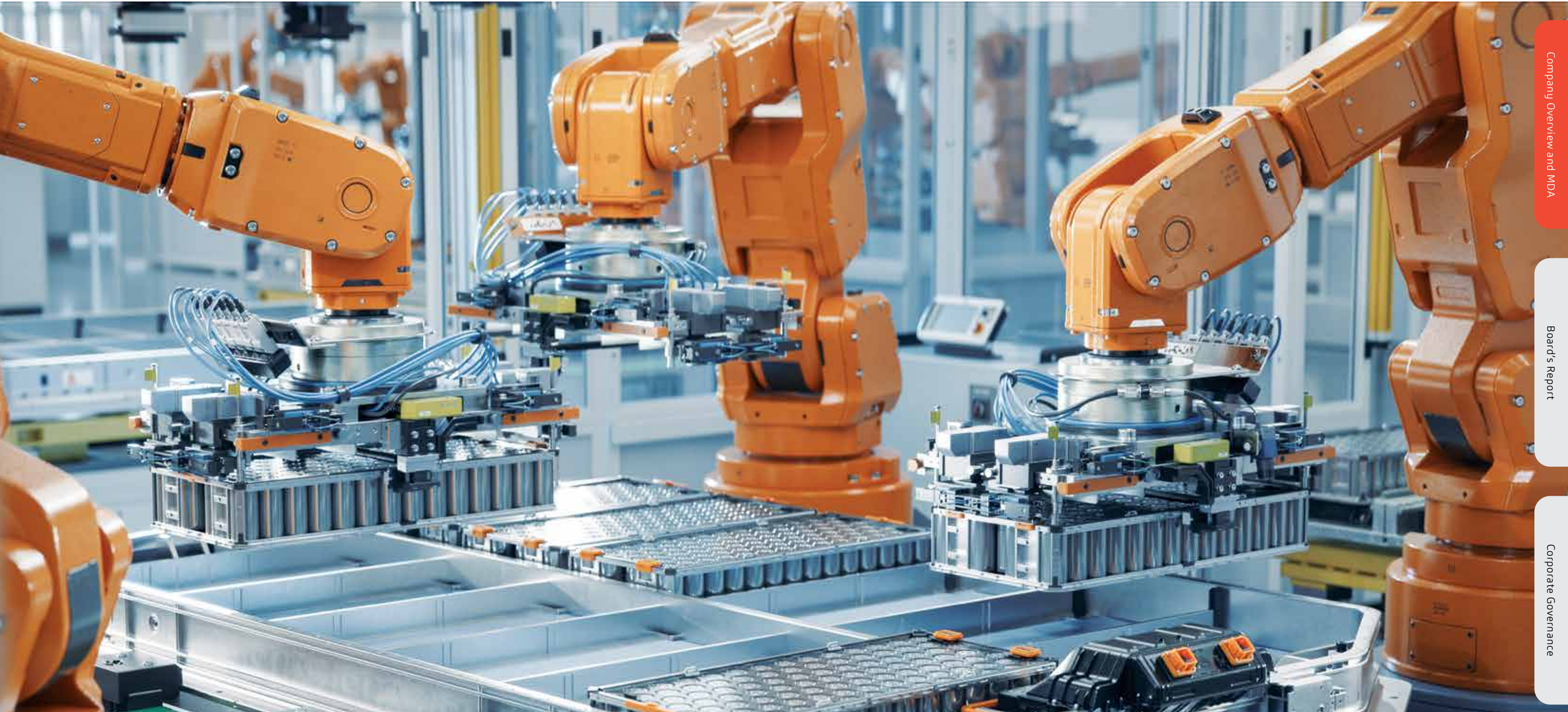
Outlook

IBC has established technical credibility through yield validation, field deployment performance and structured material integration with Himadri. With revenue traction initiated in 2025 and manufacturing expansion underway in India, 2026 is positioned as a year of accelerated commercialisation, deeper material integration and ecosystem partnerships across India and the United States.



AI Energy Stack Built with IBC Cells Through Physics Informed AI





Our strategic investment in Invati Creations

Overview

In FY 2024-25, Himadri acquired a 40% stake in Invati Creations, strengthening its innovation-led expansion in lithium-ion battery materials and advanced chemistries. The partnership is anchored in a shared vision to develop high-performance lithium-ion electrode materials and explore next-generation technologies in the battery materials space and beyond. Invati's R&D efforts

are progressing steadily, with ongoing synthesis and testing of materials designed to deliver higher energy density, enhanced efficiency, and longer battery life. Beyond battery materials, the collaboration has expanded into nanotechnology-enabled formulation platforms for synthesising novel molecules. These initiatives aim to create differentiated solutions addressing complex challenges across

energy storage, life sciences, and other high-value applications. Invati holds multiple patents and continues to advance patentable technologies in novel molecule synthesis. Himadri has strengthened strategic oversight through two nominee directors on Invati's Board. The Company remains committed to accelerating innovation, building advanced material capabilities, and delivering sustainable long-term value.



BUSINESS SEGMENT ANALYSIS

OUR TYRES BUSINESS

In October 2023, Himadri Speciality Chemical Ltd (Strategic Partner) along with Resolution Applicant Dalmia Bharat Refractories Limited (DBRL) acquired Birla Tyres Limited.

The integration process is progressing smoothly, with a focus on asset revival cum upgrade, aligning operations, team structures, building a robust network cum brand to widen reach and visibility.

Himadri’s culture of daring

When the consortium of Dalmia Bharat Refractories Limited and Himadri Speciality Chemical Ltd acquired the insolvent Birla Tyres business in October 2023, the move was met with scepticism.

These were some of the reservations that people expressed:

‘This business is dominated by large companies that will make it difficult for you to succeed.’

‘This is a B2C business whereas you only possess B2B experience.’

‘The Company you wish to buy used to manufacture only bias tyres whereas big brands are built around radial tyres.’

‘The plant has been closed for over 36 months; it is overrun by snakes and scorpions.’

DBRL and Himadri recognised the opportunity behind these challenges. The acquired brand was reintroduced at a relatively low cost, a new tyre distribution network was rolled out across India, top-of-the-line equipment was commissioned, and the brand was positioned as ‘premium but affordable’.

Even in these early days, the upsides are visible: the brand has carved out a single-digit market share in some geographies, is generating a realisation higher than the market average, plant utilisation is rising, and the product has made headway into the international market.

The product

Tyres are more fundamental to modern life than most people recognise.

As the only point of contact between a vehicle and the road, tyres translate power into motion, control into safety, and engineering into everyday mobility.

What makes this product indispensable is its universal application across passenger vehicles, commercial transport, agriculture, construction and emerging electric mobility. These segments underpin economic activity, food security and personal movement.

The integral nature of this product is reflected in their steady growth alongside vehicle penetration and mobility intensity, riding a basic and enduring human need: to move goods, people and economies – safely and efficiently.



Indian tyre market

The Indian tyre industry is poised for growth, with projected revenues reaching USD 22 Bn by 2032, up from USD 12 Bn in FY 2024-25, reflecting a robust compound annual growth rate (CAGR) of 8-9%. In FY 2024-25, India exported tyres worth USD 3 Bn.

In FY 2025-26, replacement tyre demand remained strong across T&B, PCR, Farm and select OHT

segments, supported by a high vehicle utilisation, improving freight activity, and gradual rural recovery. OEM demand was robust, led by passenger vehicle growth and a sharp uptick in farm equipment, aided by new model launches and improving tractor demand.

Export markets were recovering, with high single-digit to double-digit growth across Europe, Latin America

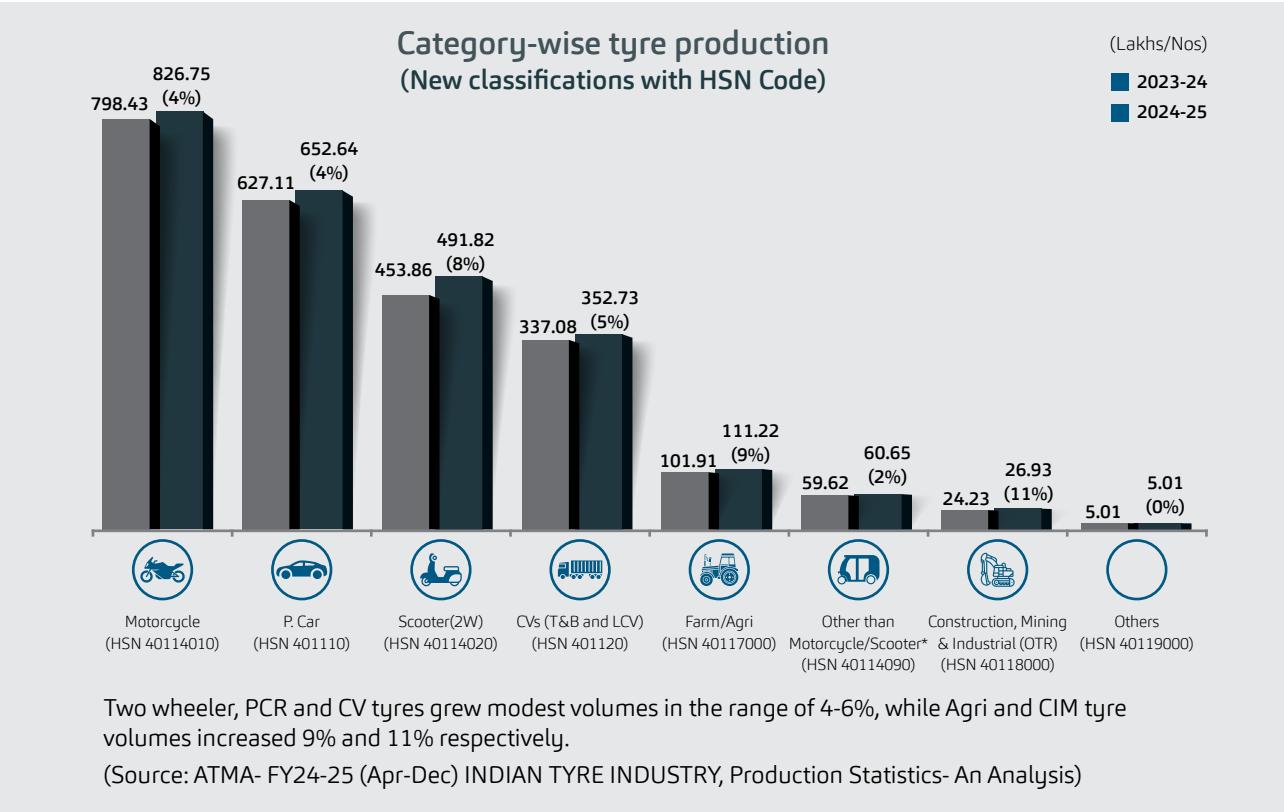
and other regions, indicating a revival in global replacement cycles.

Supply-side conditions remained supportive, with high capacity utilisation, stable raw material costs, and a disciplined capex upcycle focused on radialisation, premiumisation, and technology upgrades, underpinning margin and pricing stability.

(Source: ATMA Report, ibef)

Production

Tyre production in India went up by around 5% in FY 2024-25. Total tyre production crossed 250 Mn units.



Segment Category	Volume Share	Revenue Share
Truck & Bus, LCV	16%	54%
Passenger Car	26%	14%
2&3 Wheeler	53%	13%
Farm	4%	8%
Others	1%	2%

Exports

In revenue terms, tyre exports from India went up by 9% in FY 2024-25 and stood at USD 3 Bn. In volume terms, the growth rate in exports stood at 6%. However, passenger car and motorcycle tyre export volumes rose in double-digits during the period.

(Source: IBEF)

Imports

Overall tyre imports in India witnessed a significant decline in value terms in FY 2024-25 after three consecutive years of growth. T&B and passenger car segment witnessed a growth in import.

(Source: ATMA- FY 2025-26 Apr-Sep, TYRE Imports into India- An Analysis)

Industry trends, growth, forecasts, projections

In the last three years, the radialisation in overall truck and bus tyres stood at 60%. In the LCV segment, radialisation was at 40%.

Replacement market share increased to 64% in truck and bus segment backed by a large base. Truck and bus OE volume contracted by 5% in FY 2024-25 while replace demand growth was expected to stay healthy. Tractor OE volumes grew by 7% in FY 2024-25, aided by steady demand and adequate rainfall.

Export demand slump in key markets owing to the economic slowdown, inflationary pressures, geopolitical issues, etc., impacted import in FY 2024-25. Export volumes recovered in H2 FY 2023-24 and FY 2024-25, which led to 10% growth

in FY 2024-25. While the sustenance in volume recovery in the near term needs to be seen, a continued acceptance of Indian tyres in the global markets indicates favourable long-term export prospects.

Capex spend in FY 2024-25 was in the range of 7-10% of revenue and expected to remain in same range in FY 2025-26, largely towards debottlenecking, efficiency improvements, and maintenance, along with a few brownfield expansions. Apart from investments in capacity expansion, the industry also invests in R&D. Increasing focus on tyre performance and higher quality tyres is expected, given the increasing push towards electric vehicles (EVs).

(Source: ICRA. Indian Tyre Industry, June 2025)

Tyres and Himadri: The big picture

Tyres are fundamental to mobility, commerce and modern living.

Every movement of people or products is influenced by the reliability, durability and performance of tyres.

Birla Tyres manufactures tyres for commercial vehicles, agriculture, construction-industrial-mining (CIM); it seeks to enter the passenger car radial (PCR) segment to service electric vehicles and SUVs.

The business is entering a growth phase with planned capacity expansion across bias and radial

agricultural tyres, OTR tyres and PCR tyres, backed by strengthened R&D capabilities.

In view of this, the business represents a structurally attractive proxy for the mobility growth across the long term.

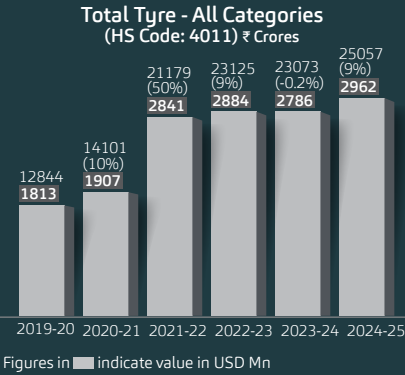
Big numbers

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USD Bn, Indian Tyre market size in FY 2024-25

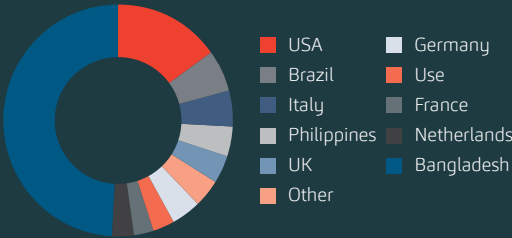
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USD Bn, Indian Tyre market size in FY 2031-32E



(Source: ATMA- FY 2025-26 (Apr- Sep) Tyre Exports from India- An Analysis)

Country-wise tyre exports in FY 2024-25 and FY 2023-24



The US and Germany accounted for 20-30% of India's tyre exports in five years. Exports to Brazil grew sharply over two years on account of strong demand; Brazil was the third-largest destination for Indian tyres during this period.

(Source: ATMA- FY 2025-26 (Apr- Sep) Tyre Exports from India- An Analysis)

Category-wise growth

Category	FY24 (in '1000s)	FY25 (in '1000s)
Truck & Bus	5,498	5,880 (+7%)
Passenger Car	7,757	8,551 (+10%)
Motorcycle	5,569	7,089 (+27%)



Our tyres business

What distinguishes our tyres business is its deliberate shift from commoditised products towards application-specific, performance-driven tyres. This focus positions Birla Tyres as a mobility solutions provider as against a volume-led manufacturer.

The Company's tyres business benefits from a proximity to deep carbon materials expertise, enabling enhanced technical collaboration in compounding, durability and performance — while maintaining

independent sourcing flexibility aligned to market dynamics. This capability is complemented by multi-stage quality checks, end-to-end traceability from raw material to finished tyre, and a continuous improvement through QMS audits and field feedback.

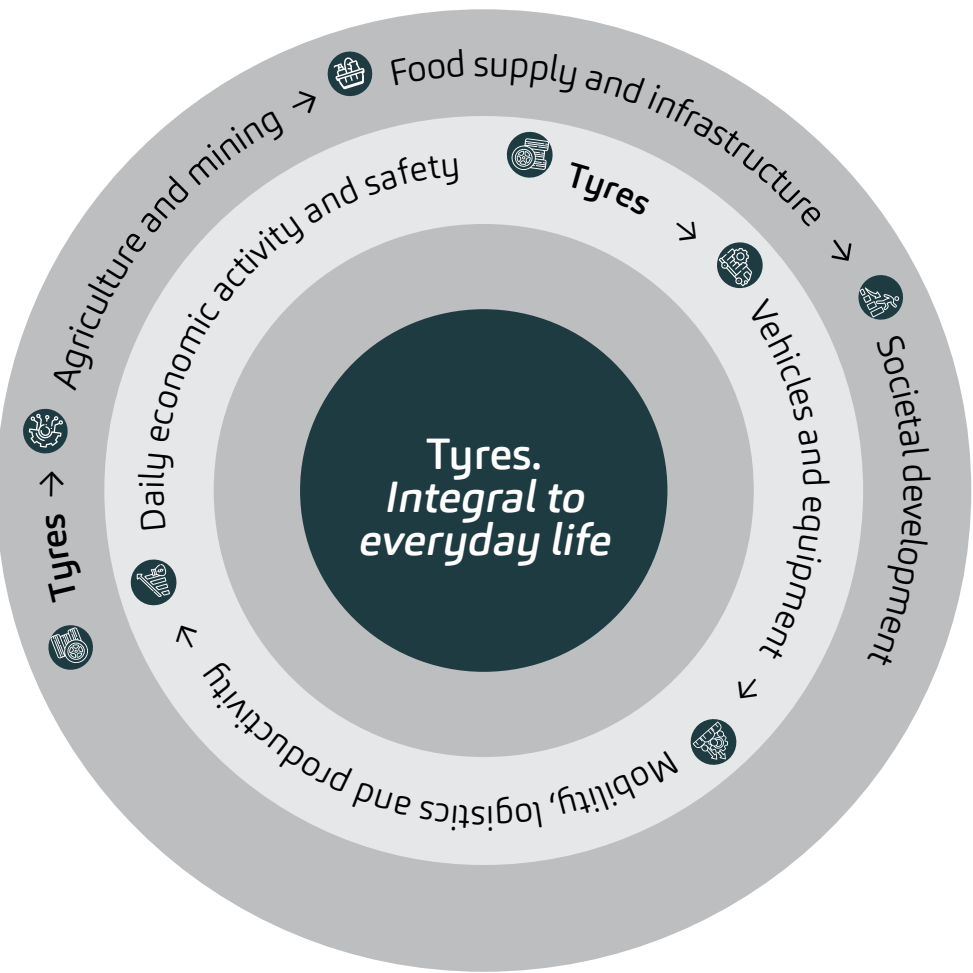
The portfolio is marketed under the revived Birla Tyres brand, anchored by a trusted flagship range comprising BT112, BT339 and Ultra Miler in

truck and bus bias tyres, Shaan and Chakra in agriculture, and Kalapatthar, Ultra Trac, Ultra Grip and Loader Max addressing the mining and construction segments.

The business addresses domestic and international demand across truck and bus tyres, off-highway tyres and agricultural applications – segments that represent the backbone of India's tyre consumption and exports opportunity.

Strategic snapshot

- Portfolio spanning commercial vehicle bias tyres, agriculture, CIM and PCR (EV-focused)
 - Progressive migration toward speciality and application-specific tyres
- Integration with in-house Speciality Carbon Black enabling proprietary compounding
 - Rapidly expanding domestic distribution and growing export footprints
- Brand recall anchored in durability, trust and renewed premium positioning
 - R&D capabilities (compound development, tyre simulation, raw material research, indoor and outdoor testing, and product industrialisation).



Our business-strengthening tyre brands

Mining and construction tyres	Truck and bus-bias tyres	Agricultural tyres
Kalapaththar: An extreme-duty tyre engineered for mining and quarrying environments. Designed to withstand high abrasion, impact and load stress, it delivers reliability in the harshest operating conditions. Application sectors: Mining haulage, quarry operations, heavy-duty tippers, off-highway mining equipment.	BT112: A dependable truck and bus bias tyre engineered for balanced mileage, load endurance and road stability. Designed for mixed road conditions, it supports consistent fleet performance with predictable wear characteristics. Application sectors: Medium and heavy commercial vehicles, regional freight transport, bus operations, fleet and replacement markets.	Shaan: A versatile agricultural tyre designed for everyday farm operations. Engineered to provide reliable traction, durability and soil-friendly performance across varied agricultural tasks. Application sectors: Tractors, farm implements, agri-utility vehicles, cultivation and haulage activities.
Ultra Trac: A traction-oriented tyre developed for construction and infrastructure sites. Engineered to provide grip, stability and durability on uneven and loose surfaces. Application sectors: Construction vehicles, tippers, earthmoving equipment, infrastructure projects.	BT339: A high-strength bias tyre developed for demanding load and duty cycles. Built with a reinforced construction, it delivers durability and resistance to operational stress across long-distance and high-utilisation routes. Application sectors: Heavy commercial vehicles, long-haul trucking, intercity buses, fleet operators, high-usage transport corridors.	Chakra: A robust agricultural tyre developed for higher traction and load demands. Built to perform across tough field conditions, it supports productivity during intensive farming operations. Application sectors: Tractors, agricultural machinery, heavy farm operations, mixed-terrain agricultural use.
Ultra-Grip: A high-traction tyre designed for challenging terrain and surface conditions. Built to enhance control and operational safety in demanding off-road applications. Application sectors: Construction machinery, off-highway vehicles, rugged terrain operations, infrastructure development.	Ultra-Miler: A mileage-focused truck and bus bias tyre designed to maximise tread life and operating efficiency. Engineered to reduce cost-per-Km, it is suited for operators prioritising longevity and predictable performance. Application sectors: Commercial truck fleets, bus fleets, long-distance haulage, high-mileage applications, replacement markets.	
Loader Max: A heavy-duty loader tyre engineered for high load-bearing and abrasion resistance. Designed to support continuous operations in material-handling and construction environments. Application sectors: Loaders, material-handling equipment, construction sites, mining and infrastructure projects.		

AGRIPLUS - Premium Agricultural (OHT) Tyres from Birla Tyres

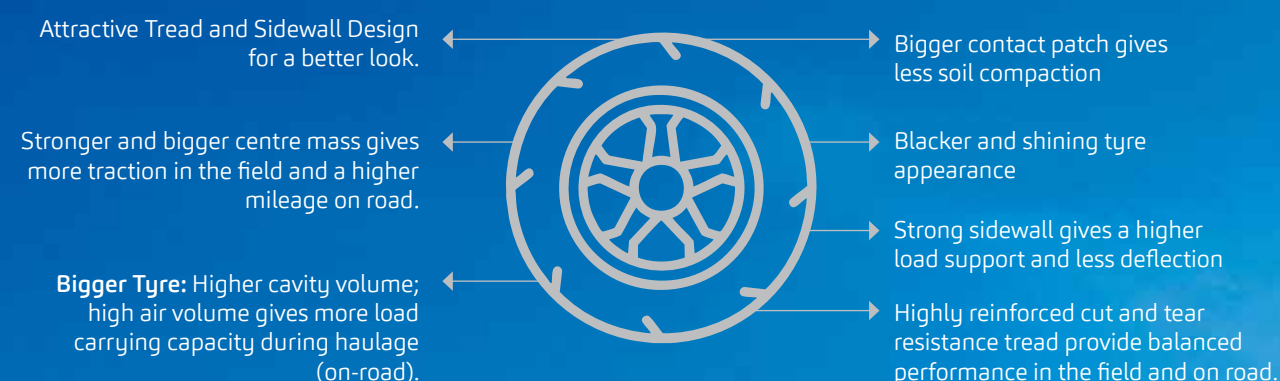
The Birla Tyres brand was respected for its Truck and Bus Tyre visibility for more than 30 years. The company developed the capacity to manufacture Agricultural Tyre (OHT) as well, an area marked by a demand CAGR of around 6%. Birla Tyres joined the select league of OHT tyre manufacturers when it introduced the Agriplus series for tractors (front and drive wheels).

The Agriplus series comprises the complete range - 6.00-16, 6.50-16, 7.50-16 for front fitment and 12.4-28, 13.6-28, 14.9-28 and 16.9-28 for rear fitment. In India, robust agricultural tyres are used in farm

applications and village road transportation (haulage). Some new Agriplus sizes like 15.9-28, 17.9-28 and 18.4-30 were ready for launch at the close of the last financial year.

The Birla Agriplus series was designed around an innovative concept backed by strong design development and tyre simulation that leveraged high-end software (CATIA, Auto CAD, Abaqus, Hypermesh, and Robust), durable compounds developed by the company's material R&D using state-of-the-art equipment. The result is a premium product addressing demanding customer needs.

Special features: Rear Tractor – Agriplus



Special features: Front Tractor – Agriplus





Our competitive strengths

Material expertise: Long-standing engagement with global tyre manufacturers has built a strong insight into compounding, durability and performance parameters across heavy-duty, off-highway and EV applications.

Asset advantage: Manufacturing assets, acquired at a mere ~10% of the replacement value, now deliver a structural and enduring cost advantage with a low break-even threshold.

Turnaround: Rapid restart, refurbishment and production increase indicate a repeatable operational capability over a one-off recovery.

Modernisation: Targeted investments will upgrade the bias tyre plant and build next-generation PCR and EV-compatible radial capacity.

Portfolio: A strong presence in agriculture and CIM tyres segments characterised by higher duty cycles, premiumisation and export-led margins.

Brand: The Birla name generates a superior recall, trust and durability credentials, repositioning the business away from commoditised pricing.

Distribution: A newly built, proprietary network of 43 distributors and over 1000 dealers enables tighter control over pricing, placement and customer experience.

International: Sales have already been made in seven countries with a roadmap to expand to 25 countries in two years.

Benchmarking: The Company's quality has been benchmarked with ~700 tyres across vehicle categories, geographies and applications, creating a basis for date-based improvements.

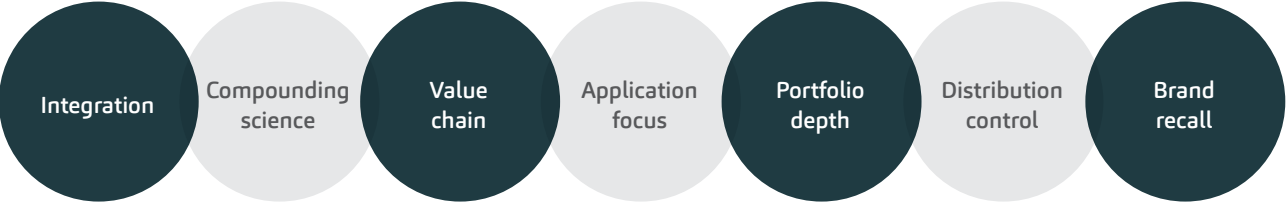
Discipline: Low financing burden and a low break-even point (~30% capacity utilisation) augur early-stage surplus generation (available for redeployment).

Logistics and location: An Eastern India manufacturing footprint provides a port access with efficient supply to the domestic and export markets.

Safety and sustainability: A zero-accident mindset, risk-based operating protocols, permit-to-work systems and alignment with UN Global Compact and SDGs underpin responsible manufacturing.

Leadership and capability: An experienced management team with domestic and global exposure drives strategy, execution and market development.

Our strategic differentiators



Performance, FY 2025-26

The Company's tyre production process stabilised within six months of launch

The Company onboarded 43 distributors and over 1000 dealers

Exports were made to seven countries

Thirteen new grades were launched across agriculture and CIM segments, strengthening portfolio depth and customer relevance.

Overview

In a competitive tyre industry dominated by scale-driven and volume-oriented manufacturers, Himadri – through Birla Tyres – began to earn respect as a focused, long-term, performance-led player.

This recall was shaped by the Company's ability to differentiate itself. As a result, Birla Tyres was not perceived as a commoditised tyre manufacturer; it is increasingly recognised for its integrated value chain, application-specific portfolio, formulation capability and disciplined execution. The result: repeat demand from existing customers across the domestic and export markets.

Positioning: The Birla Tyres business is being repositioned from a legacy bias-tyre manufacturer into a premium but affordable, technology-backed, application-driven mobility solutions business. This transformation is being enabled through targeted investments in manufacturing modernisation, product development, distribution architecture and brand renewal. These investments are being undertaken with capital discipline, resulting in a structurally low break-even point and resilience across market cycles.

Research and application engineering: The Company's product development philosophy is anchored in real-world application performance rather than catalogue-led offerings. Extensive benchmarking across ~700 tyres, varied operating conditions and end-use environments enable the continuous optimisation of wear, heat management, traction and durability. This data-led approach has strengthened lifecycle performance and customer stickiness.

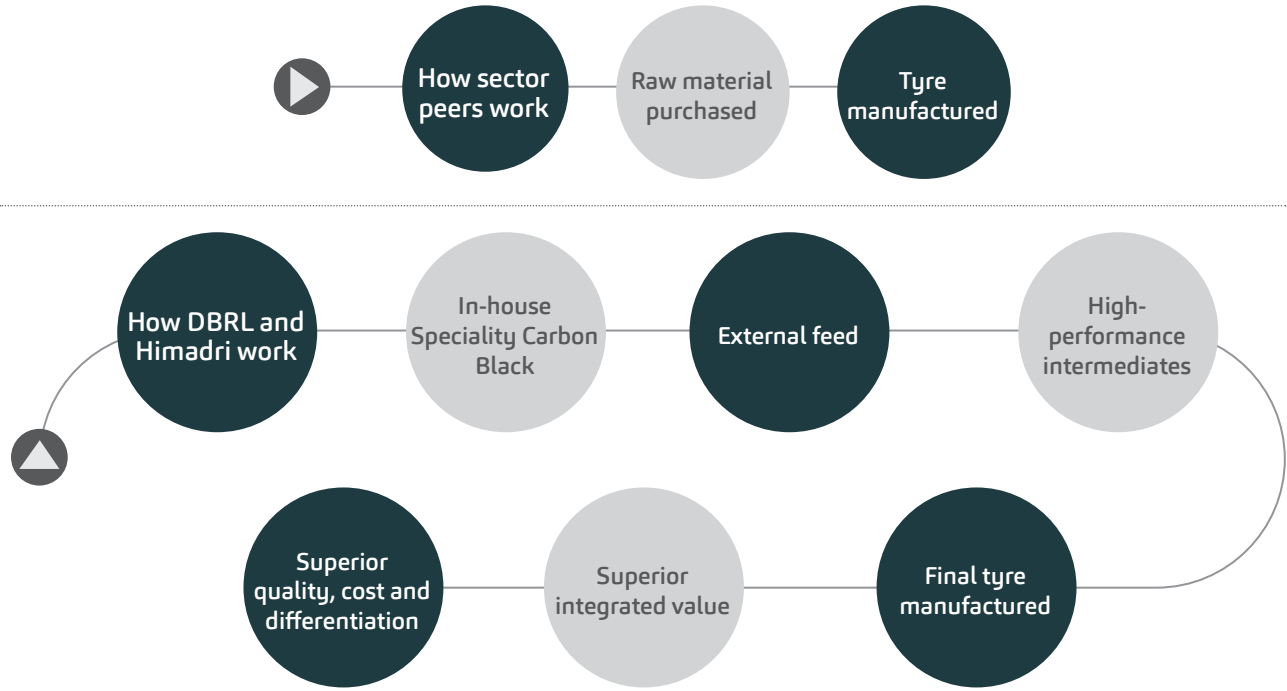
Integration: A key differentiator is Himadri's backward integration into Speciality Carbon Black. Unlike most tyre manufacturers who source this critical input from other manufacturers, Birla Tyres controls the compounding chemistry in-house. This enables precise tuning of tyre formulations for specific duty cycles, terrains and load conditions – particularly relevant for agriculture, CIM and EV-oriented applications, while enhancing consistency, performance predictability and cost control.

Product mix: The Company has adopted a dual-path strategy: the bias tyre technology is being upgraded through automation, advanced compounding and durability enhancement, while capabilities are also being built in the higher-growth segments (agriculture tyres, construction, industrial and mining tyres, as well as passenger car radials). This mix will moderate cyclicality and enhance margins.

Value chain: The Company's value creation extends beyond manufacturing into formulation science, application engineering, distribution control and brand stewardship. This integrated approach allows Birla Tyres to move selectively across segments and geographies based on demand and pricing dynamics, without compromising profitability or positioning.

Product basket: Birla Tyres offers a broad and growing portfolio across truck and bus, agriculture, CIM and emerging PCR segments. Legacy brands such as BT112, Ultra Miler, Shaan, Chakra and Kalapatthar have been rejuvenated; they co-exist with new grades, enabling the Company to serve a spectrum of operating conditions and customer requirements from a single platform.

Customisation: What differentiates the business is not the breadth of the portfolio, but the ability to customise products for specific applications and markets. Through in-house compounding, field feedback loops and application benchmarking, the Company manufactures tyres that are business-strengthening for their users – evolving the Company beyond a conventional tyre supplier.





Outlook, FY 2026-27

Market share expansion: The Company is targeting an increase in market share across geographies over the next few years as distribution density and product depth increase.

Capacity build-out: The Company intends to start work on setting up its passenger car radial tyre unit followed by a phased rollout of radial capacities aligned to EV and SUV demand.

Operating leverage: The Company has targeted a capacity utilisation

of ~75% over the medium term, enabling strong operating leverage and margins expansion.

Portfolio deepening: Approximately 400 new SKUs are targeted, strengthening the Company's coverage across agriculture, CIM, truck & bus and emerging PCR segments.

Export-led growth: The Company plans to widen its export footprint, reducing its dependence on any single geography.

Big numbers

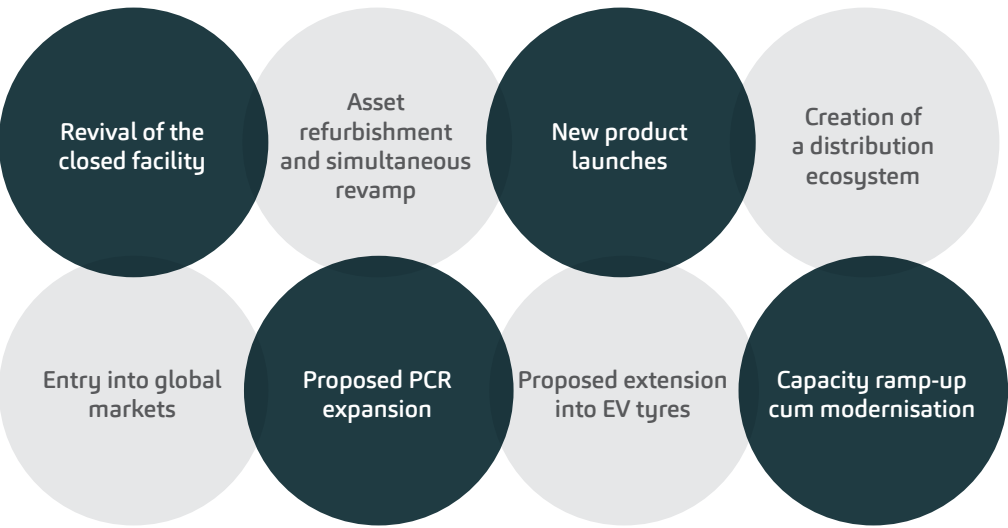
75

Number of SKUs, FY 2025-26

400

Number of SKUs estimated, FY 2026-27

How our tyre business has evolved



Why customers purchased from Birla Tyres in FY2025-26

"The tyres delivered a consistent performance, even under challenging conditions"

"We were pleasantly surprised to find tyres engineered for real-world loads and applications"

"We were pleasantly surprised when Birla Tyres asked us 'What do you specifically want? We will provide.'"

"We have not had a situation where the Birla Tyres dealer said 'We do not have any stock.'"

"As a distributor what I was impressed with was responsive Himadri decision-making at every level – Plant Head or Sales Head or Business Head."

"I was sceptical about how the market would respond to premium pricing; I was pleasantly surprised to see users say 'Badhiya performance hai'."

"Before Birla Tyres ceased operations, its tyre brands enjoyed the 'bharose-mand' recall. I am happy to see that after the Himadri acquisition that recall has been sustained."

"As a trade intermediary, I can say that we have discovered a new electricity in working with Himadri. We feel that something exciting is going to happen."



The management's perspective

"The revival of Birla Tyres demonstrates what disciplined execution, material integration and responsible brand building can achieve within a compressed period. We are building this business with the intent to climb the value chain – toward speciality, application-specific and EV-ready tyres. As capacities, product mix and exports scale, we expect this business to contribute attractively to the Company's robust sustainability."

Somesh Satnalika
Executive Vice President – Tyre and Strategy





BUSINESS SEGMENT ANALYSIS

OUR
CARBON
BLACK
BUSINESS

Carbon Black
and Himadri.
The big picture

The products manufactured with Carbon Black are integral to better living.

As incomes and lifestyles improve, there is a strong case for the enhanced offtake of products using Carbon Black.

Himadri manufactures Carbon Black that goes into the manufacture of rubber, tyres and other products.

In view of this, this business represents an attractive proxy for sustainable growth.

Carbon Black. Integral to millions of lives



Carbon Black → Tyres and rubber goods → Vehicles and transport → Daily mobility and safety



Carbon Black → Electronics and plastics → Consumer goods → Everyday modern life

Himadri: Building scale in the Speciality Carbon Black business

Himadri has invested in this business to create the world's largest single location Speciality Carbon Black capacity.

Himadri more than doubled Speciality Black capacity in FY 2025-26 to emerge as the largest manufacturer in India and the fourth largest in the world.

Why this business is futuristic

Conventionally, the principal recall of Carbon Black was its association with 'tyres.'

In the last decade, two new applications have been added to the diverse applications: 'Electric vehicles' and 'Energy battery storage'.

These emerging segments are likely to drive the world's need for initiatives to counter climate change and cleaner living.

In view of this, conventional Carbon Black applications are now extending to exciting sunrise applications.

This reality promises to transform prospects for companies – like Himadri – that are manufacturing niche grades with complex applications.

The result: there is room to manufacture more and manufacture different.





Strategic snapshot

- **Business** interests spread across commodity and speciality grades
- **Growing** proportion of revenues derived from speciality grades
- **Speciality** grades business distinguished by engagements with marquee global clients
- **Speciality** grades business marked by revenues from niche grades and growing repeat customers
- **Speciality** grades business influenced by brand recalls of ‘Responsibility’ and ‘World-class’

The product

Carbon Black is fundamental to modern lives than most people would be aware of.

By the virtue of being a high-surface-area amorphous carbon material, it is used as a reinforcing filler and functional pigment.

What makes this material versatile is its integral use across diverse consuming sectors: rubber, plastics, coatings, inks, conductive fibers and

conductive blacks for cables, batteries and electronics. These sectors are integral to modern living, making their use relevant and widening.

The material enhances downstream product strength (mechanical), durability, electrical conductivity, UV resistance, colour depth, dispersion stability and long-term performance in the products where they are used.

The integral nature of this product is reflected in the fact that its

consumption has grown across the decade – and this product rides the basic needs of humankind: to live better.

Despite diversification into batteries, electronics and advanced materials, nearly 93% of global Carbon Black demand continues to be linked to rubber and tyre applications, underscoring the structural linkage between Carbon Black, vehicle production and mobility.



Our business

Himadri operates one of the largest Carbon Black manufacturing facilities in India at Mahistikry near Kolkata. By the close of the year under review, the Company possessed 2,50,000 TPA of manufacturing capacity.

What makes Himadri a serious long-term player is that it produces ASTM

standard blacks as well as high-end speciality grades. This approach has widened the Company’s product basket and positioned it as a solution provider.

The Company’s products are marketed under prominent brands – ENERGEX, ONYX, JETEX, KLAREX,

ELECTRA, COLORX and BARONX. The Company’s products address Indian and international customers across the following sectors: tyres, rubber goods, plastics, coatings, inks, cables and advanced materials.

Our business-strengthening brands

ENERGEX

An engineered powder black designed to excel as a conductive black in premium applications. ENERGEX plays a crucial role by creating a conductive path for electrons, significantly enhancing the battery’s efficiency and lifespan.

Application sectors: batteries, conductive polymers, conductive coatings, rubber, and cement composites.

ONYX

A premium high-performance Carbon Black range engineered for superior reinforcement, durability and abrasion resistance. Ideal for applications where strength and consistency are critical.

Application sectors: Tyres (OEM & replacement), off-highway tyres, industrial rubber goods, conveyor belts, hoses.

JETEX

A specialised conductive Carbon Black portfolio delivering reliable electrical and electrostatic performance across demanding industrial applications.

Application sectors: Power and data cables, EV wiring harnesses, anti-static rubber, industrial plastics, packaging films.

KLAREX

A high-purity Carbon Black range designed for optimal clarity, dispersion and uniform performance in polymer systems.

Application sectors: Plastics, polymer compounds, masterbatches, packaging, consumer goods and automotive interiors.

ELECTRA

An advanced portfolio of electrically conductive and semi-conductive Carbon Blacks for precision-driven energy and electronics applications.

Application sectors: Lithium-ion batteries, EV components, electronics, EMI shielding, energy storage systems.

COLORX

A pigment-grade Carbon Black brand delivering deep blackness, high tinting strength and consistent visual performance.

Application sectors: Coatings, printing inks, paints, packaging, automotive coatings, decorative and industrial finishes.

BARONX

A Speciality Carbon Black range offering enhanced surface activity, strength and processing benefits for engineered rubber and elastomer applications.

Application sectors: Performance rubber, seals, gaskets, automotive components, vibration control and engineered elastomers.

Performance, FY 2025-26

The Company commenced trial production of its new Speciality Carbon Black line of 70,000 TPA in the last quarter of FY 2025-26 (increasing the total Speciality Black capacity to 130,000 TPA and the Company’s aggregate Carbon Black capacity to

2,50,000 TPA. By the close of the year, Himadri was the largest single-location Speciality Carbon Black facility in the world and fourth largest in terms of Speciality Carbon Black capacity as a company.



CASE STUDY #1

C-Li 300: Enabling higher energy density and faster charging in lithium-ion batteries

Industry context

As EV adoption accelerates, battery manufacturers are under pressure to increase energy density, improve fast-charging capability, and extend cycle life — without compromising safety or production stability. Traditional conductive additives often require higher loadings, reducing space available for active materials and limiting performance gains.

The challenge

Battery manufacturers faced three key constraints:

- Limited energy density due to excess conductive additive loading
- Electrode cracking in high-stress systems (silicon anodes, high-nickel cathodes)
- Agglomeration issues leading to batch inconsistencies in large-scale manufacturing

The solution: C-Li 300

C-Li 300 is a high-performance conductive additive engineered to create a robust 3D conductive network at significantly lower concentrations. This architecture enhances electrical pathways while preserving valuable space for active materials.

Impact delivered

Higher energy density: By reducing conductive additive weight by up to 60%, C-Li 300 frees additional volume for active materials such as Li-NCM and LFP — directly improving cell-level energy density.

Mechanical stability: Acts as a structural reinforcement within the electrode, functioning like an internal binder. It mitigates cracking during repeated expansion and contraction cycles, especially in silicon-anode and high-nickel cathode systems.

Manufacturing reliability: Supplied as a pre-dispersed slurry, eliminating agglomeration risks and ensuring uniform dispersion across giga-scale production batches.

Strategic outcome

C-Li 300 enables battery manufacturers to simultaneously improve performance, durability, and process consistency — a critical advantage in the EV and energy storage ecosystem.

CASE STUDY #2

MaxCrete: Molecular reinforcement for next-generation infrastructure

Industry context

Concrete remains the backbone of global infrastructure. Yet it is inherently brittle, prone to cracking, permeable to moisture and chemicals, and carbon-intensive due to high cement usage. Infrastructure developers increasingly seek materials that are stronger, more durable, cost-efficient, and sustainable.

The challenge

Conventional concrete systems struggle with:

- Micro-cracking that compromises structural longevity
- Water and chemical ingress leading to corrosion
- High cement consumption contributing to carbon emissions
- Lack of functional properties such as conductivity for smart infrastructure

The solution: MaxCrete

MaxCrete is a nano-engineered speciality additive that transforms traditional concrete into a high-performance composite. By reinforcing the cementitious matrix at the molecular level, it addresses structural and durability limitations at their origin.

Impact delivered

Structural strength enhancement: Creates a ‘nano-rebar’ network that bridges micro-cracks before they propagate, increasing both flexural and compressive strength.

Superior durability: Reduces permeability, protecting structures from water, salt intrusion, and chemical corrosion — significantly extending service life.

Anti-static and smart capabilities: Imparts controlled electrical conductivity, enabling:

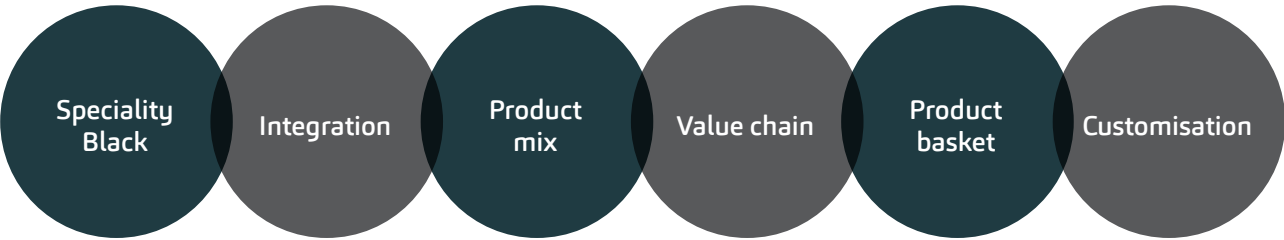
- ESD-protected flooring
- Real-time structural health monitoring
- Smart infrastructure integration

Cost and carbon efficiency: Optimised loading enables a 10–15% reduction in total cement usage — delivering immediate cost savings and lowering the embodied carbon footprint.

Strategic outcome

MaxCrete redefines concrete from a passive building material into an engineered, multifunctional system — combining strength, durability, sustainability, and intelligence in a single solution.

Our strategic differentiators in this business



Our competitive strengths

Integrated value chain: From feedstock distillation to customised Speciality Carbon Black grades, ensuring full control over chemistry, purity and product consistency.

Manufacturing scale: 2,50,000 MT annual capacity as on 31 March 2026.

Research and quality excellence: Supported by an NABL-accredited laboratory with advanced testing, application simulation and bespoke formulation capabilities.

Logistics excellence: Robust logistics infrastructure enabling fast, reliable and geographically diversified supply.

Portfolio: 60+ speciality grades catering to tyres, rubber, plastics, coatings, inks and emerging advanced materials.

Predictability: Strong long-term supply partnerships with brand-focused multinational customers.

Talent and technology: Global-standard carbon chemistry expertise supported by polymer application know-how and analytics-driven process control.

Margins: Sustained margin strength driven by a higher share of value-added Speciality Blacks and reduced exposure to commodity Carbon Black volatility.



In a large global Carbon Black sector that comprises large and enduring multi-national companies, Himadri has developed respect as a focused long-term player.

This recall has been derived from the Company's ability to strategically differentiate itself. The result of this differentiation is that Himadri is not perceived as 'commodity'. On the contrary, the Company generates respect for its value chain, product basket, grade customisation and quality benchmarks (translating into a globally marquee repeat clientele).

Positioning: Himadri's Carbon Black business has evolved from being a commodity supplier into a global speciality materials leader. This transformation has been achieved from a commitment to invest ahead of the curve in talent, capacity and research infrastructure.

Research: The Company's lab-first, plant-later approach has helped deepen investments in research and overall sustainability, two of the most potent drivers of business growth.

Speciality Black: The Company has more than doubled its Speciality Black manufacturing capacity faster than 'commodity' (rubber and tyre) Carbon Black; Unlike commodity grades, Speciality Black is not priced strictly per tonne. Its value is determined by functional performance, purity, dispersion behaviour, conductivity, UV stability and application-specific tuning. As a result, speciality grades are performance-critical and typically command significantly higher USD / Kg or \$/MT pricing than commodity blacks.

Integration: The Company manufactures the raw material

that goes into the manufacture of Carbon Black. This makes the Company 'integrated' with corresponding benefits in terms of raw material access, costs, carbon footprint, material quality, product customisation and working capital management. This competitive advantage has facilitated a tight control on the product chemistry, consistency and performance.

Product mix: The Company's business has evolved progressively from volume-oriented commodity grades to technology-led Speciality Carbon Blacks. The latter is seen as a more stable segment, relatively insulated from competitive pressures and price wars, a platform for brand building, greater role for advanced capabilities and knowledge retention. This strategic pivot has strengthened margins, long-term customer partnerships and created high barriers to entry through extended qualification cycles and deep application-level integration.

Value chain: The Company enjoys the benefit of value-addition – extending from the manufacture of commodity to Speciality Carbon Black grades. The presence of this value chain empowers the Company to extend from one product to another based on evolving market pricing dynamics without affecting its profitability. Besides, the increased proportion of revenues from increasingly value-added products is expected to reinforce profitability going ahead.

Product basket: The Company has deepened its research emphasis to provide customers with a wide range of products. The result is that within the Carbon Black segment, the Company is recognised as

a 'supermarket', possessing the capability to deliver diverse Carbon Black products.

Customisation: What makes the Company distinctive is not just that it can manufacture a large number of Carbon Black products but that it can customise these products around specific and demanding customer needs; this ability empowers the Company to manufacture grades that prove business-strengthening for users. This distinctive capability has graduated the Company's positioning beyond 'just another manufacturer'.

Outlook, FY 2026-27

Global Carbon Black capacity is expected to expand, with demand increasingly shifting toward higher-purity, performance-driven speciality grades across batteries, electronics, inks and conductive polymers.

Himadri's research-led, integrated and application-focused strategy positions it to benefit from these faster-growing segments rather than commodity-led volume growth. Overseas volumes are projected to rise meaningfully, with exports likely to double over the medium term as global adoption of speciality grades increases.

A rising speciality mix is expected to enhance EBITDA per tonne and strengthen premium positioning, while continued penetration across North America, Europe and Asia-Pacific will support growth in tyres, electronics, coatings and energy storage applications.

Why customers buy from Himadri



How we have transformed this business since 2009

We started as a commodity Carbon Black manufacturer	Our business was influenced by price volatility	We invested in research to develop Speciality Black grades
We developed complex grades that were difficult to make and replicate	We created a brand recall for 'complexity and consistency'	We are India's largest Speciality Black manufacturer and fourth largest globally

Himadri and Carbon Nano Tubes (CNT)

A new revolutionary Himadri product

Development: Himadri made a technology breakthrough with the development of CNT in FY 2025-26. Following this development, the Company is working to commission a 200 MTPA commercial manufacturing plant, one of only six such plants in the world.

Deployment: CNT is a product with growing relevance. This advanced, high-value carbon material is used in battery electrodes, conductive plastics, rubber, coatings,

construction composites, electronics, aerospace and defence. CNTs offer exceptional conductivity, strength and functionality at extremely low loading, empowering new applications in EVs, electronics and advanced composites.

Outlook: This high-margin, strategically potent product line, is expected to strengthen the profitability of this business segment.

Competitors → External feedstock → Carbon Black

Himadri → Own feedstock + external → processing → Speciality & Commodity Carbon Black

How we seek to transform our business

~1.06

Mn Tonnes, Global Speciality Carbon Black market size, 2025

~1.25

Mn Tonnes, Global Speciality Carbon Black market size, 2029E

(Source: Notch Consulting)



Carbon Nano Tubes deployment	Upsides
Products: High-performance reinforcement, conductivity and lightweight composites	Premium margins, cross-industry adoption, global demand growth
Lithium-ion batteries: Used in cathodes, anodes and conductive additives to improve energy density, fast-charging capability and battery life	Positions CNTs at the core of the global EV and energy-storage value chain; delivers high, recurring demand from battery giga factories with premium pricing
Automotive & EV components: Light, high-strength conductive composites for structural, thermal and electronic parts	Enables vehicle light-weighting, improved performance and safety; strong OEM adoption drives long-term, high-volume contracts
High-end rubber & elastomers: Improves tensile strength, abrasion resistance and electrical conductivity in tyres, seals and industrial components	Creates differentiation in performance tyres and engineered rubber products, supporting premium pricing and OEM partnerships
Plastics & polymer compounds: Enhances strength, conductivity and thermal stability of engineering plastics	Expands CNT penetration into packaging, electronics housings, automotive interiors and industrial plastics, unlocking large volume growth
Coatings, paints & inks: Provides conductivity, corrosion resistance and EMI shielding	Enables advanced functional coatings for electronics, aerospace and industrial applications, creating high-margin speciality demand
Aerospace & defence: Used in ultra-lightweight, high-strength composite structures and electromagnetic shielding	Entry into highly regulated, high-value sectors with long product cycles and strong pricing power
Electronics & semiconductors: Used in conductive films, sensors, EMI shielding and chip packaging	Positions it in next-generation electronics and semiconductor ecosystems, driving sustained, technology-led demand
Energy & infrastructure (emerging): Used in smart grids, conductive concretes, energy-efficient materials and advanced cables	Creates future-facing demand streams linked to infrastructure upgrades, renewable energy and smart cities
Medical & wearables: Applied in biosensors, flexible electronics and conductive medical devices	Opens innovation-driven, high-margin niche markets with strong intellectual property and long-term growth potential



The management’s perspective

“The Carbon Black business of Himadri is growing and evolving at the same time – it is growing not only in terms of manufacturing capacity but also evolving in terms of its product mix towards Speciality Black and an increased proportion of revenues derived from exports. This will generate positive volume-value outcomes in the next two years. In view of this, we foresee the personality of this business transform in the next two years, strengthening overall revenues, margins and profits.”

Monojit Mukherjee
Business President, Carbon Black Division

The management’s perspective

“Our R&D efforts will continue to push the boundaries of breakthrough materials and next-generation chemistries — from advanced Speciality Carbon Blacks and nanotechnology-led innovations and cutting-edge recycling solutions. By accelerating discovery and commercialisation, the focus remains on creating high-performance, sustainable materials that redefine industry benchmarks and support a circular future.

Dr. Soumen Chakraborty
Business President, Treated Black Division





BUSINESS SEGMENT ANALYSIS

OUR COAL TAR DISTILLATION AND PITCH BUSINESSES

Coal Tar Pitch and Himadri. *The big picture*

Coal Tar Pitch is a binding, conductive and structural material strategic to modern industry.

It impacts the purity of metal, power consumption and the life of anodes.

It enables the manufacture of aluminium, graphite electrodes, lithium-ion batteries, speciality carbons and advanced energy systems.

Without pitch, aluminium smelters would not operate; without aluminium, there would be no modern transport, renewable energy, construction or electrification.

Himadri’s coal tar distillation platform sits at the intersection of industrialisation, electrification, energy transition and modern infrastructure.

This makes the business an attractive long-term proxy for global economic and sustainability-led growth.

Coal Tar Pitch.

Complex business

Coal Tar Pitch is a zero-tolerance material. Quality deviations can affect anodes, current flow, smelter operations and profitability. Because Coal Tar Pitch is mission critical, pitch suppliers are selected on competence and dependability over price.

Graphite electrodes remain a key demand segment for Coal Tar Pitch, with India's ongoing electrode capacity expansions sustaining strong demand for high-performance binder and impregnation grades despite global EAF policy focus.

The result is that the business is marked by a multi-year qualification cycle, high product switching cost, enduring technical partnerships (vendor-client) and pricing power.



HIMADRI'S CULTURE OF DARING

Most said, ‘Himadri will not be able to deliver any material during Covid’.

We surprised them all by reaching products to customers on time.

A celebrated story in our existence is what transpired during Covid.

We needed to deliver Coal Tar Pitch everyday to our customers – at a time when logistics companies were discontinuing fleet deployment and truck drivers were staying at home.

The writing on the wall: if we did not deliver, customers would have to interrupt their manufacturing operations and the operational resumption cost would be so high that their operations would become unviable.

At Himadri, we could have gone back to our customers and said, ‘There is nothing we can do.’

We went back to our customers and said, ‘We will find a solution’ instead.

We conducted an emergency meeting. We engaged our cross-functional teams. By the end of the meeting, we had

reached a consensus: ‘We would utilise the government’s permission and continue to manufacture.’

The challenge was bigger: How would we transport? Where would we get drivers from? Even if we did mobilise the drivers where would they stay? What if any of them was affected by the virus?

Our Himadri War Room swung into action. We reasoned with our logistic team members to assume charge. We built temporary in-factory residences. We assured them complete safety.

Then came the game-changer: Our Head of Logistics said, ‘I will accompany the first few tankers.’

The ice was broken. Teams rallied. A new spirit emerged.

The scorecard: Himadri did not miss a delivery schedule. Customer plants kept running.

One of our customers said: ‘This was *your* finest hour.’

This reinforced Himadri’s belief that ‘When you put ordinary people together behind an overarching purpose, you get extraordinary results.’

HIMADRI'S CULTURE OF DARING

How we disbelieved sceptics and delivered.

In 20% of the usual time.

For long, Himadri’s biggest blocker in extending its India market leadership to international geographies was logistics.

The Company needed a customised port terminal; the only such approved terminal was 1,650 Kms from the plant; the cost for transporting the material cross-country was prohibitive; it would take Himadri two years to commission a new terminal in Mangalore.

Industry experts said, ‘Don’t even think about it.’

Himadri’s senior management said, ‘Let us do it’.

The Company’s engineers created a Himadri War Room. The big plan was deconstructed into modules. The management allocated adequate resources. A cross-competence Himadri team was deployed on-site. Vendors

were provided early completion incentives. Project progress was periodically measured. Project deviations were addressed with speed.

The unthinkable transpired. The new terminal was commissioned in five months, 19 months ahead of what had been forecast.

The first liquid Coal Tar Pitch shipment of approximately 3,600 tonnes was dispatched from the New Mangalore terminal in November 2025, establishing a new west-coast export route alongside the Company’s long-serving Haldia facility and opening access to Middle Eastern and South-East Asian markets.

That single voyage opened Himadri to the Middle East, the start of a multi-year export growth journey.

This validated the Himadri conviction that ‘When you empower individuals and step out of the way, unprecedented things can happen.’



Himadri: The world’s most integrated coal tar platform

Himadri operates the largest single-location integrated coal-chemical complex in the world.

This foundation makes the business among the world’s most competitive in the space.

This hub is supported by spokes – the Company comprises a network of eight dispersed distillation plants located adjacent to steel manufacturers.

The result is that the Company’s distillation business network generates the following recalls: ‘globally competitive’, ‘one-stop solution provider’ and ‘mother’.

The coal tar distillation platform feeds multiple high-value downstream businesses.

This is our 2030 plan for this business

We intend to emerge among the three largest global Coal Tar Pitch suppliers (ex-China).

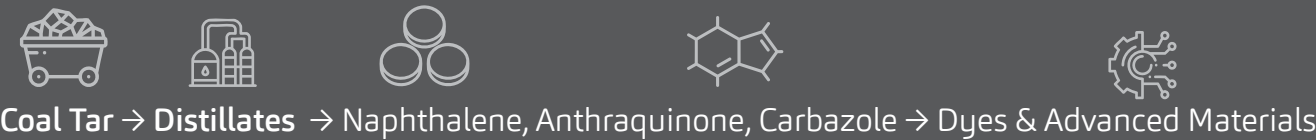
We intend to introduce high-value molecules such as carbazole, anthraquinone and naphthalene balls.

We intend to explore further forward integration opportunities from our existing distillates.

We intend to increase the share of our liquid Coal Tar Pitch exports.

Himadri today	Himadri tomorrow
National leader.	Globally embedded producer.
Manufacturing close to India-based resource suppliers (coal tar).	Manufacturing close to the world’s aluminium, battery and advanced material hubs.
Initial steps taken for liquid Coal Tar Pitch export.	Among the three largest in the world (ex-China).

How we enhance product value





Himadri: Coal Tar Pitch market leader

In a world where the market shares of most leaders in mature products is modest (at best), Himadri has emerged as a successful contrarian.

The Company has led the Coal Tar Pitch market in India for more than three decades.

The Company has never lost a customer since it entered this business.

The result is that the Company is now a generic name for Coal Tar Pitch in India – ‘When you think of Coal Tar Pitch, you think of Himadri, Himadri and Himadri.’

Overview

Coal Tar Pitch represents the chemical and structural backbone at Himadri.

This one business empowers the growth of various downstream businesses through the manufacture of an end product that is then used as a raw material to manufacture other value-added products.

The product is mission critical, evident in the manufacture of aluminium and graphite. Coal Tar Pitch needs to be manufactured in line with exacting standards that address demanding downstream needs: melt at the precise temperature, wet and bind coke particles uniformly, maintain electrical conductivity, resist oxidation and cracking, and perform consistently over multi-year smelter

campaigns. Even one failure can destroy not just the batch, but the smelter.

In view of this, a pitch supplier like Himadri is not just another vendor; it is a strategic partner. Its engagement is not decided by price alone but by the overall price-value proposition that it brings to the customer’s business.

Himadri’s business

Himadri operates 6,00,000 tonnes per annum of coal tar distillation capacity post debottlenecking. This capacity represents a hedge against

unforeseen demand spikes and sending out a signal to customers that should they expand their downstream capacities, Himadri will be prepared with adequate resource capacity. As India’s crude steel production

continues to rise, Himadri will have invested ahead of the curve to consume the incremental coal tar.

Our competitive strengths

Brand: The Company enjoys the respect of an elder statesman within the Coal Tar Pitch sector by the virtue of its enduring market leadership.

Experience: The Company comprises possibly the most knowledge talent pool in the sector, marked by a multi-decade understanding of the product, markets and customer needs.

Research: The Company is respected for being research-led; it comprises 180 scientists working in one of the most advanced laboratories within the sector.

Competence: Himadri consumes a steel plant by-product to produce high-performance pitch, marked by superior chemistry, competitive cost, moderated carbon footprint and consistently high quality.

Technology: The Company was the first company outside Japan to produce zero-QI pitch for advanced graphite.

Approvals: The Company’s Coal Tar Pitch has been approved for holistic quality by all major aluminium producers the world over, a validation of its capability.

Logistics: The Company provides a complete delivered solution to customers through its 292 customised tanker fleet that delivers molten pitch at 250°C directly into the customer’s smelters.

Sustainability: All eight distillation manufacturing facilities operate around zero-liquid discharge systems.

Business-strengthening strategies

Scale: The Company scaled its distillation capacity from 5,00,000 TPA in FY 2024-25 to 6,00,000 TPA in FY 2025-26. This was in line with the increase in customer’s capacity growth and deepening needs.

Research-driven: The Company deepened investments in cutting-edge research infrastructure and talent.

Service-first: The Company commissioned eight Coal Tar Pitch facilities near steel and aluminium producers, ensuring proximate and continuous supply.

Premium: The Company positioned itself as speciality, non-commodity solution provider, manufacturing complex value-added grades addressing niche business use cases.

Margins: The Company sustained its margins focus by maximising volumes of Coal Tar Pitch.

Qualified: The Company protected its approvals list by every major aluminium producer in the world, enhancing its readiness to respond to global purchase enquiries.

Solution: The Company owns and operates 292 customised tankers, delivering hot material to customers.

Domestic: The Company focused on deepening its India market leadership as the first step before widening its international footprint.

Strategic outcomes

Volumes: Sustained growth in tonnage over the past three years, reflecting stronger demand and deeper market penetration.

Capacity utilisation: Healthy utilisation levels in FY 2025-26, demonstrating improved operating efficiency.

Market share: Steady expansion of market presence over the years.

Realisations: Strengthened per-tonne realisations driven by richer product mix and disciplined value capture.

Profitability: Increased contribution to consolidated EBITDA, underscoring strategic importance.

Customer loyalty: A substantial share of revenues derived from long-standing customer relationships.

Customer base: Consistent expansion in the number of customers served.

Portfolio: Significant broadening of the product range into a diversified, application-led portfolio.

Outlook

The Company has charted out a medium-term programme to transform its personality from an India-heavy Coal Tar Pitch manufacturer to a broadbased global multi-products personality.

The Company will leverage on extensive approvals from all major aluminium manufacturers in the world. The Company will leverage its rich experience in delivering products on schedule. This could lead to the commissioning of mid-sized distillation plants proximate to customers in exchange for long-term procurement commitment.

The Company will also capitalise on the successful commissioning of its Haldia and Mangalore port terminal, addressing rising enquiries from international buyers.

The Company expects to capitalise on the growing demand for speciality and advanced pitch grades, especially zero-QI and application-specific formulations for graphite, high-performance aluminium and energy-related applications.

The Company intends to deepen its personality as a B2C naphthalene balls manufacturer – with the objective to emerge as the world’s largest.

The Company intends to commercialise the production of carbazole and anthraquinone. Forward-integration into anthraquinone and carbazole remains on track for commissioning in FY 2026–27, enabling the Company’s entry into higher-value chains.

As India’s crude steel production increases, coal tar availability is expected to increase. With the successful debottlenecking of its Coal Tar Pitch distillation capacity, Himadri possesses the headroom to operate its integrated distillation assets at a higher utilisation, enhancing operating efficiencies.



How our superior customer recall translates into superior competitiveness

Recall <i>'Himadri ensures that we never shut down for lack of Coal Tar Pitch'</i>	Impact A number of companies buy a significant chunk of their overall Coal Tar Pitch requirement from Himadri (no back-up supplier), a sign of complete trust.
Recall <i>'We didn't just want a product; we sought informed handholding and guidance.'</i>	Impact A large number of customers consider Himadri a strategic partner – Himadri has become an integral Coal Tar Pitch partner, supporting their needs with dependable supply and informed technical collaboration.
Recall <i>'Himadri goes beyond the normal call of engagement'</i>	Impact The Company's superior pitch quality helps ensure highest purity of metal being produced, lowest power consumption, manage coke quality variations, standardising the product outcome, ensuring superior quality of anodes get produced.
Recall <i>'The more volatile the market, the more Himadri can be trusted'</i>	Impact Himadri's fair and transparent price pass-on model ensures customers benefit directly from actual cost movements, cultivating deeper trust amid market volatility.
Recall <i>'The Himadri pitch is our reference grade'</i>	Impact The Company enjoyed a ~65% domestic market share in FY 2025-26 despite most buyers working with 50% supplier caps (relaxed for the Company).
Recall <i>'Himadri is technically the strongest when it comes to distillation'</i>	Impact All major global aluminium producers have cleared Himadri's Coal Tar Pitch for quality.
Recall <i>Himadri provides any material anytime and anywhere'</i>	Impact The Company invested in redundant capacity to address unforeseen demand spikes and customer needs.
Recall <i>'Himadri works like the Company next door'</i>	Impact The Company has set up distillation units adjacent to its large customers, delivering material fresh, consistently and just-in-time.

Himadri's niche product development

Naphthalene: A foundational industrial intermediate

Himadri is among the leading producers of naphthalene in India, a core carbon-based intermediate with wide industrial relevance with close to ~67% of market share.

Naphthalene is primarily used in the manufacture of phthalic anhydride, dyes, resins, surfactants and agrochemical intermediates, making it a critical input for multiple downstream industries.

Through process control and scale efficiencies, Himadri delivers consistent quality suited for both domestic and export markets.

This product supports India's chemical self-reliance by reducing dependence on imported aromatics and strengthens Himadri's position as a reliable supplier of foundational carbon chemicals.

Naphthalene anchors Himadri's integrated value chain. Through forward integration, this strength now extends into the consumer segment with Durofresh, unlocking greater value and brand presence.

Our value chain in this business



Our management's perspective

"At Himadri, the coal tar and pitch business is no longer just a raw material platform for downstream customers. It is transforming into a global and technology-driven, speciality materials business. Following advanced molecules being commercialised, one of the first manifestations of change will be in a sharp increase in exports and a corresponding increase in the export proportion of revenues from this business. As the Company commissions distillation facilities in strategic global locations, we expect to emerge among the three largest distillation companies in the world (ex-China). In view of this, what we achieved in this business in three decades is now likely to be replicated in just five years."

Soumyodeep Bhattacharya
Business President, CTD & SNF





Durofresh

Pure protection. Trusted performance.

Durofresh sets a new benchmark with 99.5% purity, delivering:

- Stain-free protection
- Stronger vapour action
- Faster and longer-lasting moth control

Designed for seasonal and long-term storage, Durofresh ensures comprehensive protection for

garments and linens, penetrating folds and enclosed storage spaces with consistent effectiveness.

By combining proven process technology with a differentiated retail proposition, Himadri is building a trusted household brand while unlocking higher value within its existing value chain.



SNF & PCE

Sulphonated Naphthalene Formaldehyde (SNF) and Polycarboxylate Ether (PCE) are key chemical admixtures used to improve concrete performance and industrial processes. SNF, a second-generation superplasticizer, enhances concrete workability while also serving as an effective dispersant in applications such as agrochemicals, textiles, gypsum boards, and dyes. PCE, a more

advanced admixture, offers superior water reduction, better flow, and longer workability retention, making it ideal for high-performance and modern construction applications such as ready-mix and self-compacting concrete. Together, they address both traditional industrial needs and the evolving requirements of advanced construction materials.



Anthraquinone: A critical molecule for global value chains

Anthraquinone is a high-value speciality chemical produced by Himadri for use in dyes, pigments, paper pulping catalysts and hydrogen peroxide manufacturing.

It is a critical intermediate in the global chemical supply chain, particularly for colourants and sustainable bleaching processes.

Himadri's anthraquinone capabilities are built on precision chemistry, stringent quality control and stable large-scale operations.

The product caters to export-oriented markets and helps reduce India's reliance on imported speciality intermediates.

Anthraquinone represents Himadri's shift from commodity carbon products to application-driven, margin-accretive speciality chemicals with strong global demand.



Carbazole: Localising critical advanced materials

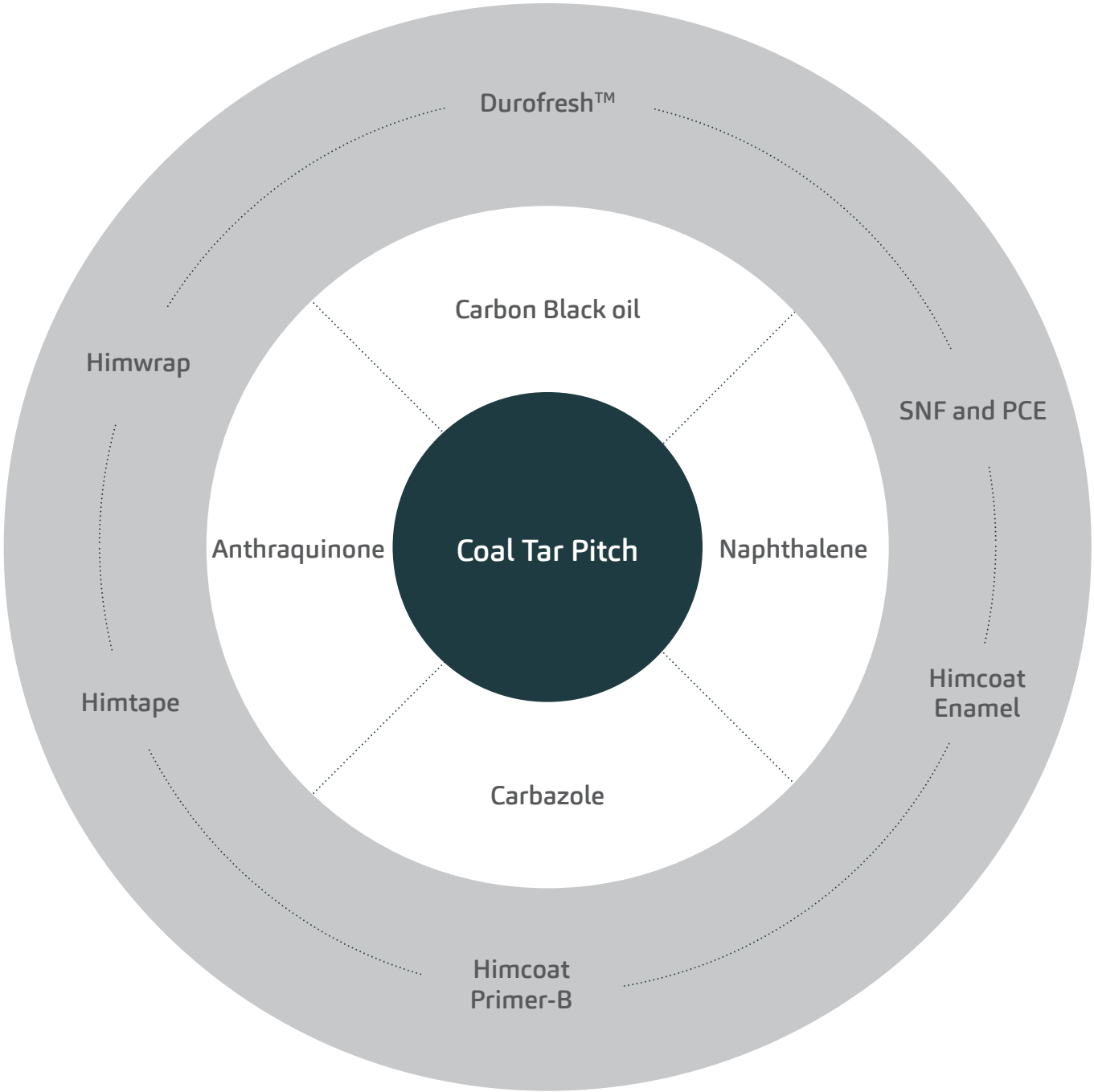
Himadri is commissioning India's first commercial carbazole plant.

The molecule plays a critical role in enhancing thermal stability, electrical conductivity and molecular performance

This molecule is used in cancer drugs, electronic polymers and advanced materials.

This product will progressively replace imports, strengthening the Make in India and Atmanirbhar Bharat initiative.

This product will graduate Himadri into the pharmaceutical and electronics value chain, generating high-margin revenues.





PART
6

Himadri's
value creation
engine

"At Himadri Speciality Chemical,
we believe that our corporate
success is dependent on the well-
being of our planet and society."

Anurag Choudhary
CMD & CEO



Capital strategy

Our capital allocation framework

At Himadri, capital allocation is treated as a strategic discipline, not a mechanical budgeting exercise. In a capital-intensive industry exposed to technological change, commodity volatility, and regulatory evolution, the way capital is deployed is as important as the businesses it is deployed into. Our objective: every rupee of capital must strengthen long-term competitiveness while delivering superior risk-adjusted returns.

Capital allocation principles

Himadri’s capital deployment decisions are governed by five core principles:

Return primacy: All investments are evaluated against defined return thresholds. New projects are expected to generate a minimum Return on Capital Employed (ROCE) of 30% at maturity, ensuring that growth is value-accretive rather than volume-driven.

Strategic adjacency: Capital is directed toward businesses and products that extend Himadri’s core strengths in moving further along its existing value chain, by innovating through in-house R&D, materials science, and integrated

manufacturing. This adjacency discipline reduces execution risk and accelerates scale-up.

Integration-led advantage: Preference is given to investments that cater to growing market segments, and fit along the Company’s value chain, can strengthen platform economics at existing manufacturing complexes and have the potential to maximise long term ROCE. Integration is viewed as both a margin enhancer and a risk mitigant.

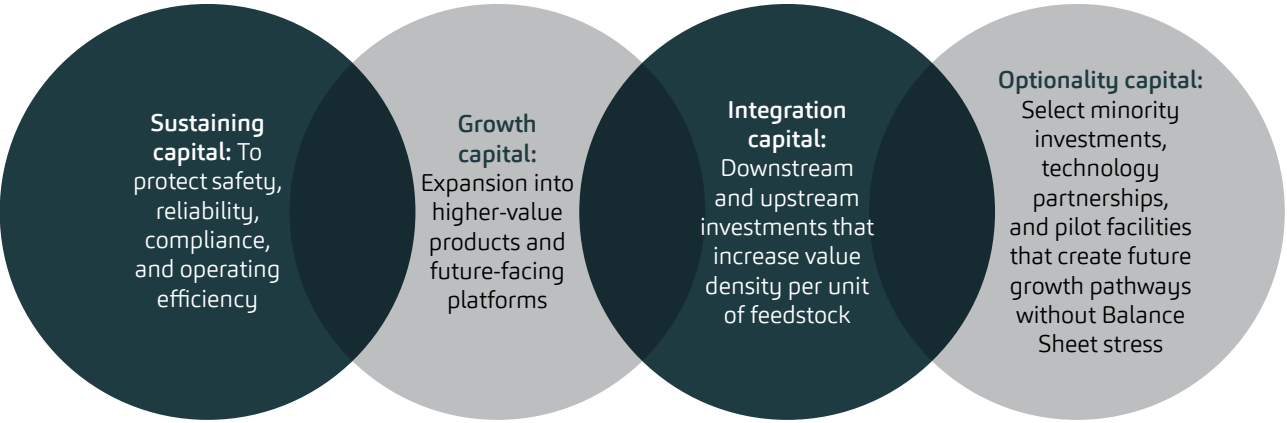
Self-funded growth: Himadri prioritises funding expansion

through internal accruals, preserving balance sheet resilience and financial optionality across cycles. Leverage is used selectively and conservatively, aligned with cash-flow visibility rather than peak optimism.

Long-term relevance: Projects are assessed not only for immediate financial returns, but also for their relevance in a carbon-constrained, electrifying, and regulation-intensive future. Capital is intentionally tilted toward materials and applications with structural demand tailwinds.

Our capital allocation mix

Capital deployed at Himadri is directed across four buckets:



Governance and discipline

These KPIs are reviewed periodically at senior management and Board levels. Performance against these measures informs:

- Continuation or recalibration of capital projects,
- Prioritisation of growth initiatives, and
- Leadership accountability. By anchoring strategy to a clear measurement framework, Himadri ensures that transformation remains verifiable, repeatable, and disciplined.

Board oversight

Capital allocation decisions are subject to Board-level oversight, with defined stage-gates for approval, review, and continuation. Projects are periodically reassessed against original

assumptions, with the flexibility to recalibrate, pause, or redeploy capital where required.

This disciplined approach ensures that Himadri’s growth remains profitable, resilient, and compounding, even as the Company invests ahead of demand in future-ready materials.

Our long-standing value-creation framework

The foundation of Coal Tar derivatives: Coal tar distillation is the Company’s manufacturing backbone—feedstock control, cost competitiveness, and operational resilience. Himadri has treated it as a platform to learn, refine, and prepare for higher-value adjacencies.

Towards Speciality Carbon: Himadri expanded into Carbon Black and later into Speciality Carbon Black, moving away from pure commodity cycles toward application-specific products (used in tyres, rubber goods, plastics, fibers, wires, cables and performance materials). Backward integration, scale efficiencies, and R&D-led differentiation allowed Himadri to build the world’s largest single-site Speciality Carbon Black operations.

Moving to Advanced Carbon Materials: As customer requirements evolved, Himadri is climbing higher. Coal-tar derivatives are being re-engineered into high-purity molecules such as anthraquinone and carbazole. This shift marks Himadri’s transition from being a materials supplier to a solutions partner, working closely with customers at the development stage rather than the transaction stage.

Entering the future with battery and energy materials: Leveraging decades of carbon expertise, Himadri entered Lithium ion Battery (LiB) materials—an area defined by energy transition, electrification, and sustainability. This was a logical progression: carbon chemistry, process control, and purity standards applied to a future-facing value chain.

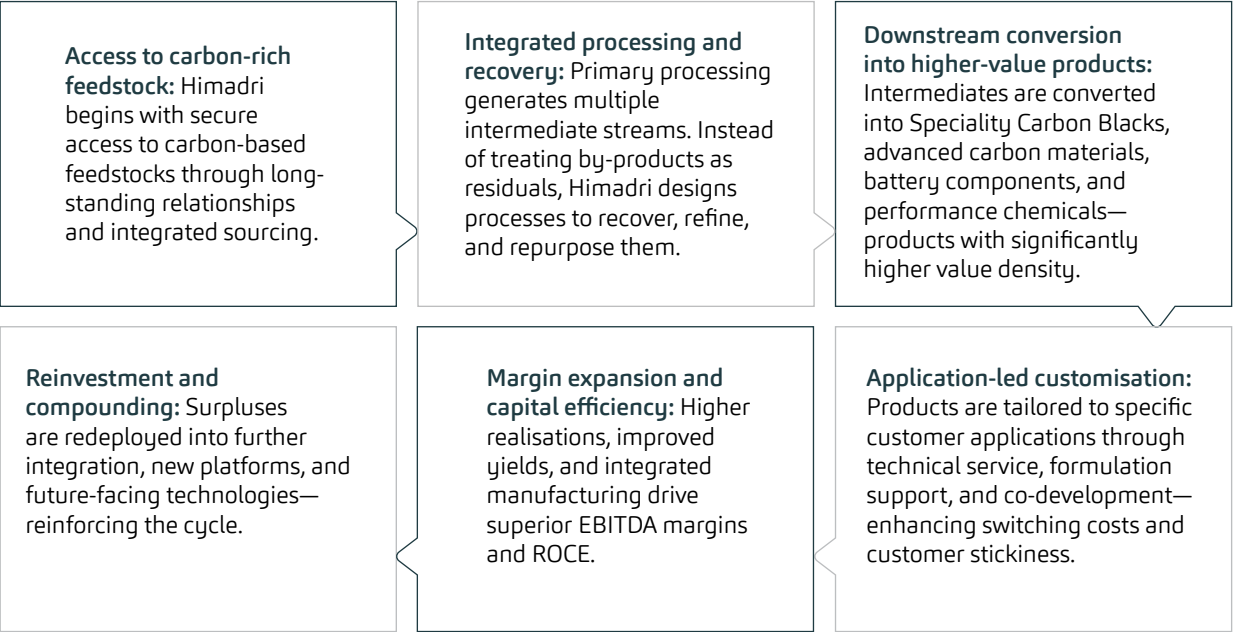




How Himadri is growing its business

Himadri's business model is designed around a simple but powerful idea: extract increasing value from the same unit of resource through integration, chemistry, and application-led innovation. This creates a self-reinforcing economic flywheel that strengthens margins, returns, and resilience over time.

The value creation logic



The resilience of this model

- Multiple revenue streams from a common resource base reduce dependence on any single product or cycle
 - Integration lowers volatility, as internal consumption cushions external price swings
 - Application intimacy increases durability, shifting competition away from price alone
 - Capital efficiency improves over time, as infrastructure supports successive layers of value creation
- This flywheel explains how Himadri has transitioned from a single-

product carbon business into a global speciality solutions powerhouse, which is defined by depth of science, breadth of application, resilience of earnings, and relevance across multiple future-facing industries—and why each phase of growth strengthens, rather than dilutes, intrinsic profitability.

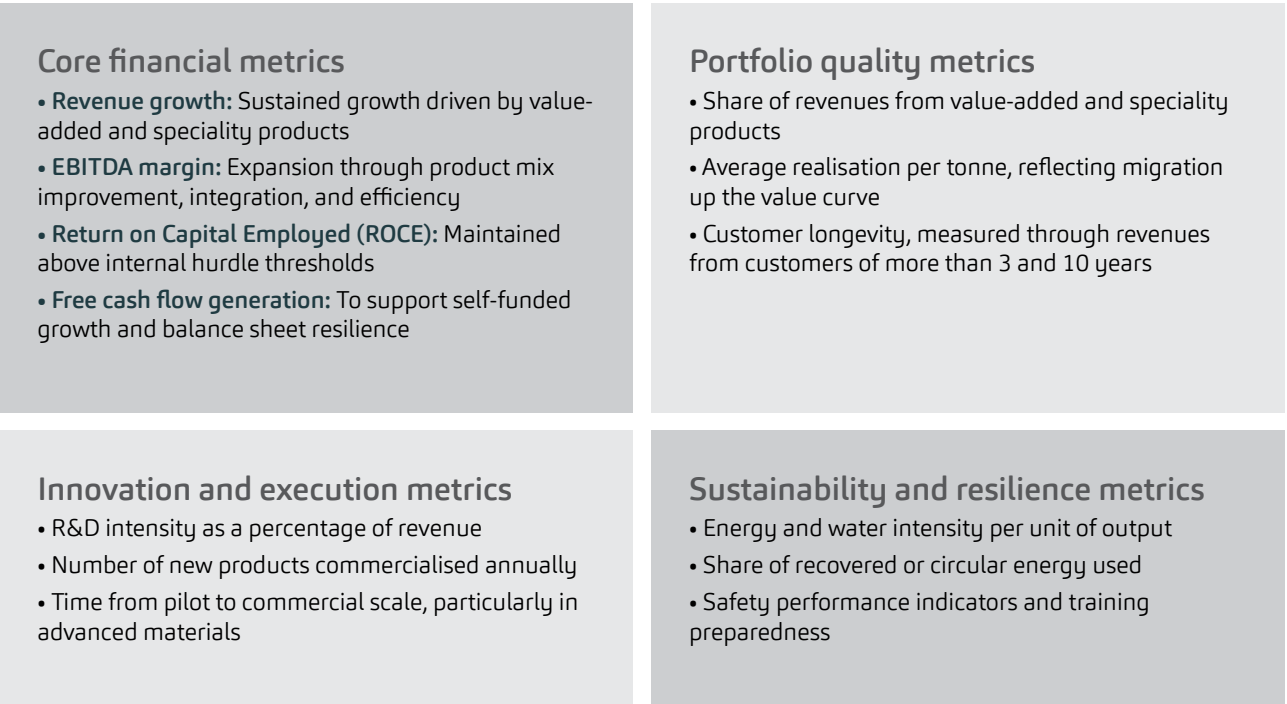
The validation

Across recent years, Himadri has demonstrated:

- EBITDA margins and ROCE above the average of the broader Indian chemicals sector

- Lower leverage than many global peers pursuing aggressive capacity expansion
 - Faster margin expansion, driven by integration and product mix improvement rather than cyclical tailwinds
 - Sustainability ratings that place the Company among the top tier of global industrial peers
- Importantly, Himadri's performance has been achieved without sacrificing Balance Sheet strength, a differentiator in a capital-intensive industry

The metrics by which we measure value creation



The Himadri economic flywheel





The Himadri value multiplication model

Extract more value from the same molecule of carbon.

Stage	What happens	Economic outcome
Feedstock	Carbon-rich inputs secured	Stable cost base
Processing	Multiple intermediates generated	Higher resource utilisation
Conversion	Intermediates converted into speciality products	Value density increases
Customisation	Tailored for customer applications	Switching costs rise
Integration	Internal consumption of streams	Volatility reduced
Scale + Mix	Increasing speciality share	Margin expansion
Reinvestment	Surplus deployed into next platforms	ROCE compounds

Legacy versus future product economics

Parameter	Legacy carbon products	Future-facing speciality portfolio
Product Type	Commodity Carbon Black	Advanced carbon materials, battery additives
Pricing Power	Market-linked	Application-led
Value Density	Moderate	Significantly higher
Margin Profile	Cyclical	Structurally superior
Customer Relationship	Transactional	Technical partnership
Capital Efficiency	Asset heavy	Higher return per unit of resource
Earnings Stability	Cycle-dependent	More resilient

Our specialised multi-decade competencies now position Himadri as a global speciality solutions powerhouse

1 Advanced carbon chemistry and molecular engineering

2 High-temperature process engineering & furnace mastery

3 Product-family engineering

4 Scale-integrated R&D capability

5 Circular and upcycling chemistry expertise

6 Aluminium-grade and battery-grade qualification capability

7 Integrated energy and utility management

8 ESG-embedded industrial governance

9 Multi-industry application intelligence

10 Capital discipline with long-horizon projects



1 Advanced carbon chemistry & molecular engineering	2 High-temperature process engineering & furnace mastery	3 Product-family engineering	7 Integrated energy & utility management	8 ESG-embedded industrial governance
Himadri's core competence lies in manipulating complex carbon-based feedstocks (coal tar, heavy aromatics, carbon-rich residues) into precisely engineered products. ▪ Ability to control aromaticity, molecular weight distribution, QI/TI fractions, and coking behaviour ▪ Expertise in converting heterogeneous, variable raw materials into tight-specification speciality products ▪ Capability spans Coal Tar Pitch, Speciality Carbon Black, battery materials, and advanced derivatives <i>This is not formulation chemistry—it is deep molecular transformation at scale.</i>	The Company demonstrates a strong competence in continuous, high-temperature industrial operations, critical in carbon materials manufacturing. ▪ Multi-furnace operations across coal tar distillation and Carbon Black ▪ Tight control of thermal kinetics, residence time and emissions and heat recovery ▪ Ability to operate with energy intensity reduction while maintaining quality and throughput <i>This places the Company in a narrow global club of chemical companies that can run thermally aggressive processes reliably and repeatedly.</i>	A distinctive competency is Himadri's 'product family' approach. ▪ It possesses multiple grades within Coal Tar Pitch, Speciality Carbon Black and battery materials ▪ Its products are customised for aluminium, tyres, graphite electrodes, batteries, coatings, and construction <i>The Company possesses application knowledge across industries, the ability to fine-tune chemistry without destabilising production and close customer-R&D integration</i>	Operating a 32 MW captive power plant that caters to 100% of the Company's electrical energy needs, provides with distinctive advantages. Control over energy reliability. Cost stability. Emissions optimisation. This edge has been coupled with Zero Liquid Discharge at all of its 8 facilities. <i>The Company possesses systems-engineering capability, not just ESG compliance.</i>	Unusually for a heavy carbon business, Himadri has built institutional ESG capability. This is reflected in its Board-level ESG Committee, Double materiality framework, alignment with GRI, TCFD, UNGC, CDP and EcoVadis, and external assurance by TÜV SÜD. <i>This competence is becoming critical as global customers price governance risk into supplier choice.</i>
4 Scale-integrated R&D capability	5 Circular & upcycling chemistry expertise	6 Aluminium-grade & battery-grade qualification capability	9 Multi-industry application intelligence	10 Capital discipline with long-horizon projects
Himadri operates industrial R&D at meaningful scale, not as a lab appendage. ▪ ₹244.23 Crores R&D spend in the five years ending FY 2025-26 ▪ Over 180 dedicated R&D professionals including 28 Ph.Ds across different branches of chemistry, from across the globe, among the largest in its space in India ▪ Multiple new products and grades developed and commercialised in the last five years ending FY 2025-26 <i>The Company's key capability lies in translating lab chemistry into plant-scale, commercially viable processes – a major entry barrier in the area of speciality chemicals.</i>	A defining Himadri competence is upcycling carbon-rich waste streams into higher-value materials. ▪ Coal tar → pitch, naphthalene derivatives, speciality carbons ▪ End-of-life tyres → recovered Carbon Black, oils (via pyrolysis research) ▪ Used oils and agri-residues → research-driven alternative carbon feedstock pathways. <i>This indicates a deep competence in separation science, impurity management and carbon structure reconstruction - circular chemistry with value uplift, not recycling.</i>	The Company has demonstrated a strong competence in serving qualification-heavy industries like aluminium smelters, tyre majors, graphite electrode manufacturers and lithium-ion battery value chains. These customers demand long qualification cycles, zero-defect consistency and process integration support. Once approved, suppliers become strategic partners, not interchangeable vendors.	Himadri's products touch the following sectors: aluminium, tyres & rubber, lithium-ion batteries, graphite electrodes, construction chemicals and paints, plastics, fibres and defence. This comprises the capacity to comprehend how pitch behaves in an anode, how Carbon Black affects tyre rolling resistance and how carbon chemistry affects battery performance. <i>This requires application-layer understanding, not just manufacturing excellence.</i>	The Company shows competence in long-gestation, capital-intensive bets. This has comprised a Li-ion battery materials project, Speciality Carbon Black expansion and the business of advanced derivatives (anthraquinone, carbazole). <i>These require the coming together of difficult-to-aggregate competence: a strong Balance Sheet, process scalability confidence and long-term customer alignment.</i>



Value creation

Structured to enhance value in a sustainable way

We have built a robust value creation engine
This engine has been designed to maximise volume and value growth
This engine has been influenced by R&D backed innovation, integration and value-addition
The basis of this engine is disciplined capital allocation (advanced and where we retain undisputed competitiveness)

How we generated superior financial hygiene

(On a consolidated basis)

EBITDA

1,006

₹ Crores, Earnings before interest, tax, depreciation, amortisation, foreign exchange fluctuation gain/ (loss) and other income., FY 2025-26

50

CAGR %, five years ending FY 2025-26

Overview

There is a growing shift in the integrated appraisal of companies, calling in diverse aspects (financial, management commentary, governance, remuneration and sustainability) over a conventional focus on profits.

This holistic approach enhances an understanding of how the Company services all stakeholders (team members, customers, suppliers, business partners, local communities, shareholders, lenders, legislators,

regulators and policy makers) as against a conventional focus on shareholders.

This all-rounded appraisal has been extended to this Integrated Report.

Our stakeholder value framework

To our customers: We strive to deliver reliable, innovative, and sustainable solutions that create real value.

To our team members: We provide an environment where you contribute with passion and enjoy what you do,

learn, grow, lead, and make an impact, with respect for individuality.

To our investors: We commit to responsible growth, transparent governance, and sustainable value creation.

To our communities: We work to uplift society, protect the environment, and contribute towards building an Atmanirbhar and Viksit Bharat.

To future generations: We build institutions that last — foundations of prosperity, happiness, and hope.





Himadri's 16 P's value-creation framework

At Himadri, we have invested in a structured 16 P's platform with the objective to generate multi-year profitable growth.

The platform is attracting strategic priority, corresponding investments and a strategic visibility.

We believe that this approach will enhance value for all our stakeholders, the basis of our long-term success.

At Himadri, we believe that this platform is relevant: there is a growing role of trust in consumer engagement, markets are getting larger, manufacturers are commissioning larger capacities, there are a larger

number of variables influencing competitiveness, regulatory compliances are deepening, product price swings are widening and there is a larger need for economies in businesses.

Pride
Made people the focus of its growth through a sense of pride
Graduated from a regional mindset to the international to the global
Invested in a culture of overarching and comprehensive excellence
Deepened this culture of excellence ahead of its growth curve

Purpose
Manufactured advanced products from the Coal Tar Pitch base
Introduced a differentiated service and customer experience
Focused on the opportunities arising out of energy shift
Made the world a better place

Performance-driven
Invested in quality (product and process) and certifications
Benchmarked manufacturing operations with the best global standards
Invested in recruitment, training and retention
Created capability and product platforms for sustainable growth

People
Invested in managerial bandwidth before the growth curve
Plugged senior management gaps; made the Company growth-ready
Invested in functional and subject matter specialisation
Deepened training, delegation and ownership

Platforms
Creation of multi-product platforms
These platforms will widen into new product variants
Platforms positioned as centres of excellence
Prospective creation of larger product families

Profitable growth
Sustained profit growth % > Revenue growth %
Derived from competitive project economics and value-addition
Advanced value-added products with long growth room
Emerging volume-value play

Profitability
Focus on enhanced revenue per tonne of product sold
Enhance working capital efficiency; reduce outlay
Moderate debt; grow out of accruals
Measure success by RoCE metric

Productivity
Reduce resource consumption per unit of production
Moderate resource consumption and energy use
Benchmark as per prevailing compliance standards
Emphasise a culture of sustained outperformance

OUR PLATFORM

Proximity
Positioned as a reliable supplier to global customer
Located its manufacturing units next to vendor/customer units
Himadri's each adjacent manufacturing step was built on the last
Value migrated upward—from commodity to speciality, from volume to precision, from materials to solutions.

Portfolio
Introduced select products for the first time in India
Products addressing unmet needs of society
Created a framework whereby one end product is the raw material for another

Promotion
Marketed a multi-year relationship over products (peace of mind)
Delivery capabilities across geographies and segments
Focused on certifications, standards and sustainability benchmarks
Subsidiaries in international geographies

Products
Progressive development of advanced materials and grades
Products validated by certifications and demanding MNC teams
Created through collaboration and proprietary capabilities
Focus on addressing the global energy transition play

Prosperity
Build a holistic value-creating organisation
Enhance value for all stakeholders
Track this value-creation each quarter
Report progress transparently in the annual report

Proactive
We operate before markets get crowded, before standards are frozen, and before cost curves flatten
We invest when uncertainty is the highest – and when optionality is richest
This allows us to lock secure customer relationships, embed in their supply chains, and influence specifications that later entrants must accept.
₹306 Crores acquisition of Birla Tyres

Predictable
Business 'locked' into multi-year vendor and customer engagements
High switching cost for vendor and customer

Pedigree
Made governance central to its existence
Deep ESG compliant business model
Extensively de-risked approach; established global corporate credibility
Comfortable Net debt/EBITDA; attractive credit rating



Himadri has been enhancing value for all its stakeholders

(On a consolidated basis)

Shareholders	Customers	Team members	Communities	Government
▪ No long-term debt on the books ▪ Improved EBITDA* margin from 18% to 22% in FY 2025-26 ▪ Improved PAT margin from 12% to 16% in FY 2025-26 ▪ RoCE* stood at 32% in FY 2025-26 ▪ Enhanced RoE from 16% to 18% in FY 2025-26 #Excludes investments and CWIP. *Earnings before interest, tax, depreciation, amortisation, foreign exchange fluctuation gain/ (loss) and other income.	▪ Widened grades of Speciality Carbon Black to 70+ ▪ Value marked by accessibility, availability and affordability	▪ Stable career-enhancing working environment for 1,161 Himadrians ▪ 6.5% of Himadrians with 10+ years of experience ▪ Workplace marked by merit, delegation and empowerment	▪ Engaged in Community Welfare – ₹830 Lakhs spending in FY 2025-26 ▪ Widened the prosperity circle for 18,152 + community beneficiaries ▪ Addressed unmet community needs across 5 verticals	▪ Job creation in rural areas: 50% ▪ Safe and sustainable operations



Our strategic priorities have been aligned with measurable KPIs

Himadri has aligned each strategic priority with observable performance indicators. These metrics will evolve over time, but our journey and direction is likely to remain consistent.

1 Climb the value curve

Strategic intent: Increase the Company's contribution from speciality and high-performance products.

Indicative KPIs

- Gross margin improvement over the prevailing cycle
- Strengthen EBITDA per tonne (trend metric, not absolute disclosure)
- Reduce revenue concentration from commoditised segments

What this signals: Value creation through chemistry, not just capacity.

2 Energy transition and battery ecosystem participation

Strategic intent: Strengthen relevance in energy storage, EVs, and electrification-linked applications.

Indicative KPIs

- Enhance revenue share from energy transition-linked applications (%)
- Increase the number of active customers engagements in battery / energy storage segments
- Increase qualification approvals with global OEMs and Tier-1 suppliers
- Generate repeat orders from clean-energy customers

What this signals: Structural, long-cycle growth exposure.

3 Application-led innovation

Strategic intent: Shift from product selling to solution co-development.

Indicative KPIs

- Increase R&D spend as a % of our revenue
- Increase the number of customer co-development projects
- Shrink the time from lab validation to commercial production
- Enhance the revenue from products launched in the last 3–5 years

What this signals: Innovation with commercial relevance.

4 Manufacturing excellence and reliability

Strategic intent: Become a preferred, long-term supplier through consistency and resilience.

Indicative KPIs

- Increase the On-time in-full (OTIF) delivery performance
- Eliminate the batch-to-batch quality variance indicators
- Increase the customer retention rate
- Report clean audit outcomes from global customers

What this signals: Trustworthiness at scale.

5 Sustainability embedded in operations

Strategic intent: Improve environmental performance while enhancing efficiency.

Indicative KPIs

- Reduce energy consumption per unit of output
- Moderate emissions intensity (Scope 1 & 2)
- Increase water recycling and reuse ratios
- Zero waste generation and complete by-product utilisation

What this signals: Sustainability as an operating discipline, not narrative.

6 Digitalisation and process intelligence

Strategic intent: Use data to drive efficiency, predictability, and quality.

Indicative KPIs

- Increase the percentage of operations digitally monitored
- Reduce unplanned downtime
- Increase material yield
- Increase predictive maintenance adoption rates

What this signals: Precision manufacturing mindset.

7 Talent and scientific capability

Strategic intent: Build a science-led, future-ready organisation

Indicative KPIs

- Increase the engagement of scientists and technical specialists
- Enhance training hours per team member (technical and safety)
- Ensure sustained retention in specialised positions
- Enhance internal leadership succession readiness

What this signals: Human capital as a strategic moat.

8 Governance, safety & risk management

Strategic intent: Maintain trust with all stakeholders.

Indicative KPIs

- Maintain a Lost Time Injury Frequency Rate (LTIFR) of zero
- Maintain a clean and unqualified regulatory compliance record
- Strengthen high ESG ratings and external assessments
- Strengthen Board and committee effectiveness metrics

What this signals: Institutional maturity.

9 Global market expansion with discipline

Strategic intent: Grow global relevance without diluting operational rigor.

Indicative KPIs

- Increase exports revenue share
- Increase the number of global long-term supply agreements
- Reinforce a culture of compliance certifications across markets
- Strengthen our customer concentration metrics

What this signals: Selective, high-quality global growth.

10 Capital allocation and financial resilience

Strategic intent: Balance growth with balance sheet strength.

Indicative KPIs

- Enhance our return on capital employed (RoCE)
- Increase our capex allocation toward speciality capacity (%)
- Enhance our free cash flow generation across cycles

What this signals: Responsible, long-term maximisation of RoCE.



Resources going into Himadri’s sustainable value-creation programme

Financial Capital: We grow our business through funds mobilised from investors, promoters, banks, government and financial institutions in the form of net worth, accruals and debt.

Manufactured Capital: We invest in manufacturing assets, technologies, equipment and logistics leading to production. Our emphasis is to keep enhancing the effectiveness of this Capital through progressive improvements across the constituents of this Capital.

Human Capital: We invest in talent (on rolls and contracted), their experience and competence. Our emphasis is to keep investing in our Human Capital with the objective to enhance passion, productivity and performance.

Natural Capital: We procure resources derived from nature with a commitment to moderate our environmental impact. Our emphasis is aligned with the needs of the world, encapsulated in generating more from less.

Intellectual Capital: We leverage proprietary knowledge to optimise costs and enhance operational excellence. Our emphasis is to enhance the value of intangible properties (brand, goodwill) leading to superior outcomes.

Social and Relationship Capital: We deepen investments in communities and partners (vendors, suppliers and customers), securing our stability and corporate citizenship. Our emphasis is on enhancing the stability of this eco-system, strengthening operational predictability and business sustainability.

Our long-term business strategy

Strategic focus	Innovate and excel	Cost leadership	Choice of suppliers	Robust people practices	Responsible corporate citizen	Value-creation
Key enablers	- Himadri’s focus on process excellence, ensures superior equipment availability and efficiencies above industry norms. - The modern, Mahistikry facility – one of the largest of its kind in the world – is a testament to the Company’s integrated manufacturing approach.	- Himadri has cultivated a culture of frugal engineering, derived from its scale, common base resource and product integration. - This approach has helped the Company maintain one of the lowest manufacturing costs in the world. - Its Balance Sheet remains conservatively managed, with minimal long-term debt and expansions largely funded through earnings.	Himadri focuses on sourcing quality material from long-term suppliers. The Company’s manufacturing plant is located proximate to steel companies (coal tar suppliers). The Company’s supplier have been locked into long-term relationships. Rising procurement volumes have unlocked economies of scale and deepened supplier relationships.	Himadri’s people practices are rooted in delegation, empowerment, caring and accountability. The Company promotes continuous training, fairness, and performance-based reward and recognition.	Himadri’s responsible citizenship is demonstrated through grassroots initiatives in nearby communities. The Company has spent ₹830 Lakhs in CSR activities, FY 2025-26.	The Company is committed to stakeholder value creation. The Company manufactures products that improve outcomes at the customer end.
Material issues addressed	The need to invest in advanced and complex technologies that require long-term, patient capital commitment.	Steady increase in the costs of labour, land, and raw materials.	Insufficient volumes, limited focus on quality, and delays or shortfalls in supplier payments.	Below-optimal productivity, a fragile brand presence, and inconsistent quality in customer application.	Limited community engagement, potentially impacting the Company’s reputation and industrial harmony.	Low organisational valuation, with profitability and productivity, trailing industry peers.
Capitals impacted	Manufactured, Intellectual, Financial	Financial, Intellectual, Natural, Social and Relationship	Intellectual, Manufactured, Social and Relationship	Intellectual, Human	Social and Relationship, Natural	Intellectual, Manufactured, Social and Relationship





Our Double Materiality Assessment

Anchoring Himadri's purpose-driven growth

Overview

A materiality assessment transforms sustainability from aspiration to a strategic, measurable, value-linked discipline, essential for credible ESG appraisal and modern corporate evaluation. For Himadri, operating at the intersection of carbon materials and new-energy feedstocks, materiality ensures sustainability priorities are embedded into business decisions. It identifies ESG issues that matter to long-term performance and stakeholders, reflecting both impact and dependency.

Materiality assessment is central to sustainability appraisal

Focus on what is financially and strategically relevant

Himadri's assessment isolates sustainability factors with real enterprise-value linkage, including:

- Carbon intensity across coal-tar derivatives and speciality carbon-black
- Energy reliability in high-temperature furnace operations across 15+ plants
- Water stewardship and waste intensity across operational hubs

This positions Himadri as the subject of analysis, not merely a participant.

Bridge between sustainability and financial performance

Material topics were mapped to:

- Climate transition risks influencing feedstock cost, furnace electrification and exports
 - Energy tariff volatility impacting margin stability
 - Circular-economy products such as recovered carbon, pitch-oil reuse and recycles opening new profit pools
- This demonstrates the linkage between impact-shielding → margin protection → valuation growth.

Stakeholder expectation alignment

Consultation covered global buyers, sustainability partners, auditors and investor signals on climate governance, human rights, supply continuity and Zero-Harm commitments, ensuring evaluation through the stakeholder lens.

Basis for transparent ESG reporting

Materiality strengthens disclosures under BRSR, EcoVadis, ICRA, CDP and assurance benchmarks, qualifying Himadri for capital-grade review.

Helps future-proof the business

Emerging relevance includes climate policy shifts in EU/US, furnace

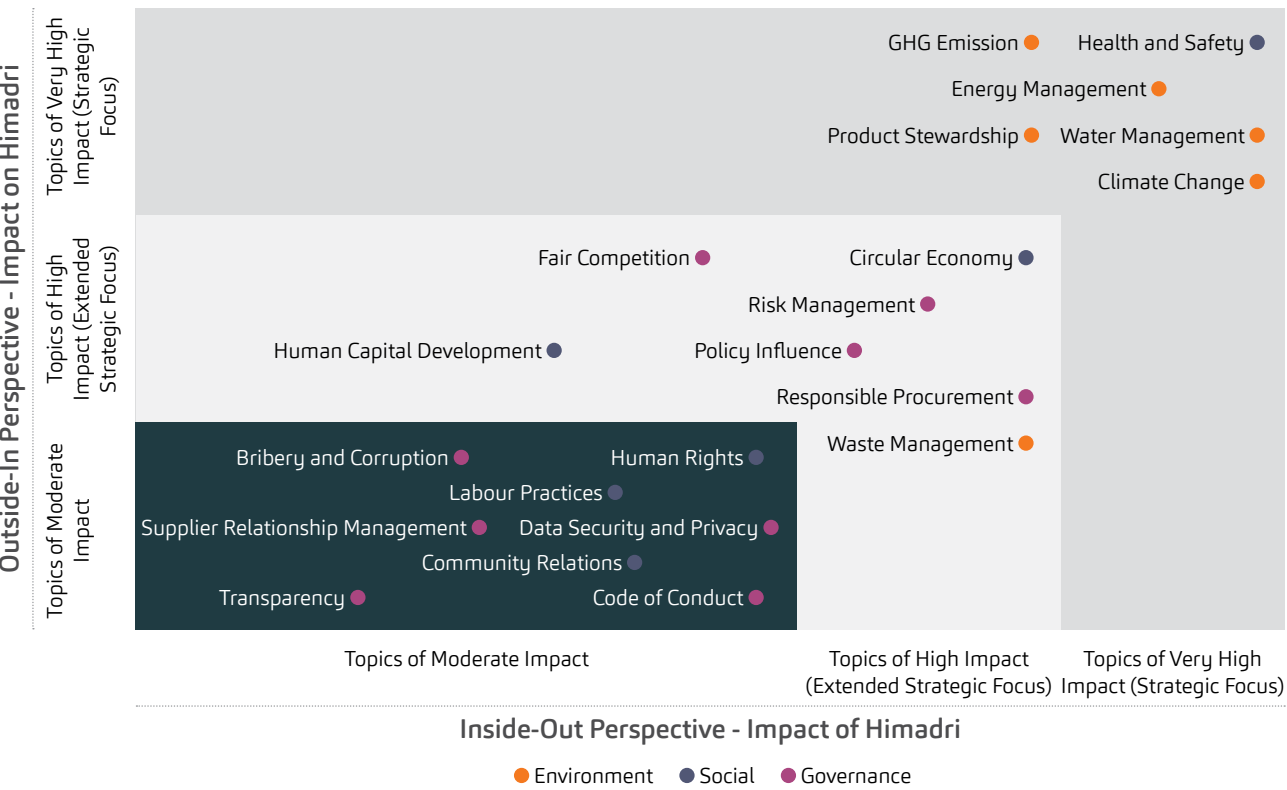
electrification, low-pressure boiler bypass systems, Zero-Accident culture maturity and circular innovation, placing Himadri at every risk and trend node.

Core to investment and valuation decisions

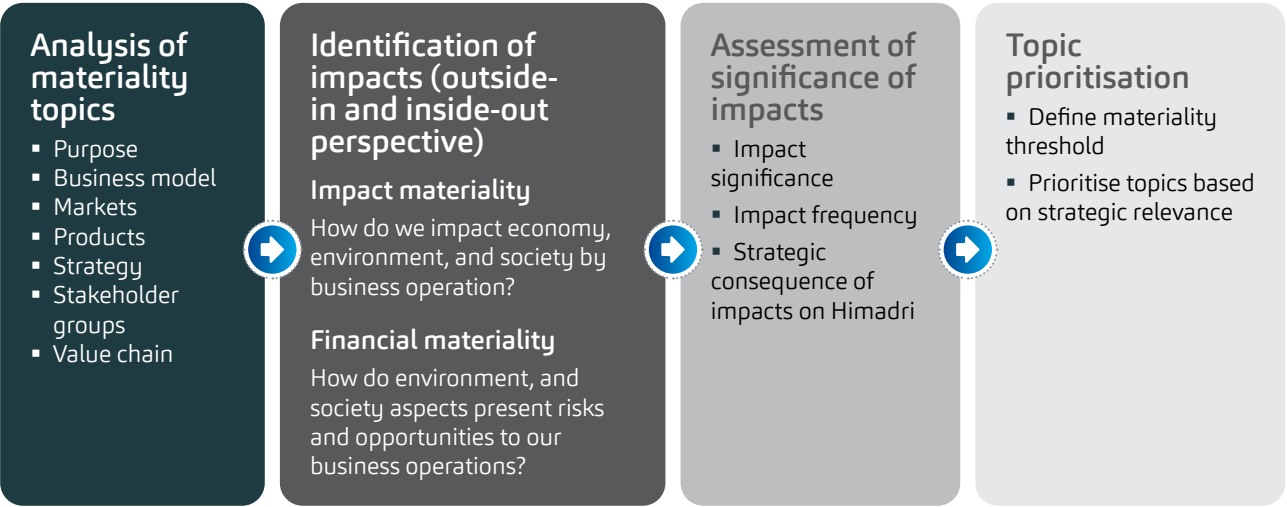
Double materiality shaped decisions related to CAPEX > ₹1 Mn, insurer confidence and ESG-linked financing, evaluating risk, cost and return outcomes.

Himadri and Materiality

In FY 2025-26, Himadri adopted the double-materiality approach to reflect impact influence and dependency risks. Stakeholders assessed carbon footprint, energy continuity, water and waste integrity, human rights, HSE ambition, governance transparency and circular-economy potential. Their perspectives reaffirmed Himadri's commitment to a purpose-driven, stakeholder-focused and future-ready strategy balancing People, Planet and Profit.



Material Topics		
E	S	G
▪ GHG emission ▪ Energy management ▪ Water management ▪ Climate change ▪ Product stewardship ▪ Circular economy ▪ Waste management	▪ Health and safety ▪ Human capital development ▪ Human rights ▪ Community relations ▪ Labor practices	▪ Risk management ▪ Fair competition ▪ Policy influence ▪ Responsible procurement ▪ Data security and privacy ▪ Bribery and corruption ▪ Supplier relationship management ▪ Code of conduct ▪ Transparency





PART
7

Our Integrated Value Creation Report

In an increasingly complex and interdependent world, value creation can no longer be measured by financial performance alone.

Businesses today operate within a dynamic ecosystem of natural resources, human capital, communities, technologies and institutions, all of which influence long-term competitiveness and resilience.

An Integrated Value Creation Report responds to this reality by presenting a holistic view of how an organisation deploys, transforms and enhances multiple forms of capital over time.

It moves beyond isolated financial disclosures to explain how strategy, governance, risk management and performance are interconnected in creating sustainable, durable value.



Himadri's Financial Capital

Addressing market realities and moderating our Balance Sheet impact



Overview

Himadri's Financial Capital is characterised by sustained profitability, disciplined capital allocation, and a Balance Sheet structured to fund growth without compromising resilience.

Over the recent years, the Company has demonstrated its ability to convert strategic intent into superior financial outcomes, with revenue growth accompanied by a faster expansion in EBITDA and profit after tax. This widening value spread reflects a deliberate shift toward higher-value products, deeper integration, and improved realisations rather than volume-led expansion.

Strong cash flow

A defining feature of Himadri's Financial Capital is its ability to generate strong and predictable operating cash flows on the one hand and zero net debt on the other. These cash flows have enabled the Company to fund capacity expansion, technology investments, and diversification initiatives largely through internal earnings.

This self-financing model reduces dependence on external leverage and preserves financial flexibility, allowing Himadri to pursue long-term opportunities even during periods of macroeconomic volatility or tightening capital markets.

Capital efficiency

Capital efficiency remains a central strength. The steady improvement in return on capital employed indicates that incremental investments are yielding returns well above the cost of capital. This reflects prudent project selection, disciplined execution, and the advantages of integrated manufacturing, where end products become feedstock for downstream value creation. Financial Capital at Himadri is therefore not static; it is actively compounded through intelligent reinvestment and operational leverage.

Capital structure

The Company's capital structure reinforces stability and optionality. Conservative leverage, improving net worth, strong liquidity coupled with the inelastic demand for its

products such as Coal Tar Pitch from aluminium industries provide necessary resilience against dynamic environment while enhancing credibility with lenders, investors, and rating agencies. This financial posture enables Himadri to commit confidently to a multi-year capital expenditure pipeline aligned with future-facing segments such as Speciality Carbon Black, battery component materials, and speciality chemicals, without eroding Balance Sheet strength.

Aligned with sustainability

Importantly, Himadri's Financial Capital is increasingly aligned with its strategic and sustainability objectives. Investments are directed toward businesses with structurally improving demand, higher margins, and longer relevance cycles, while process efficiencies and sustainability initiatives enhance both environmental outcomes and economic returns. As a result, financial capital at Himadri functions not merely as a record of past performance, but as a durable enabler of future growth, resilience, and shareholder value creation.

Himadri's Manufactured Capital

Enhancing our operational resilience and improving asset productivity.



multiple generations of products rather than a single production cycle.

Reliability

Operational reliability is central to the value of this capital. Facilities are benchmarked to international standards of quality, safety, and environmental compliance, enabling Himadri to serve global customers with consistency and confidence. Proximity to raw material sources and logistics infrastructure further strengthens supply assurance, an increasingly critical differentiator in a world of re-regionalising supply chains.

Manufactured Capital at Himadri is also characterised by continuous optimisation rather than static deployment. Debottlenecking, process intensification, automation, and energy recovery initiatives have steadily increased throughput, yields, and energy efficiency without proportional increases in capital intensity. This ensures that physical assets generate rising economic value over time.

As a result, Himadri's Manufactured Capital functions as a long-term competitive moat. Alignment scalability without fragility, enables rapid translation of innovation into production, and underpins the Company's ability to meet evolving customer requirements reliably – a cornerstone of sustained value creation.

Overview

Himadri's Manufactured Capital is anchored in its network of integrated, multi-product manufacturing facilities that are designed not merely for scale, but for integration, flexibility, efficiency, and downstream value creation.

Over decades, the Company has evolved its physical asset base from standalone plants into interconnected industrial platforms, where outputs from one process serve as inputs for another. This architecture lowers infrastructure duplication, enhances asset utilisation, and creates structural cost and reliability advantages.

Alignment

A defining strength of Himadri's manufactured capital is its alignment with prospective demand. Investments in Speciality Carbon Black, advanced carbon materials, battery components, and high-value chemical derivatives ensure that capacity additions are not backward-looking, but positioned at the intersection of energy transition, electrification, and performance materials. The Maheshtikry complex, in particular, represents a manufacturing ecosystem – the world's largest of its kind at a single location - capable of supporting

Himadri's diversified products basket

- LFP Cathode Active Material • Anode Materials • Silicon Carbon for Anodes • Carbon Black • Speciality Carbon Black
- OHT, PCR, EV, CV & other speciality tyres • Coal Tar Pitch • High purity naphthalene • Carbazole • Anthraquinone • Speciality oils • SNF / PCE • Naphthalene balls • Clean power • Resource Extraction

Quality assurances

All manufacturing locations and corporate offices are covered under:

- ISO 9001:2015 • ISO 14001:2015 • ISO 45001:2018 • IATF 16949:2016 • ISO 27001:2022 • ISO 50001:2018
- ISO 37001:2016 • ISO/IEC 17025:2017 • SA 8000:2014 • ISO 20400:2017 • ISO 28000:2022 • ISO 31000:2018
- ISO 22301:2019 • ISCC Plus



Himadri's Intellectual Capital

Driving innovation and strengthening our competitive differentiation.



Overview

Himadri's Intellectual Capital lies in its deep expertise in carbon chemistry, materials science, and process engineering, accumulated and refined over decades of experimentation and application-led learning. This knowledge base allows the Company to extend beyond standardised products toward customised, performance-driven solutions that address specific downstream needs across industries.

Potent research

A critical aspect of this Capital is the Company's ability to convert research into commercial reality. Himadri's R&D infrastructure, specialised laboratories, and scientific talent are tightly integrated with manufacturing, ensuring that promising ideas do not remain theoretical but are rapidly piloted, scaled, and monetised. This shortened innovation cycle is particularly valuable in sectors where product

lifecycles are compressing and speed to market is decisive.

Proprietary knowledge

Intellectual Capital at Himadri is also reflected in proprietary process know-how and formulation capability. The Company's ability to manage complex chemistries, tight operating windows, and high-consistency requirements creates significant entry barriers. These capabilities enable the manufacture of niche, high-performance products that are difficult to replicate and command premium positioning.

Collaborations

Beyond internal knowledge, Himadri actively augments its Intellectual Capital through collaborations, technology partnerships, and strategic investments. Engagements in advanced battery chemistries, silicon-carbon technologies, and nanomaterials expand the Company's innovation frontier while reducing development risk and time.

Strengths

The Company's strengths comprise end-to-end R&D capability, robust product pipeline, advanced feedstock innovation, process and manufacturing excellence, R&D-led process optimisation, high-performance materials, proprietary technology leadership, quality and operational leadership, world-class research team and culture. Himadri's research technologies and their uses comprise advancing nanotechnology, reimagining end-of-life products (tyres), innovative recycling pathways, innovative battery recycling and developing next-generation anode chemistries.

Solutions

Collectively, Himadri's Intellectual Capital transforms the Company from a materials supplier into a solutions partner. It underpins differentiation, strengthens customer stickiness, and ensures that innovation remains a continuous engine of value rather than a periodic initiative.

Himadri: Creating first-of-its-kind solutions

First in the world

Zero-QI Coal Tar Pitch: Development of ultra-clean, zero-quinoline-insoluble (Zero-QI) pitch – a specialised product manufactured by niche companies globally.

High-Performance Speciality Carbon Platforms: Proprietary formulations for niche applications across energy storage, EVs, plastics, inks, conductive fibers and conductive cables and wires, coatings and advanced materials.

Lithium-ion Battery LFP Cathode materials: Himadri is working on setting up the first commercial facility for LFP Cathode Active Materials globally, ex-China for developing and manufacturing LFP Cathode Active Material for Li-ion batteries, enabling domestic and international EV and energy-storage supply chains.

First in Asia

Advanced Battery-Grade Carbon materials (Selective grades): Among the earliest Asian manufacturers to develop customised, battery-grade carbon materials tailored for lithium-ion energy storage applications.

First in India

Silicon-Carbon Anode Materials (under commercialisation): India's first

initiative to establish the manufacturing of next-generation silicon-carbon Anode Materials for high energy-density batteries.

Speciality coal-tar derivatives: First-time domestic development and production of Anthraquinone, Carbazole and Fluorene, reducing import dependence for high-value speciality chemicals.

Recovered Carbon Black from end-of-life tyres (under development): Developing recycling technology to convert ELTs into recovered Carbon Black (rCB), tyre crumbs, pyrolysis oil and steel – advancing circularity and enabling the partial replacement of virgin Carbon Black.

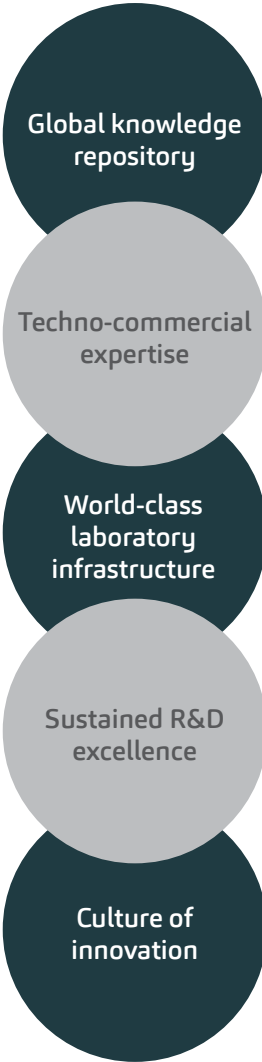
High-value solvents from waste oils (under development): Recycling used engine and industrial oils into high calorific value solvents, addressing large-scale waste oil generation while creating cleaner fuel alternatives.

Bio-based solvents from agricultural waste (under research & pilot development): Converting crop residue and agro-waste into 100% bio-based solvents, reducing residue burning and supporting the transition to sustainable energy.

In-house R&D driven innovative prodcut roadmap

Product / Technology	Stage	Indicative timeline	Commercial relevance
Anode for LiBs	Pilot → commissioning	Achieved: Q1FY27	High - flagship battery materials platform
LFP Cathode Active Material (Phase I)	Pilot → commissioning	Q3FY27 (2 Kilo TPA) → FY2028-29 (40 Kilo TPA)	High - flagship battery materials platform
Silicon-carbon anode (Sicona Gen3/Gen4)	Lab → pilot	Pilot Q4FY27	High - Next-generation anode chemistry
Speciality Chemicals Anthraquinone + Carbazole facility	Commissioning	Q2FY27	Medium - import substitution for dyes/pigments
PCR Tyres for EVs and SUVs OHT/ OTR tyres	Installation	FY2028-29	Medium – Birla Tyres Demand Driver
Recycled / circular economy products	Pilot	Commercial TBD	Low / medium – ESG positioning + cost
Nanoscience technology solutions: Agriculture & animal health and beyond	Different stages of maturity across products	Commercial TBD	Low / medium - Resource conservation and nation building

Pillars of R&D excellence



Key highlights in the five years ending FY 2025-26

128
₹ Cr, R&D expenditure

180+
R&D workforce



Himadri's Human Capital

Building a skilled, agile and performance-driven team.



Overview

Human Capital is central to Himadri's identity as a science-led, future-facing organisation. The Company views itself not as a products business that employs people, but as a people-driven institution that manufactures advanced materials. This philosophy

shapes recruitment, capability development, leadership behaviour, and organisational culture.

Competence mix

Himadri's team comprises a diverse mix of manufacturing professionals, scientists, engineers, and corporate

specialists, supported by continuous training and skill development. Investments in safety, technical competence, and leadership readiness ensure that our people are equipped not only to operate complex processes, but to improve them. The Company's emphasis on preparedness—rather than procedural

compliance—has strengthened resilience and operational confidence.

CARE values

The articulation of the CARE values framework has embedded accountability, reliability, courage, and empathy into daily decision-making. These values are intended to guide behaviour across hierarchies, reinforcing ownership, ethical action, and collaboration in an increasingly complex operating environment.

Well-being

Human capital development at Himadri extends beyond technical skills to include engagement and well-being. By emphasising happiness, empowerment, and purpose, the Company seeks to create an environment where individuals are motivated to innovate, take responsibility, and contribute beyond defined roles.

Capital multiplier

As a result, Himadri's Human Capital functions as a multiplier of all other Capitals. Skilled, engaged, and aligned people enable a better utilisation of manufactured assets, faster innovation, stronger customer relationships, and safer, more sustainable operations.

Compliance

Himadri operates under a comprehensive Ethical Business Conduct Framework aligned with international standards including the United Nations Global Compact (UNGC), International Labour

Organisation (ILO) conventions and SA 8000:2014.

Key policies include: Human Rights Policy, Code of Business Conduct, Anti-Discrimination & Harassment Policy, Prevention of Sexual Harassment Policy, Diversity, Equity & Inclusion Policy, Child and Forced Labour Prevention Policy and, Career Progression and Exit Policies.

Key learning platforms and initiatives include: Utkarsh digital learning portal, Franklin Covey leadership programmes, EcoVadis Learning Academy, UNGC Academy and PRAGATI – flagship leadership development programme for high-potential team members.

The Company operates a transparent whistleblower mechanism titled 'Right to Raise', enabling its people, suppliers and partners to confidentially report concerns through toll-free helpline, dedicated email and online portal. All complaints are handled with confidentiality and zero retaliation, under the supervision of the senior leadership.

Initiatives

Himadri adopts a people-first approach through comprehensive welfare and well-being initiatives. Additional initiatives include the following: 24-hour medical support at plant locations; Group accidental and term insurance; flexible and hybrid work models; compensatory day off from work; Life Moments Leave Hub (maternity, paternity, quarantine, special and work-from-home leave) and people engagement programmes and family-oriented events.

Himadri's Human Capital framework integrates ethics, learning, diversity, engagement and well-being into business performance. With 100% training coverage, zero human rights violations, rising gender diversity and strong people participation systems, the Company continues to build a resilient, skilled and inclusive workforce that supports long-term sustainable growth.

Key diversity, equity and inclusion commitments

25% representation of women and under-represented groups by 2030

100% DE&I training coverage

Annual pay equity audits

Bias-free recruitment and diverse interview panels

Leadership programmes prioritising underrepresented groups



Management's perspective

"At Himadri, our people are the foundation of long-term performance. A diverse and skilled teams, strengthened through continuous learning and leadership development, enables operational excellence and innovation. Guided by our CARE values and a robust ethical framework aligned with global standards, we emphasise accountability, preparedness and transparency. Through a strong focus on well-being and inclusion, we continue to build a resilient team that leads sustainable growth."

Kunal Mukherjee
Vice President, HR

Big numbers

1,161
Total Team members in FY 2025-26

100
% coverage of grievance and whistle-blower mechanisms, across all locations

Health and safety and skill training coverage

100
%, total team members in FY 2025-26

Big numbers

6.14
% women representation in FY 2025-26

21.39
% of team members below 30 years of age in FY 2025-26

65.70
% team members between 30-50 years of age in FY 2025-26

12.92
% team members above 50 years of age in FY 2025-26



Himadri’s Social & Relationship Capital

Strengthening stakeholder trust and strategic partnerships.



Overview

Himadri’s Social and Relationship Capital is built on trust—earned over decades through reliability, quality, ethical conduct, and long-term commitment to stakeholders. The Company’s relationships with customers, suppliers, regulators, communities, and partners are not transactional, but anchored in continuity and mutual value creation.

Service mix

Customer relationships are a key strength. Himadri’s focus on customisation, technical support, and just-in-time delivery has enabled it to become a preferred partner for marquee clients, where the Company caters to a majority of their material demand. Long-standing relationships, often spanning multiple years and product cycles, provide revenue stability and early visibility into evolving customer needs.

Lower disruption risk

Supply chain relationships are similarly strategic. Proximity to raw

material sources, integrated logistics, and transparent engagement reduce disruption risk and enhance credibility, particularly as global supply chains reconfigure around resilience rather than cost alone.

Responsible engagement

At the community level, Himadri engages responsibly around its manufacturing locations through job creation, livelihood opportunity, environmental stewardship, and infrastructure support. These engagements help maintain a social license to operate and align industrial growth with local development.

Trusted partner

Collectively, this Social Capital enhances brand equity, reduces operating friction, and supports long-term growth. It positions Himadri as a trusted industrial partner in a world where reliability and governance increasingly influence purchasing and investment decisions.

Himadri’s corporate social responsibility commitment

8.30
₹ Cr, CSR spend in FY 2025-26

18,152+
Total beneficiaries

Recognition CSR Outstanding Award - “ Building Futures, Empowering Communities”

Recognised as Best 3 Integrated CSR Initiative of the Year 2025

Our key CSR projects, FY 2025-26



Rural housing project: Himadri’s rural housing project, Awas Yojna, aims to improve the quality of life in rural communities by expanding access to essential services and promoting inclusive development. It supports critical infrastructure upgrades, including converting kutcha houses into pucca homes, and providing kitchens, safe drinking water, and sanitation facilities.

23
Number of beneficiaries impacted

SDGs addressed



Education: Himadri prioritised foundational learning by providing scholarships to meritorious students, upgrading school infrastructure, and developing school libraries. It worked closely with schools, local authorities, and implementation partners to ensure relevance and long-term sustainability. Community participation and regular monitoring strengthened ownership and helped measure impact.



1,738
Educational aid and special child care campaign

1,075
School infrastructure development, scholarship

2,813
Number of persons benefitted

SDGs addressed





Healthcare: Himadri's healthcare initiatives focused on improving long-term community health by making quality care accessible, affordable, and preventive. Through its village medical centres, it provided free ayurveda, naturopathy, and homeopathy services, addressing primary healthcare needs and reducing a reliance on distant facilities.

6892
Homoeopathy

4232
Eye Check Up

1757
Spectacles Distribution

283
Eye Operation

152
Sugar Checkup

2000+
Comprehensive Healthcare Treatment

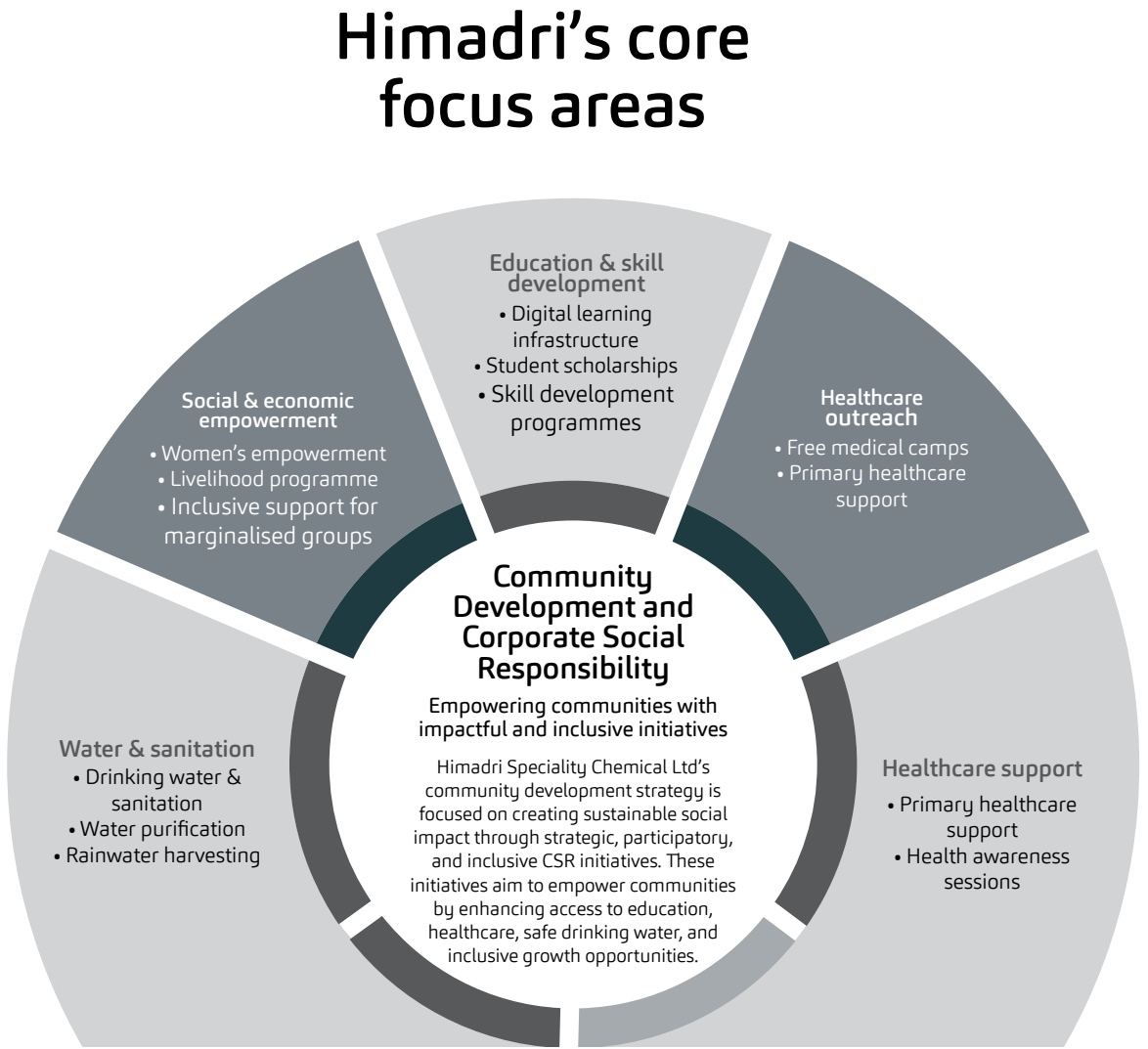
15,316+
Number of persons benefitted from our healthcare projects

SDGs addressed

3 GOOD HEALTH AND WELL-BEING

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES



Key impacts in FY 2025-26

Scholarships funded
43+
Students

Healthcare beneficiaries
15,316+
Individuals treated

1 NO POVERTY

5 GENDER EQUALITY

2 ZERO HUNGER

4 QUALITY EDUCATION

6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

Guiding principles

Impactful
Focus on initiatives with long-term, transformative impact for underprivileged communities.

Inclusive
Promotes equal opportunity and inclusive growth, with a focus on marginal groups.

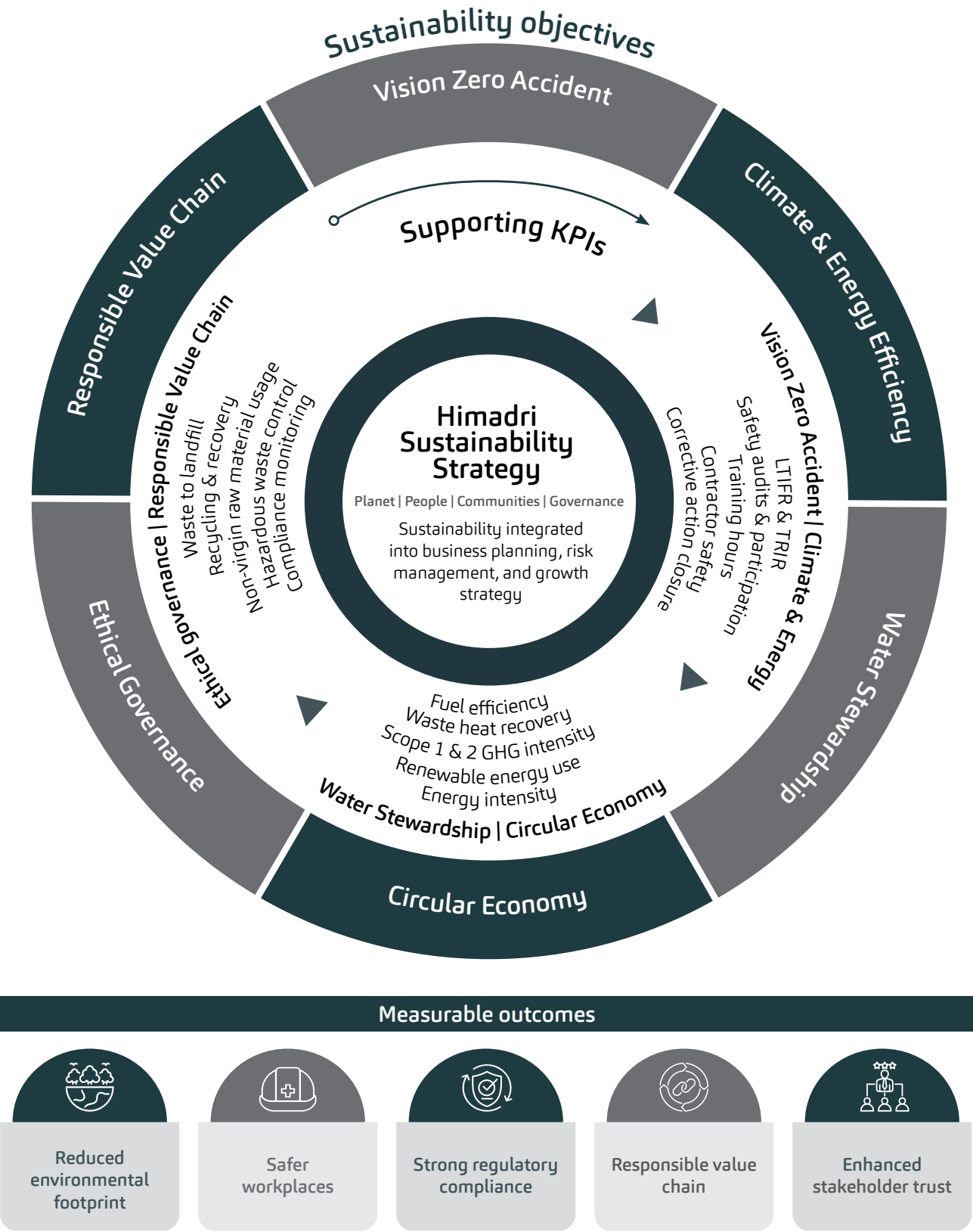
Participatory
Engages local communities and stakeholders in planning and execution.

Transparent
Ensures robust monitoring, reporting and transparency in CSR fund utilisation.



From sustainability objectives to measurable outcomes

A structured KPI framework translating strategy into action



KPIs are reviewed periodically by the Senior management and the Board to ensure accountability, course correction, and continuous improvement.

Himadri's Natural Capital

Improving our resource efficiency and environmental stewardship.



Overview

Himadri's approach to Natural Capital recognises environmental resources not as externalities, but as critical inputs that must be managed responsibly to sustain long-term operations. Energy, water, air, and raw materials are treated as assets whose efficient use enhances environmental and economic outcomes.

Embedded efficiency

The Company has embedded resource efficiency into operations through energy recovery systems, improved combustion efficiency, water recycling, and waste-to-value initiatives. These measures reduce emissions intensity, lower freshwater dependence, and minimise waste, while simultaneously improving operating margins and resilience.

Product strategy

Natural Capital stewardship also informs product strategy. A growing

share of Himadri's portfolio supports downstream applications that reduce emissions, improve energy efficiency, and extend product life—such as materials for electric vehicles, energy storage, low-rolling-resistance tyres, and durable infrastructure.

Stakeholder confidence

Compliance and transparency reinforce this approach. Global sustainability ratings and ESG assessments validate Himadri's environmental management systems and forward-looking practices, strengthening confidence among customers, investors, and regulators.

Frameworks

The Company's environmental strategy is guided by globally recognised frameworks, including the Taskforce on Climate-related Financial Disclosures (TCFD), the Carbon Disclosure Project (CDP) and the Science-Based Targets initiative (SBTi). These frameworks support

transparent climate risk management, performance measurement and the establishment of credible decarbonisation pathways aligned with climate science. Through this disciplined approach, Himadri advances responsible growth while safeguarding Natural Capital for future generations. By aligning Natural Capital management with operational excellence and innovation, Himadri ensures that environmental responsibility becomes a source of durability and competitiveness rather than a constraint on growth.





Key highlights, FY 2025-26

38.18

% reduction in Scope 1 & 2 emissions intensity

17.17

% reduction in Scope 3 emissions intensity

Energy efficiency highlights, FY 2025-26

19.31

% reduction in energy intensity since baseline year

100

% Facilities covered under digital energy management system

Water management highlights, FY 2025-26

27.41

% reduction in water intensity per MT of goods sold

100

% of operations under Zero Liquid Discharge

Waste management highlights, FY 2025-26

99.88

% waste recycled

100

% of facilities that are Zero Liquid Discharge (ZLD) in nature

Climate strategy aligned with TCFD, CDP and SBTi

Net Zero commitment by 2050

Circular reuse of production by-products across operations



ESG ratings and recognitions

Himadri’s ESG performance has received strong external validation. During the reporting period, the Company achieved the following:



These recognitions reflect Himadri’s disciplined ESG execution, transparency, and continuous improvement.

Our products address the needs of a cleaner world

	Product segment	Key downstream sectors	How it contributes to a cleaner world
	Coal Tar Pitch	- Aluminium smelting - Graphite electrodes - Strategic / defence applications	- Coal Tar Pitch contributes to high-quality, durable electrodes with binder and impregnated grades of pitch that together enable cleaner recycling of scrap metal. - In aluminium smelting, it acts as a key binder where it impacts the purity of metal, the quality of anode and overall power consumption of the process, helping improve overall process efficiency and lowering emissions.
	Carbon Black (Speciality and performance)	- Tyres & automotive rubber - Industrial rubber goods - Plastics & polymers - Inks, coatings, fibres - Conductive cables & ESD applications	Improves durability and efficiency, extending product life and reducing material consumption; conductive grades support electrification, safety, and reliable power transmission.
	Tyres (Speciality tread blacks)	- Passenger vehicle tyres - Commercial vehicle tyres - High-performance & speciality tyres	Enables low rolling resistance and higher tread life, reducing fuel consumption and emissions in ICE vehicles and improving energy efficiency and range in EVs.
	New Energy Materials	- Electric vehicles (EVs) - Energy storage systems (ESS) - Battery manufacturers - Battery recycling ecosystem	Direct enabler of electrification and renewable energy integration through lithium-ion battery materials; supports low-carbon mobility, grid stability, and circularity via battery recycling.



Our Sustainability Objectives, 2026 – 27

Objectives	Measures	Target FY27	Target FY26	Result FY26	Main Domain	UNGC–SDGs
Vision Zero Accident / Incident	By 2026, Loss Time Injury Frequency Rate below 1(Vs 2021)	< 1	<1	0	People	 
Energy consumption	By 2026, Reduce Energy Intensity per metric tonne of product sold (Vs 2021)	-20%	-20%	-19.31%	Planet	 
CO2e emission Intensity (Scope-1 & Scope-2)	By 2026, Reduce Scope 1 and Scope 2 CO2e emission intensity per metric tonne of product sold (Vs 2021)	-30%	-30%	-38.18%	Planet	  
CO ₂ emission intensity (Scope 3)	By 2026, Reduce scope 3 CO2e emission intensity per Metric tonne of product sold (Vs 2024)	-10%*	-8%	-17.17%	Planet	  
Zero Liquid Discharge (ZLD)	All plant must operate with ZLD status(Vs 2021)	100%	100%	100%	Planet	  
Solid waste	Reduce solid waste (Hazardous and sent to landfill) per metric tonne of product sold (Vs 2021)	<1%	<1%	0.01%	Planet	 
Recycle materials	Maintain the proportion of Non-virgin raw material from external sources used in production to avoid depletion of natural resources(Vs 2021)	> 95%	>95%	>95%	Planet	 
Gender diversity	Increase female representation in management team(vs 2021)	7%	6.5%	6.14%	People	
Compliance training	Increase percentage of Targeted staff, who completed anti bribery and corruption training (Vs 2021)	> 95%	>95%	99%	Governance	
Upstream Value Chain Partner	By 2026, conduct sustainability assessment of our Upstream value chain partners covering at least 75% of group spend in FY 2025-26	100% (against 80% Spend)	100%	100% (against 75% Spend)	Communities	  
Downstream Value Chain Partner	By 2026, conduct sustainability assessment of our downstream value chain partners covering at least 75% of group sales of FY 2025-26	100% (against 80% Sales)	100%	100% (Against 75% sales)	Communities	  
Carbon neutral product	By 2026, Scaling of carbon neutral product to customers - % Variants/ % FG in MT	0.3%	0.2%	0.2%	Communities	  
Customer decarbonisation	Scaling of customer-side carbon footprint reduction collaboration project	2	1	1	Communities	  



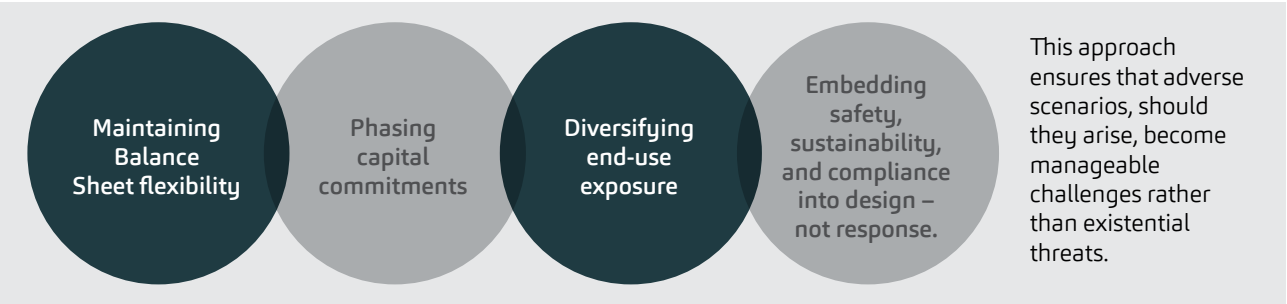
Risk management as a competitive advantage at Himadri

A structured and competent enterprise framework

Overview

In a world marked by accelerating technological change, geopolitical fragmentation, climate stress, and market volatility, risk management at Himadri is not treated as a defensive function. It is approached as a strategic capability—one that enables the Company to act decisively while remaining resilient. Rather than attempting precise forecasts, the Company focuses on structural preparedness:

Our structural preparedness



Integrated risk philosophy

Himadri’s enterprise risk management framework is embedded into strategy, capital allocation, and operations. Risks are identified early, assessed holistically, and mitigated structurally rather than episodically. The Company focuses on reducing fragility, not merely forecasting disruption.

Key risk categories and mitigation

Strategic risks: Cyclicity in downstream industries; pace of adoption in energy transition segments	Mitigation: A major demand driver for the Company’s Coal Tar Pitch is the aluminium industry. Coal Tar Pitch demand in aluminium smelting is inelastic because aluminium smelters cannot be shut down without catastrophic consequences—a stoppage causes the electrolytic cells to freeze, solidifying the molten bath and metal, which requires enormous time, cost and effort to restart. As a result, smelters continue operating even during periods of low aluminium demand, ensuring steady, non-negotiable consumption of Coal Tar Pitch. Moreover, portfolio diversification has helped across multiple end-use industries, staggered capacity addition, and focus on products with long-term structural demand rather than policy-driven demand alone.
Feedstock and input volatility risk: Price and availability fluctuations in raw materials	Mitigation: Operating on a 100% price customers with complete transparency on cost fluctuations, reinforcing confidence and trust during periods of high volatility. High degree of backward integration, long-term sourcing relationships, conversion of internal by-products into downstream value-added products are part of the de-risking.
Technology and scale-up risk: Commercialisation challenges in advanced materials and new chemistries	Mitigation: Pilot and semi-commercial scale validation before large capital commitment; strong and capable team with rich techno-commercial experience with SMEs and scientists from across the globe; phased scale-up with defined performance milestones comprise de-risking.

Operational concentration risk: Large integrated manufacturing complexes create a single-site exposure	Mitigation: Redundant utilities and logistics infrastructure; preventive maintenance systems; safety-first operating culture; disaster preparedness and training protocols all comprise de-risking.
Regulatory and sustainability risk: Tightening environmental, safety, and compliance norms	Mitigation: Early adoption of cleaner processes; investment in compliance ahead of regulation; governance structures that treat sustainability as design input, not post-facto compliance, are a part of the de-risking.
Financial and liquidity risk: Capital intensity and working capital volatility	Mitigation: Conservative leverage; strong cash buffers; disciplined working capital management; growth largely funded through internal accruals comprise de-risking.

Risk management discipline

Operating in a dynamic global environment marked by volatility in commodity markets, regulatory evolution, technological disruption and climate imperatives, Himadri has institutionalised risk management as a pillar of enterprise governance.

Risk is not viewed as an episodic event but as a continuous discipline embedded into strategic planning, capital allocation, operational execution and sustainability decision-making.

What distinguishes Himadri’s risk management is its institutionalisation across the organisation. Risk considerations are embedded in project evaluation, R&D investments, sustainability initiatives and supply-chain decisions. Regular reporting, internal audits and review mechanisms ensure transparency and responsiveness.

Each principal risk category is assigned clear management ownership, with periodic review at senior management and Board committee levels. Risk assessment is dynamic, not static,

ensuring that emerging threats and opportunities are incorporated into decision-making.

Through this integrated approach, Himadri converts uncertainty into preparedness—allowing the Company to scale with confidence while protecting long-term stakeholder value. Through this disciplined, forward-looking and integrated approach, Himadri not only safeguards value but also converts risk management into a strategic enabler for resilient and responsible growth.

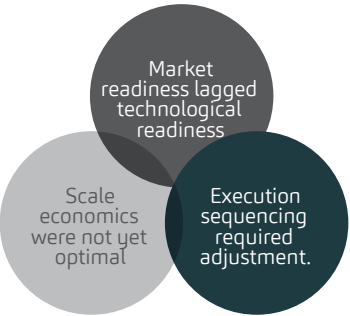
At the apex of this framework is the Board of Directors, supported by the Audit Committee and senior leadership, which provides oversight and direction to the enterprise risk management (ERM) process. The Company follows a structured risk identification, assessment, mitigation and monitoring cycle, ensuring that material risks are evaluated periodically and aligned with the Company’s long-term strategy and risk appetite. Ownership of risks is clearly defined across business units, reinforcing accountability and timely response.

A dedicated Risk Management Committee oversees this process. The Committee is entrusted with identifying key internal and external risks that may impact the organisation and ensuring the effective implementation of appropriate mitigation measures. The Committee also plays an active role in supervising the execution of risk management practices across the Company. It regularly evaluates the adequacy and effectiveness of existing risk control mechanisms, reviews processes for managing identified risks, and provides recommendations to strengthen the overall risk management approach.

Himadri recognises that long-term value creation is not built on uninterrupted success, but on the quality of learning embedded into the organisation. In a period of accelerated investment and innovation, not every initiative progresses exactly as planned. What distinguishes enduring institutions is not the absence of setbacks, but the discipline to recognise them early, adapt decisively, and redeploy capital intelligently.

Recalibration

During recent years, the Company reviewed certain initiatives where (see graphic below):



In such cases, Himadri chose to slow or phase investments rather than pursue scale prematurely, redirect resources toward platforms with clearer visibility, and preserve optionality instead of forcing outcomes. These risk mitigation decisions, while less visible externally, protected capital efficiency and sharpened strategic focus.

This willingness to pause, reassess, and recalibrate reinforces two cultural truths: growth is pursued with discipline, not inertia, and capital is treated as scarce and accountable, even in periods of strong cash generation. By institutionalising learning—not just execution—Himadri strengthens its ability to navigate uncertainty and compound value over decades.



Management discussion and analysis



Global economy

Global economic grew marginally at an 3.4% in 2025 compared to 3.3% in the previous year, influenced by the US tariff shock of April 2025. Despite being partially unwound through subsequent trade deals, it left effective tariff rates well above pre-2025 levels and heightened trade policy uncertainty.

Advanced economies witnessed a marginal growth from 1.8% in 2024 to 1.9% in 2025, while emerging market and developing economies demonstrated relative resilience, expanding by 4.4% in 2025 compared to 4.3% in 2024.

Global inflation continued its multi-year downward trend in 2025, declining to an estimated 4.1% from 5.8% in 2024.

Regional growth (%)	2025	2024
World output	3.4	3.3
Advanced economies	1.9	1.8
Emerging and developing economies	4.4	4.3

(Source: IMF, un.org)

Performance of the major economies, 2025

United States: GDP growth of 2.1% in 2025 compared to 2.8% in 2024.

China: GDP growth was 5.0% in 2025 compared to 5.0% in 2024.

United Kingdom: GDP growth was 1.3% in 2025 compared to 1.1% in 2024.

Japan: GDP growth was 1.2% in 2025 compared to (0.2) % in 2024.

Germany: GDP growth was 0.2% in 2025 compared to a -0.5% in 2024.

(Source: IMF April 2026 Outlook, World Bank)

Outlook

Given the challenge of forming stable, real-time assumptions for projections, the IMF World Economic

Outlook report adopted a ‘reference forecast’ instead of a conventional baseline, assuming the war remains contained in duration, intensity, and reach, with disruptions easing by mid-2026, in line with commodity futures as of 10 March 2026.

Under this reference view, global growth is projected at 3.1% in 2026 and 3.2% in 2027. Global inflation is expected to rise to 4.4% in 2026 before easing to 3.7% in 2027.

(Source: OECD Interim Economic Outlook, IMF, World Economic Forum, Federal Reserve, Bank of England, European Central Bank, Bank of Japan)



Indian economy

The Indian economy grew at an estimated 7.6% in FY 2025-26 (official confirmations to come in following the Balance Sheet date), compared to 7.1% in FY 2024-25. This growth was driven by strong consumption and increasing investments, reaffirming India's position as the fastest-growing major economy. India's Real GDP at Constant Prices was estimated at ₹322.58 Lakhs Crores in FY 2025-26, against the First Revised Estimate of ₹299.89 Lakhs Crores for FY 2024-25.

Growth of the Indian economy

	FY23	FY24	FY25	FY26E
Real GDP growth (%)	7.2	7.2	7.1	7.6

E: Estimated. Note: FY 2023-24 figure restated under new base year 2022–23. (Source: MoSPI (27 February 2026))

Growth of the Indian economy quarter by quarter, FY 2025-26

	Q1FY26	Q2FY26	Q3FY26	Q4FY26E
Real GDP growth (%)	6.7	8.4	7.8	7.3

Note: Q2 revised upward from 8.2% and Q3 from 7.35% under the new base year 2022–23 series released 27 February 2026. Q4 remains an estimate. (Source: MoSPI, 27 February 2026)

Inflation, policy and currency dynamics

Inflation remained benign through much of FY 2025-26, with full-year CPI estimated at an exceptionally low 2.1%. This created room for 125 basis points of cumulative rate cuts, supporting consumption and investment.

However, macro stability was accompanied by currency volatility. The Indian rupee depreciated sharply by 9.88% during FY 2025-26 — its steepest fall since FY 2011-12 — touching ₹94.78 against the US dollar. This reflected global capital flows, a strong

dollar environment, and geopolitical uncertainties.

Capital flows and market behaviour

Foreign portfolio investors remained risk-averse, withdrawing a record ₹1.8 trillion during FY 2025-26 — the largest outflow in 36 years. However, strong domestic institutional inflows of ₹8.55 trillion provided a crucial counterbalance, highlighting the growing maturity and depth of India's domestic capital markets.

India's market capitalisation declined 8% year on year in FY 2025-26 to USD 4.5 trillion from USD 4.83 trillion

in FY 2024-25, marking the sharpest drop since FY 2022-23. On the last trading day of the year, the BSE Sensex fell 5.36%, or 4,076.96 points, compared with a rise of 5.10%, or 3,763 points, in the same period last year, while the Nifty 50 declined 3.6%, or 834 points, against a gain of 5.34%, or 1,192 points, in the corresponding period. The downturn was largely driven by the ongoing West Asia conflict and concerns around potential tariff measures under Donald Trump, which weighed on global investor sentiment.

Gold prices surged 61.47% during FY 2025-26 reflecting

global risk aversion and safe-haven demand.

India's fiscal position continued to strengthen, with net direct tax collections rising 7.19% to ₹22.8 trillion as of 17 March 2026. Contributions from corporate and non corporate taxpayers remained nearly balanced, reflecting sustained formalisation of the economy, improved compliance, and the success of digitisation led reforms.

Banking sector

India's banking sector reflected improving financial health, with the gross non-performing asset ratio declining to a robust 2.1%

as of September 2025, indicating stronger asset quality and disciplined lending practices. This stability was mirrored in profitability metrics, as scheduled commercial banks reported a return on assets of 1.3% and a return on equity of 12.5% during the first half of FY 2025-26, underscoring sustained operational efficiency and a healthier balance sheet trajectory.

India's growth story

The tertiary services sector remained a key growth driver, expanding by 9.0% in FY 2025-26 and increasing its share in nominal gross value added to 54.3% from 52.8% in FY 2024-25, supported by broad-based momentum across segments.

During FY 2025-26, financial, real estate, IT and professional services grew by 9.9%, while trade, hotels, transport, communication and broadcasting recorded a strong 10.1% growth, and public administration and other services expanded by 5.8%.

At the same time, manufacturing demonstrated renewed strength, with Gross Value Added (GVA) rising 11.5% in FY 2025-26 at constant prices, marking the second instance of double-digit

growth in three years and improving from 9.3% in FY 2024-25.

The secondary sector grew 9.1%, accelerating from 8.0% in the previous year, driven by manufacturing alongside construction growth of 7.1%. This combination of services-led scale and manufacturing acceleration is shaping a more balanced and resilient economic structure.

Consumption and investment

During FY 2025-26, Private Final Consumption Expenditure (PFCE) and Gross Fixed Capital Formation (GFCF) maintained above-7% growth, reflecting a well-balanced demand composition across household spending and investment activity.

Growth catalysts

Policy-led consumption boost: The Union Budget FY 2026-27's tax relief measures—particularly income tax exemptions up to ₹12 Lakhs—are expected to stimulate discretionary spending and reinforce consumption-led growth.

Anticipatory Pay Commission impact: The 8th Pay Commission, though expected to be implemented from FY 2027-28, is

already shaping consumer sentiment, creating a forward consumption impulse.

Monetary stability: The Reserve Bank of India's calibrated stance, with the repo rate at 5.25%, balances inflation risks with growth support, ensuring macroeconomic stability.

Credit expansion: Improved banking health and liquidity conditions are expected to sustain strong credit growth across MSMEs, housing, and retail segments.

Fiscal prudence with growth focus: The Union Budget maintains fiscal discipline while prioritising infrastructure, MSME support, skilling, and innovation—key levers for long-term productivity.

Outlook

The year under review underscores a defining divergence: a world grappling with uncertainty, and an India navigating it with confidence.

In a global environment marked by fragmentation and caution, India stands out as a rare convergence of stability, scale and structural opportunity. The World Bank has revised its FY 2026-27 growth estimate upward to approximately 6.6%, reflecting resilient domestic momentum

even as growth moderates from the previous year. India is expected to retain its position as the fastest-growing major economy.

Growth will be shaped by a combination of strong domestic demand and resilient private consumption, supported by low inflation and GST rationalisation, alongside stable export performance with improved access to key markets. This momentum is further reinforced by sustained policy support, ongoing economic reforms, and a favourable demographic advantage.

While risks persist, particularly from elevated energy prices, subsidy pressures on government spending, and uncertainty in global demand, India's macroeconomic fundamentals remain strong.

Over the medium term, sustained consumption, gradual investment recovery, and expanding global trade linkages are expected to reinforce India's position as a key driver of global economic growth.

(Source: MoSPI, Business Standard, Press Information Bureau, Business Standard, IMF, OECD, Deccan Chronicle. NDTV Profit, Outlook Business, The Asian Banker)



India's growth catalysts





HIMADRI'S BUSINESS VERTICAL
Coal Tar



Himadri operates the world's largest single-location integrated coal-chemical complex, producing Coal Tar Pitch and its derivatives, which are critical inputs for aluminium, graphite, lithium-ion batteries, speciality carbons, and advanced energy systems.

With a fully integrated distillation and chemistry network, advanced R&D, stringent quality systems, and a dedicated logistics fleet, Himadri ensures the timely delivery of mission-critical products to domestic and international customers. Its coal tar platform feeds multiple downstream businesses and is central to India's industrialisation, electrification, and energy transition.

Key growth drivers

Market leadership and scale: Dominant domestic position with ~65% market share in Coal Tar Pitch,

operating 0.6 Mn TPA distillation capacity, ready to meet incremental demand from India's growing steel and aluminium sectors.

Global expansion: Commissioning of the Mangalore port terminal and further debottlenecking plans enable Himadri to increase exports and serve international aluminium, battery, and advanced materials markets.

High-value molecules: Introduction of speciality products like carbazole and anthraquinone strengthens margins, reduces import dependence, and opens new high-value pharmaceutical, electronics, and advanced material segments.

Innovation and technology: Zero-QI pitch and application-specific formulations enhance customer trust, technical partnerships, and pricing power. R&D capabilities ensure product quality, diversification,

and alignment with sustainability goals.

Integrated supply chain: Proximate production near vendors and customers, 292 heated tanker fleet, and a network of 8 facilities ensure uninterrupted supply, high reliability, and superior customer recall.

Sustainability and ESG: Efficient resource use, circular by-product management, and clean-energy initiatives improve operational efficiency and support long-term growth.

Outlook, 2030

Himadri aims to become one of the top three global Coal Tar Pitch suppliers (ex-China), double its revenues, expand exports from 20% to 50% of the divisions business, and commercialise advanced molecules like carbazole, anthracene, and anthraquinone—transforming the business from a national raw material supplier into a globally embedded, technology-driven speciality materials company.

INDUSTRY LANDSCAPE
Coal Tar Pitch industry



The Coal Tar Pitch industry comprises the production and supply of Coal Tar Pitch, a high-carbon residue obtained from the distillation of coal tar during coke-making. Coal Tar Pitch is primarily used as a binder and impregnation material in the manufacture of carbon anodes and

electrodes for aluminium smelting, and graphite electrodes.

Global trade dynamics over the past 18-24 months have undergone a structural reset as supply chain diversification, renewed tariff actions and evolving carbon border regulations reshape

competitive positioning across core material sectors. In the United States, revised Section 301 tariffs have raised, or scheduled increases in, duties across strategic industrial product groups such as steel, aluminium, semiconductors and critical minerals, reinforcing protectionist contours in manufacturing supply chains. In parallel, the European Union Carbon Border Adjustment Mechanism transitioned on 1 January 2026 from a pilot reporting framework to a definitive import regime that requires importers of carbon intensive products, including iron, steel and aluminium, to purchase CBAM certificates, with the first surrender scheduled for September 2027.

Together, these developments have accelerated the China plus one realignment of global manufacturing footprints, as corporations diversify sourcing and production bases to mitigate geopolitical concentration risks and carbon cost exposures.

India has emerged as a principal beneficiary of this transition. Multilateral institutions estimate real GDP growth at approximately 7.6% in FY 2025-26 (official confirmations awaited post Balance Sheet date), compared to 7.1% in FY 2024-25, with growth supported by strong consumption and

increasing investments. Steel capacity, a leading indicator of upstream industrial investment, is expanding at scale. India's steel capacity, estimated at around 200 to 205 Mn TPA in FY 2024-25, is projected to approach 300 Mn TPA by FY 2030-31, supported by large integrated Basic Oxygen Furnace (BOF) expansions and continued induction furnace consolidation. Under realistic 2030 projections, total production is expected to increase from roughly 150 Mn TPA in 2024 to about 200 Mn TPA, with BOF output rising from 75 Mn TPA to 105 Mn TPA, Electric Arc Furnace (EAF) from 30 Mn TPA to 40 Mn TPA, and Induction Furnace (IF) from 45 Mn TPA to 55 Mn TPA. The structure remains BOF anchored, even as EAF and Direct Reduced Iron (DRI) shares expand gradually.

These upstream investments underpin downstream material ecosystems, including coal tar and Coal Tar Pitch, which serve as critical intermediates for aluminium anodes and graphite electrodes.

Coal tar availability is intrinsically linked to coke oven operations. China, the world's largest coke and coal tar producer, recorded a 1.7% decline in crude steel production in 2024, followed by a further drop to around 961 Mn TPA in 2025,

its lowest level since 2018. Medium- and long-term forecasts indicate a structural downward trajectory across scenarios, with production expected to remain at similar levels considering Beijing's intention to continue to strictly regulate steel production volumes and prevent the emergence of illegal new capacities in 2026-2030 as part of its carbon emission reduction policy.. This contraction has material implications for global tar balances, enhancing the strategic importance of India's BOF linked capacity expansion in ensuring stable domestic tar availability.

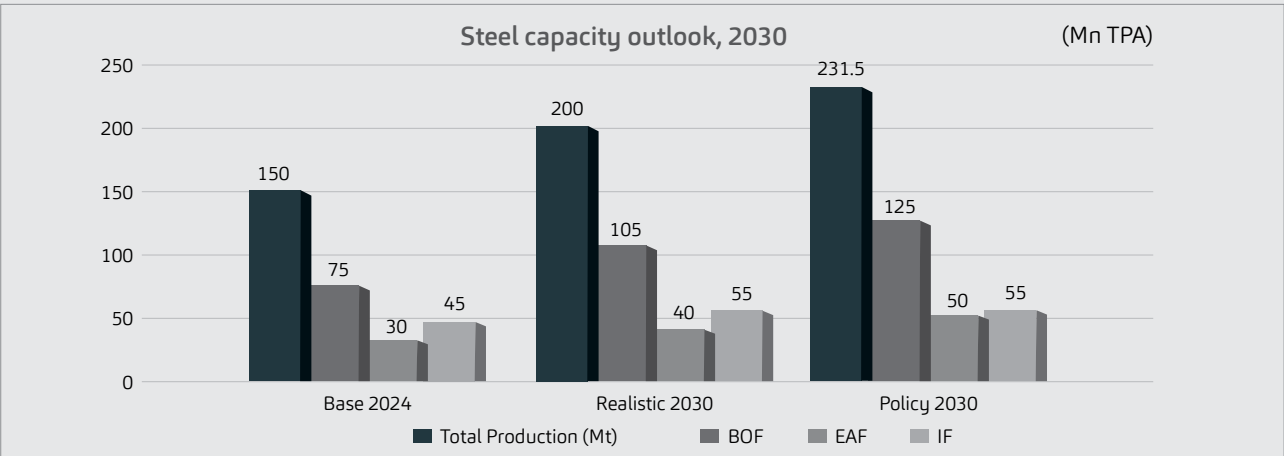
Against this backdrop, Himadri is strategically positioned to capture value from these multi-year structural shifts. As India's largest producer of Coal Tar Pitch, with a diversified portfolio spanning aluminium binder, graphite binder and impregnation grades, the Company remains closely aligned with aluminium and electrode growth cycles. Export logistics have been strengthened with the first liquid CTP shipment of 3,600 tonnes from the New Mangalore terminal in December 2025, complementing the established Haldia facility and expanding west coast access.

Sustainability is embedded within operations. All eight manufacturing facilities

operate zero liquid discharge systems, and the Company secured EcoVadis Platinum recognition in 2025 and again in the 2026 evaluation cycle, placing it among the top one percent globally. Forward integration into anthraquinone and carbazole remains on track for commissioning in FY 2026-27, enhancing value chain depth and product diversification.

As global procurement frameworks increasingly align with Section 301 tariff structures, CBAM carbon compliance requirements and tightening feedstock balances from China, the demand for compliant, traceable and reliable suppliers will intensify. Aluminium's steady demand outlook, sustained electrode requirements, India's BOF anchored steel expansion supporting consistent tar generation, and the structural moderation in China's tar output collectively create a favourable environment for Coal Tar Pitch. In this context, Himadri's scale, sustainability credentials, export capability and integrated tar to speciality chemicals platform position it advantageously to serve both domestic and global markets navigating an increasingly trade sensitive and carbon regulated landscape.

(Source: PIB, Construction Week Online, India Steel, Coke & Tar Outlook, Mysteel, SEASI)



(Source: India Steel, Coke & Tar Outlook- Kris Vanherbergen- 21 October 2025)

Big numbers

300
Mn TPA, India's crude steel capacity by FY 2030-31E

200
Mn TPA, Steel production in India by 2030E

sources: PIB, Mysteel, SEASI

~961
Mn TPA, China's crude steel production in 2025 (lowest since 2018)

6.5%
India's estimated GDP growth in 2024



Structural growth and strategic positioning of Coal Tar Pitch

Market evolution

- EV and battery driven aluminium demand
- Rising graphite and electrode consumption
- Growing need for low impurity grades
- Carbon regulation favouring integration
- Expanding speciality molecule extraction
- Global growth outpacing domestic markets

Himadri’s strategic response

- Downstream capacity expansion
- Deeper global customer engagement
- Speciality and zero QI additions
- Carbazole and anthraquinone commercialisation
- Global customer proximate plants
- Expanded product co-development

Key end-use and demand drivers

Aluminium industry reliance: Coal Tar Pitch remains a critical binder for aluminium smelting and anode production, historically the largest application segment, anchoring stable base demand as global aluminium output rises.

Graphite electrode growth Electrode manufacturers continue to expand capacity, reinforcing steady pitch consumption driving the demand for binder and impregnated grades of pitch.

Diversifying applications: Emerging uses in carbon fibre precursors, advanced composites, adhesives, sealants, speciality carbon products, battery additives, and electrical materials are

broadening the addressable market and creating incremental demand.

Macro and regional dynamics

Asia-Pacific industrialisation: Rapid industrial growth, urbanisation, and infrastructure build-out, especially in China and India, are increasing regional demand for Coal Tar Pitch across aluminium, construction, and carbon product supply chains.

Import and trade trends: Import shipments of Coal Tar Pitch into key markets such as India have shown strong growth in recent years with high double-digit CAGRs, underscoring expanding consumption beyond domestic production capacity.

Export expansion signals: Strengthening global trade flows, evidenced by rising export volumes of liquid Coal Tar Pitch from India to the Middle East and other regions reflect a widening international customer base and deeper market integration.

What these indicators mean for the business

Stable core demand: Despite environmental scrutiny and competing materials, Coal Tar Pitch continues to be irreplaceable in many industrial uses, particularly in aluminium anodes and graphite electrodes supporting base market growth.

Emerging growth segments: New applications

in advanced materials and speciality carbon products offer incremental opportunities beyond traditional end markets, enhancing long-term revenue potential.

Regional momentum: Industrialisation in Asia-Pacific and expanding international supply chains suggest geographic diversification of demand, reducing region-specific risk exposure.

Long-term outlook: Across multiple credible forecasts, positive CAGR trends and rising future valuations indicate sustained commercial prospects for Coal Tar Pitch over the next decade and beyond.

Downstream aluminium industry: Aluminium is a lightweight, corrosion resistant and highly conductive metal widely used in construction, packaging, electricals and transportation, with rising demand from aerospace and electric vehicles.

Coal Tar Pitch plays a foundational role in aluminium production as the binder for prebaked and Soderberg anodes, directly influencing cell stability, conductivity and operational efficiency. Global aluminium demand is expected to sustain its growth trajectory through 2030, supported by EV light-weighting, packaging, renewable energy infrastructure and construction. Indian producers have responded with substantial capital commitments. Hindalco has announced a 540 kilo tonnes per annum smelter expansion across Aditya and Mahan, along with an 850 kilo tonnes per annum greenfield alumina refinery. Vedanta has expanded its Lanjigarh alumina refinery to 3.5 Mn TPA as the first phase of a planned 5 Mn TPA capacity. Industry estimates indicate that primary aluminium capacity

in India could rise from approximately 4.5 Mn TPA currently to about 8.3 Mn TPA by 2030, implying incremental pitch demand of roughly 700 to 800 Kilo tonnes per annum. (Source: Hindalco, Metal.com, Vedanta Aluminium, Company Analysis)

Downstream graphite industry: Graphite is a high conductivity, heat resistant and structurally stable material used in lithium ion battery anodes, graphite electrodes, refractory products and as a key input for steel and aluminium production.

Graphite electrodes represent another structurally significant demand segment, utilising both binder and impregnation grade pitch. While global policy narratives emphasise rapid EAF adoption, project level execution suggests a more measured transition. Although a high proportion of announced capacity additions are EAF based, the majority of projects under construction globally remain BF-BOF oriented. In Europe, several DRI-EAF transitions have been deferred due to elevated power costs and market volatility. OECD

assessments continue to highlight structural overcapacity, subdued demand and margin compression, underscoring practical constraints on rapid technological shifts. In India, electrode manufacturers continue to expand, with HEG approving a 15,000 TPA capacity addition and Graphite India increasing capacity by 25,000 TPA to 105,000 TPA, reinforcing steady pitch consumption. (Source: HEG LTD, Graphite India)

Downstream refined naphthalene industry: Refined naphthalene is produced through the distillation and purification of coal tar or petroleum-based feedstocks. It is a key intermediate for phthalic anhydride, used in plastics, resins, dyes, pigments, agrochemicals and construction chemicals, with additional applications in insecticides, solvents and naphthalene sulphonates. Demand is supported by growth in textiles, construction and plasticisers, particularly in Asia Pacific.

The global naphthalene market was valued at about USD 2.4 Bn in 2025 and is

projected to reach USD 3.7 Bn by 2035, growing at a CAGR of 4.2%.

Himadri is a leading player in this segment, operating advanced multi stage distillation units to produce high grade naphthalene under stringent quality controls, supported by continuous investments in technology and process excellence. (Source: GM Insights)

Growth drivers

- Construction and infrastructure growth
- Manufacturing and chemicals
- Urbanisation and industrial expansion
- Regulatory and sustainable shifts

Overall, the Indian refined naphthalene industry is expected to maintain modest growth driven by underlying expansions in construction, chemicals, textiles and related industrial sectors, with opportunities tied to innovations in sustainable chemical manufacturing.



Big numbers

3,600
Tonnes, first liquid Coal Tar Pitch shipment from New Mangalore terminal

8
Facilities, operating with zero liquid discharge systems

HIMADRI'S BUSINESS VERTICAL
Refined Naphthalene industry



Himadri deploys advanced, multi stage distillation technology for the production of Naphthalene Oil. The feedstock is processed through fractionating distillation columns and subsequently refined in a multi stage crystallisation system to produce high purity naphthalene.

Mix Naphthalene Oil is derived from the high temperature distillation of crude coal tar, followed by sequential separation across specialised distillation columns. Throughout the process, experienced technical teams maintain continuous oversight and strict process control, ensuring consistent quality and adherence to defined performance standards.

Product variants
Technical grade naphthalene flakes: A

crew of professionals who adhere to quality standards produces one of these products using components of the greatest quality. These products are used to manufacture saccharine, ophthalmic anhydride, water-reducing admixture, resins, and several other substances.

Refined naphthalene flakes and beads: Our skilled specialists manufacture this product in accordance with quality standards and using verified quality components. It seems to be a white, glossy powder. This grade has been developed to fulfil the unique requirements of a customer for the use of dyestuff and dye intermediates.

Super refined naphthalene flakes and beads: The extremely refined form of naphthalene is used to manufacture colours, intermediates, and

mothballs. A significant amount is within the textile sector. From this, numerous additional compounds are derived

Naphthalene moth ball:
At normal temperatures, these substances are solids that may be formed into

spherical balls, flakes, and cakes. Over time, they decompose into gas and discharge fumes into the atmosphere. Mothballs are designed to kill moths and other insects which consume fibres in attempt to protect garments.

HIMADRI'S BUSINESS VERTICAL
Moth balls industry: Durofresh™



Himadri is entering the consumer home care segment with the launch of Durofresh, a refined naphthalene ball brand positioned around superior purity and performance. Engineered at 99.5% purity, Durofresh is stain free and delivers enhanced vapour strength for faster and longer lasting protection.

The product is designed to eliminate destructive moths, eggs and larvae effectively,

providing dependable protection for garments and linens stored in drawers, chests and trunks. Its high purity formulation ensures deep penetration across folds and fabric layers, making it suitable for both seasonal and long-term storage.

Backed by Himadri's established distillation expertise and process control capabilities, Durofresh represents a

strategic extension into value added retail products. The brand aims to create incremental value, build consumer trust and provide

a scalable platform for future expansion within the home care category.

HIMADRI'S BUSINESS VERTICAL
Anthraquinone industry



Anthraquinone is a versatile chemical that is applied across various industries including dyes, paper, and hydrogen peroxide. It is also used as a catalyst in the production of hydrogen peroxide. Further, by foraying into the Anthraquinone industry Himadri will not only diversify its presence but it will also position it as a reliable supplier of Anthraquinone.

HIMADRI'S BUSINESS VERTICAL
Carbazole industry



Carbazole is a high-value chemical extracted from anthracene oil and it is heavily used in industries such as pharmaceuticals,

agrochemicals, and organic electronics. Further to this, it is a key component in the development of organic light-emitting

diodes (OLEDs), which are used in modern display technologies. Himadri is anticipated to strengthen its position in the carbazole industry through innovation.

INDUSTRY LANDSCAPE
Global Carbon Black industry

Carbon Black is a fine, powder-like form of elemental carbon produced by the controlled incomplete combustion or thermal decomposition of hydrocarbons. It is primarily used as a reinforcing filler and pigment, most notably in tyres and rubber products, where it improves strength, durability, abrasion resistance, and UV protection. Beyond rubber applications, Carbon Black is widely used in plastics, inks, coatings, and batteries, particularly as a conductive additive in lithium-ion batteries to enhance electrical conductivity and performance.

The Carbon Black market was expected to be valued at USD 20.26 Bn in 2025.

Global Carbon Black demand totalled approximately 14.9 Mn tonnes in 2025, about 74% of which is from the Tyres market. Demand is forecasted to grow at around 2.4% per annum to nearly 16.5 Mn tonnes by 2029, driven by sustained growth in tyres, non-tyre rubbers and speciality blacks.

Global Carbon Black production stood at about 14.9 Mn tonnes in 2025 against installed capacity of approximately 19.9 Mn tonnes, translating into average capacity utilisation of about 75%. Global capacity is projected to expand to around 22.5 Mn tonnes by 2029, with utilisation expected to remain in the mid-70% range.

Carbon Black demand is closely tied to global motor vehicle production. World vehicle output totalled about 93.1 Mn units in 2025 and is forecast to rise to nearly 100 Mn units by 2029, led primarily by developing economies such



Big numbers

170
USD Mn, Indian naphthalene market size

2.4
USD Bn, global naphthalene market size, 2025

3.7
USD Bn, global naphthalene market, 2035E

(Source: Company Analysis, GM Insights, Imarc Group)

Management's perspective

The Company is positioned to scale its presence across diverse markets and regions, supported by a focused expansion strategy. With the introduction of products such as Anthraquinone and Carbazole, a foray into the consumer space through branded naphthalene balls, and participation in the high potential global liquid pitch market, the business is strengthening its footprint across key segments. These initiatives collectively align with the objective of emerging as a prominent player in these areas over the next 2 to 3 years.

S. B. Dutta
Sr. Vice President – Sales & Marketing





as China, India and South-East Asia.

The global motor vehicle population stood at approximately 2.01 Bn vehicles in 2025 and is projected to increase to about 2.2 Bn vehicles by 2029, driven by rising incomes, infrastructure development and urbanisation in developing economies.

Non-tyre rubber applications such as hoses, belts, antivibration components and industrial goods accounted for about 2.7 Mn tonnes of Carbon Black demand in 2025. This segment is forecast to grow at around 2.4% per annum to nearly 3.1 Mn tonnes by 2029, supported by growth in automotive and industrial markets.

Speciality blacks accounted for approximately 1 Mn tonnes of global demand in 2025. This included about 6,63,000 tonnes of highly customised proprietary grades and around 3,99,000 tonnes of 'clean' rubber grades manufactured with lower sulphur, ash and organic residues. Prices rise sharply with increasing purity and functional performance requirements.

While production volumes are projected to grow, industry-wide utilisation levels are expected to moderate slightly, reinforcing the importance of differentiation through speciality grades, integration and customer partnerships rather than commodity volume expansion.

Growth drivers

Rising tyre production drives stable demand: The primary driver for market growth will be the USD 28.7 Bn in new investments that is projected to be spent on new tyre production capacity worldwide from 2025 to 2029, including very sizable investments in North America and Africa/Mideast.

Shift toward speciality grades: Tyre OEMs are increasingly moving from commodity blacks to higher-margin speciality grades to meet performance requirements such as lower rolling resistance, improved durability, and enhanced conductivity. This transition creates pricing premiums and strengthens supplier relationships.

Electrification impact: The growth of electric vehicles is reshaping demand patterns, particularly for

conductive and acetylene blacks used in EV batteries. These segments are less tied to traditional tyre cycles and favour technologically advanced producers.

(Source: Notch Consulting)

Indian Carbon Black industry

India's Carbon Black market is estimated at USD 2.11 Bn in 2026, increasing from USD 1.98 Bn in 2025, and is projected to reach USD 2.94 Bn by 2031, expanding at a CAGR of 6.79% during 2026–2031. The Tyre market accounts for nearly 80% of this volume, while Non-Tyre and Speciality grades account for the rest.



The main growth drivers for this sector will be the rising radial-tyre penetration in passenger and commercial vehicles is increasing Carbon Black consumption due to higher reinforcing requirements per tyre, while steady replacement demand and high utilisation at domestic tyre plants support consistent offtake. Simultaneously, growing use of speciality and conductive Carbon Blacks in batteries, cables and high-performance polymers is improving demand quality and margins. The rapid scale-up of lithium-ion battery manufacturing under PLI schemes and infrastructure-led growth in

pipes and power cables are further diversifying end-use applications, ensuring resilient and sustained growth in Carbon Black demand beyond the tyre cycle.

India's domestic Carbon Black capacity stood at about 2.1 Mn tonnes at the end of FY 2024-25, up from 2 Mn tonnes in FY 2023-24. Capacity expansion is expected to accelerate over FY 2025-26–FY 2026-27, adding 0.3–0.4 Mn tonnes largely in the speciality black segment.

(Source: Notch Consulting)

Global Speciality Carbon Black industry

Speciality Carbon Black is a high-purity form of Carbon Black engineered for specific performance properties such as electrical conductivity, UV protection, colour strength, reinforcement and dispersion. It differs from commodity Carbon Black (mostly used in tyre reinforcement) by offering tailored physical and chemical properties for niche applications in plastics, coatings, inks, battery electrodes, conductive polymers, and more.

The largest market for speciality blacks is plastics compounding which makes up almost 67% of the total speciality market. Speciality blacks find use in plastics compounding as colorants and to improve properties such as UV resistance and electrical conductivity. The plastics market includes a range of applications from commodity (trash bags) to extremely high performance (semicon for wire and cable, conductive polymers). The plastics market is projected to grow at 3.1% over the next 5 years. Printing inks and paints and coatings together account for another 15% of speciality blacks demand. The inks market is diverse, encompassing a mix of commodity (newspaper ink) and high value (inkjet colorants) applications. Overall growth forecasts for the inks & toners market are relatively slow for the segment as a whole, but significant bright spots exist in the areas of packaging inks and inkjets.

Regional insights

North America: Speciality market in North America is estimated at 286 kilo tonnes in 2025, which is projected

to grow at 2.4% CAGR to 317 kilo tonnes by 2029.

EU and UK: Speciality market in EU and UK is estimated at 195 kilo tonnes in 2025, which is projected to grow at 2.8% CAGR to 219 kilo tonnes by 2029.

China: Speciality market in China is estimated at 220 kilo tonnes in 2025, which is projected to grow at 5.9% CAGR to 280 kilo tonnes by 2029.

Asia excluding China: Speciality market in rest of Asia (excluding China) is estimated at 266 kilo tonnes in 2025, which is projected to grow at 4.9% CAGR to 320 kilo tonnes by 2029.

Indian Speciality Carbon Black industry

India's Speciality Carbon Black manufacturing capacity is on track to increase by nearly 300 to 400 kilo tonnes between FY 2025-26 and FY 2026-27, marking a strong growth phase for the sector.

The Indian Speciality Carbon Black market is expected to maintain robust growth through the next decade, driven by domestic manufacturing expansion, global supply

chain diversification, and rising utilisation of advanced materials across automotive, electronics, and consumer sectors. Export opportunities and capacity expansions including plans by domestic firms to increase speciality grades in overall production will further strengthen India's position in regional and global markets.

Growth drivers

Booming automotive sector, including electric and conventional vehicles, raising demand for higher performance grades.

Rapid expansion of the plastics and polymer industries, fuelled by packaging, consumer goods, electronics, and infrastructure applications.

Infrastructure and construction growth, increasing use of Speciality Carbon Black in coatings, pigments, and durable material applications.

Technological upgrades and sustainable manufacturing, with firms developing advanced speciality grades tailored to high end applications.

(Source: Notch Consulting)

Backed by Himadri's established distillation expertise and process control capabilities, Durofresh represents a strategic extension into value added retail products. The brand aims to create incremental value, build consumer trust and provide a scalable platform for future expansion within the home care category.

Big numbers

2.11
USD Bn, estimated market size of India's Carbon Black market in 2026

2.94
USD Bn estimated market size of India's Carbon Black market in 2030

(Source: Notch's consulting)



5 ways the Carbon Black market is likely to evolve

Increased use cases in Li-ion batteries and grid storage for improving power output, charging speed and cycle life

Increased use in EVs and electronics polymers for enhanced safety and performance

Supporting reliable operation of increasingly dense electronic systems across Data centres, 5G and electronics densification

Protect sensitive electronic components in advanced packaging

Providing enhanced jetness, dispersibility and stability in High-end coatings and inks



North America: Speciality market in North America is estimated at 286 kilo tonnes in 2025, which is projected to grow at 2.4% CAGR to 317 kilo tonnes by 2029.

UV and weathering protection: We focus on improving crack resistance, colour retention and long-term durability in outdoor applications.

Precise mechanical tuning: We focus on selective control of modulus, compression set, tear propagation and hysteresis, critical in seals, vibration mounts, diaphragms and precision elastomers.

Aesthetic and optical control: We focus on deeper jetness, neutral undertones and consistent shade, essential for visible and premium components.

Superior dispersion and processing: We focus on low grit and controlled particle morphology that deliver smoother extrudates, better calendaring and defect-free surfaces, enabling high-precision manufacturing.

Cleanliness and compliance: Our products focus on low-contaminant, regulated requirements in medical, electronics and sensitive industrial uses.

6 ways Himadri intends to deepen its product relevance

Growth prospects for Speciality Carbon Black and advanced carbon materials

Speciality Carbon Black: Expanding market and applications

Market size (2025): The global Speciality Carbon Black market was estimated at ~1.06 Mn tonnes

Growth outlook (2025–2029): It is projected to grow at a ~4.0% CAGR through the next 5 years, reaching 1.25 Mn tonnes.

Drivers of demand: Growth is supported by rising use in conductive polymers, high-performance coatings, plastics, electronics, and lithium-ion batteries — all linked to electrification and advanced manufacturing trends. (Applications implied across market reports)

Regional trends: Asia-Pacific leads demand due to EV battery investment, automotive production, and electronics manufacturing growth. (Regional dynamics underscored by multiple market analyses)

HIMADRI'S BUSINESS VERTICAL
Carbon Black and Speciality Carbon Black

Overview

Carbon Black is a foundational industrial material, integral to modern living through its use in tyres, rubber goods, plastics, coatings, inks, cables, batteries and electronics. Its functional role as a reinforcing filler and conductive additive enhances strength, durability, conductivity, UV resistance and long-term performance across downstream products. As economies grow and mobility, infrastructure, electronics and energy storage needs expand, Carbon Black demand continues to track fundamental consumption trends.

Within this universe, Speciality Carbon Black represents the high-value, technology-intensive end of the spectrum. Unlike commodity grades, speciality blacks are engineered for precise electrical, optical, chemical and mechanical properties. Their value is determined not by tonnage, but by performance, purity, dispersion behaviour



and application-specific tuning. This segment is increasingly critical to advanced applications in EVs, batteries, electronics, coatings and high-performance polymers.

Growth drivers

Electric vehicles and energy storage: Rising adoption of EVs and lithium-ion batteries is driving strong demand for Speciality Carbon Blacks and CNTs as conductive additives that enhance energy density, charging speed and battery life.

Shift from commodity to performance materials: Industries are moving away from standard grades towards customised, performance-critical materials, favouring speciality blacks with higher margins and longer customer qualification cycles.

Electronics, 5G and data infrastructure: Growth in electronics densification,

data centres and EMI-sensitive applications is increasing the use of conductive and anti-static Carbon Black grades.

Sustainability and regulation: Demand for low-PAH, clean and consistent materials in regulated applications (electronics, medical, premium packaging) is accelerating the transition to speciality grades.

Export and global OEM engagement: Increasing integration with global OEMs and compounders is expanding export opportunities, particularly for niche and advanced carbon materials.

Innovation and advanced chemistry: Continuous R&D, integration across the value chain and the emergence of next-generation products are extending Carbon Black's relevance into sunrise sectors.

Snapshot: Overall global market size and growth (Mn tonnes)

Segment	2025	2029	Approx. CAGR
Speciality Carbon Black	~1.06	~1.25	~4%
Carbon Black	~14.90	~16.5	~2.4%

(Source: Notch Consulting)



Outlook

The Carbon Black and Speciality Carbon Black business is expected to witness sustained growth, supported by steady demand from tyres and rubber goods and accelerating adoption of speciality grades in EVs, energy storage, electronics and advanced polymers. A rising share of speciality products, expanding exports and deeper engagement with global OEMs are likely to enhance margins and reduce commodity cyclicality. The commercial scale-up of advanced materials will further strengthen value creation, positioning the business for durable growth and improved profitability over the medium term.

Anti-corrosion products

Himadri’s anti corrosive products are engineered to deliver superior protection against aggressive acidic and alkaline environments. Manufactured using premium grade, high temperature carbonised coal tar, these solutions provide robust and long-lasting corrosion resistance. The product range includes Himcoat Enamel, Himwrap, Himtape, and Himcoat Primer B.

INDUSTRY LANDSCAPE
New Energy Materials Industry

Overview

The New Energy Materials division operates in a structurally high growth environment, albeit with a complex supply demand balance and visible overcapacity in China. Despite this imbalance, underlying demand fundamentals remain strong and expansion oriented.

The global lithium-ion battery ecosystem is undergoing structural realignment as trade tensions between the United States and China intensify. In July 2025, the US Department of Commerce issued a preliminary determination increasing the effective tariff on Chinese graphite Anode Active Material to nearly 160% through the combined application of anti-dumping, countervailing and Section 301 duties. This decision has materially altered global sourcing economics and accelerated diversification strategies.

The global Anode Materials market is projected to reach USD 81.24 Bn by 2030. Global cathode material output stood at approximately 3.91 Mn



tonnes in 2025 and is forecast to scale to 14.32 Mn tonnes by 2031, implying a CAGR of about 24.15%. In parallel, China energy storage system installations recorded nearly 117% year on year growth, driven primarily by rapid LFP chemistry adoption. (Source: P R Newswire, Mordor Intelligence)

Competitive dynamics

Despite structural overcapacity in China, leading producers continue aggressive overseas expansion. In this environment, Himadri is positioning itself around high quality synthetic and natural graphite solutions tailored for high performance EV applications and fast-growing energy storage segments, prioritising technical differentiation and reliability over volume driven competition.

Segment growth trends

The global synthetic graphite anode market was valued at approximately USD 1.2 Bn in 2023 and is projected to grow at a 9.8% CAGR, reaching around USD 2.8 Bn by 2032.

The natural graphite anode market is expanding at a significantly faster pace, with an estimated 18.6% CAGR between 2026-2035, driven by EV and energy storage demand, particularly across Asia Pacific. This divergence reflects increasing cost optimisation and chemistry evolution within battery architectures.

(Source: Dataintello, Business Research Insights)

Demand drivers

India EV sales reached 2.3 Mn units in 2025, accounting for 8% of total vehicle registrations, with two wheelers and three wheelers leading adoption. India also added

roughly 48 to 50 GW of renewable energy capacity in 2025, taking total non fossil capacity to 263 GW, reinforcing the structural requirement for grid scale storage. (Source: DD News, PIB)

Globally, battery demand is expected to be above 5,700 GWh by 2035, supported by accelerating EV penetration and renewable integration. LFP cathodes are projected to account for close to 45% of global EV battery chemistry by 2030, further strengthening demand for compatible anode and cathode materials.

Collectively, these structural drivers create a resilient and expanding demand environment for advanced battery materials.

(Source: Mckinsey)

Key geopolitical headwinds

Supply chain localisation mandates: Under the Inflation Reduction Act, battery materials must meet localisation thresholds of at least 70% to qualify for tax credits, accelerating domestic manufacturing investments by global automakers.

Technology and certification barriers: Leading Chinese producers face restricted access to

US technology under foreign entity regulations. At the same time, evolving standards such as UL 9618 and UL 1973 have increased compliance requirements for non-localised suppliers.

China export controls: China has imposed restrictions on the export of certain anode and cathode technologies and related equipment, tightening supply flexibility through at least November 2026.

India’s EV revolution

ACC PLI Scheme: The ₹18,100 Crores Advanced Chemistry Cell PLI scheme targets 50 GWh of domestic battery capacity. Key projects include Ola Electric targeting 5 GWh and Reliance New Energy planning up to 15 GWh, with phased commissioning expected through 2026.

PM E DRIVE scheme: With an outlay of ₹10,900 Crores for October 2024 to March 2026, the scheme is accelerating adoption of electric two wheelers, three wheelers and buses.

ESS policy support: In June 2025, the Ministry of New and Renewable Energy introduced waivers on interstate transmission charges and expanded viability gap funding for large scale battery storage,

improving demand visibility for domestic anode and cathode producers.

EV adoption targets: India aims for electric vehicles to account for 30% of new vehicle sales by 2030, representing an estimated

which increases battery life and the ability to recharge. The market is expected to grow significantly due to increasing demand for electric vehicles and global inclination towards adopting renewable energy in various industries.



USD 200 Bn opportunity, led by two and three wheelers and supported by subsidy support and charging infrastructure expansion. (Source: PIB, IEEFA.Org)

As the global economy accelerates toward electric mobility, lithium-ion batteries have become the backbone of this transition. Rapid adoption of electric vehicles and battery energy storage systems worldwide is driving a sharp increase in lithium-ion battery demand. Reflecting this momentum, global battery consumption is projected to rise from about 1,600 GWh in 2025 to nearly 5.7 TWh by 2035, according to McKinsey.

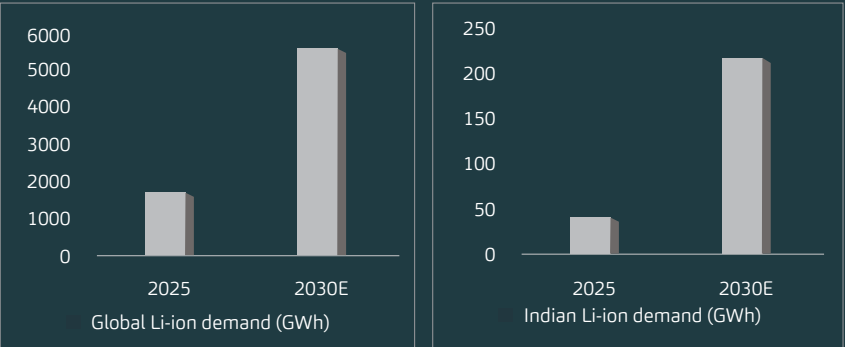
India is also emerging as a high growth market. Lithium-ion battery demand in the country is expected

INDUSTRY LANDSCAPE
Global lithium-ion battery industry

Li-ion battery, or LIB, is a rechargeable battery used in laptops, cell-phones, and hybrid and electric cars. Li-ion battery usage is growing across various applications owing to its lightweight and high energy density,



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E: Estimate

(Source: McKinsey, PIB)



to expand from 40 GWh in 2025 to 210 GWh by 2030, supported by accelerating EV adoption, increasing deployment of energy storage systems, and supportive policy.

With this exponential growth, securing a reliable and sustainable supply of critical battery minerals has become a strategic priority. Beyond meeting future EV and storage requirements, India faces the challenge of reducing its dependence on imported lithium carbonate and other battery materials, which exposes the sector to geopolitical and supply chain risks. At the same time, the rising volume of spent lithium-ion batteries presents environmental and safety concerns, making advanced recycling essential to prevent the accumulation of hazardous waste. (Source: Mckinsey, PIB)

Growth drivers

Burgeoning electronics and automobiles sector: Lithium-ion batteries are predominantly used in the electronics and automobiles sector, boosting market growth.

Increasing sales of EVs: The growing demand for

electric vehicles increases the demand for lithium-ion batteries.

Rising disposable income: One of the key factors driving the growth of the global lithium-ion battery market is growing consumer spending on consumer electronics.

Growing demand for renewable energy: The rapidly expanding renewable energy sector due to government investments in energy and infrastructural development projects.

Increasing collaborations: Major market players collaborate with government agencies to expand the lithium-ion battery market.

Outlook

The global lithium-ion battery market is poised for sustained growth through 2035, driven by broader electrification and clean energy adoption trends. Continued expansion of EV production, renewable integration, and storage deployment will underpin demand, while innovation in battery technologies and strategic supply chain development will shape competitive dynamics.

INDUSTRY LANDSCAPE
Indian lithium-ion battery industry

Among the several energy storage technologies available, lithium-ion batteries are anticipated to dominate the market during the upcoming decade. India unveiled its ambitious national goals for 2030 at the COP 26 UN Climate Change Conference, which include increasing its non-fossil energy capacity to 500 GW by 2030, obtaining 50% of its electricity needs from renewable sources by 2030, limiting projected carbon emissions by one Bn tonnes, and lowering its economy's carbon intensity of its economy by less than 45% by 2030. In India, the lithium-ion battery business is anticipated to experience exponential growth over the next five years, and the recycling market of these batteries is estimated to be nearly 22-23 GWh in 2030. The lithium-ion battery industry in India is predicted to grow from 40-gigawatt hour (GWh) in 2025 to about 210 GWh by 2030.

(Source: WRI, PIB, IBEF)

Growth drivers

Declining lithium-ion battery cost curve acceleration: Battery-pack prices in India fell to USD 115 per kWh in 2025 from USD 132 per kWh a year earlier as raw-material prices cooled and domestic scale improved. By early 2026, locally produced NMC cells cost USD 95 per kWh, almost matching imported Chinese equivalents once freight and GST are added. This rapid deflation is tipping total-cost-of-ownership equations in favor of electric two- and three-wheelers, where price sensitivity is high.

PLI schemes: The ACC-PLI programme earmarked ₹18,100 Crores (USD 2.17 Bn) to catalyse 50 GWh of domestic capacity by 2030.

Electric two-wheeler boom in urban mobility: Electric two-wheelers seized 48% of all two-wheeler sales across India's top 10 cities in 2025, up from 38% in 2024. Ola Electric, Ather Energy, and TVS Motor sold a combined 1.8 Mn e-scooters, each packing 2.5-4 kWh NMC batteries that deliver 100-150 Km real-world range. While high-nickel cathodes fuel urban models, limited public charging in Tier-2 and Tier-3 cities

still restrains inter-city adoption, underscoring infrastructure gaps highlighted by the Ministry of Power.

Grid-scale energy-storage tenders by SECI and NTPC: SECI awarded 4 GWh of BESS contracts in 2025 at an average tariff of ₹4.8 per kWh (USD 0.058) for two-hour LFP systems in Rajasthan and Gujarat. In January 2026, NTPC floated the nation's first 10-year performance-linked tender covering 2 GWh, signaling a pivot from capex to lifecycle-cost metrics. Reliability clauses favor LFP cells rated for 6,000+ cycles, nudging domestic manufacturers toward iron-phosphate cathode lines. With a 12 GWh pipeline through 2027, utility bids are triggering second-life opportunities as retired EV packs are repurposed, although regulatory clarity for reuse remains nascent under the Ministry of Power.

(Source: Mordor Intelligence, PIB)

All-Solid-State Battery (ASSB)

All-solid-state batteries (ASSBs) represent the next generation of battery technology, replacing the flammable liquid

electrolytes found in conventional lithium-ion batteries with solid electrolytes. This advancement markedly enhances safety, energy density, and charging performance, making them particularly suited for electric vehicles (EVs). ASSBs offer higher energy storage per Kg, translating into longer driving ranges and potentially faster charging times, while virtually eliminating risks of leaks and fires.

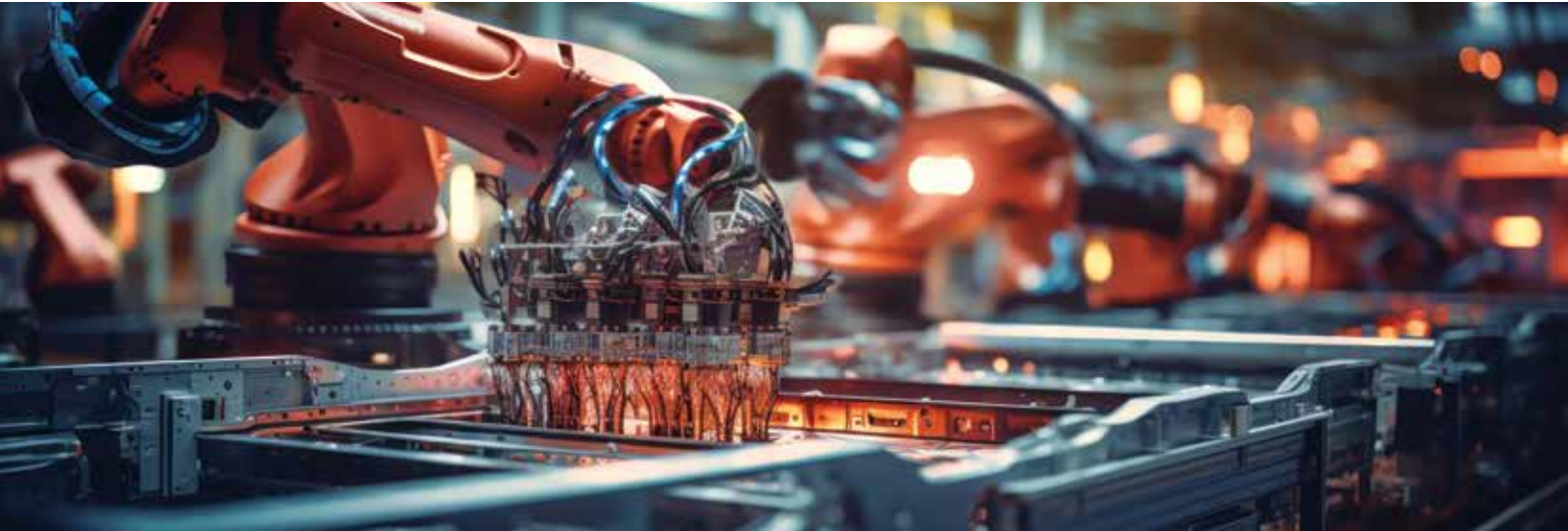
INDUSTRY LANDSCAPE
Global electric vehicles (EV) industry

Electric vehicles (EVs) are powered wholly or partly by electric motors using rechargeable batteries, offering a cleaner and more energy-efficient alternative to internal combustion engine vehicles. By reducing tailpipe emissions and operating costs, EVs support the transition to sustainable mobility.

The EV industry spans vehicle manufacturing, batteries, charging infrastructure and enabling technologies. Driven by climate imperatives, supportive policies and advances in battery chemistry, EV adoption

is accelerating across passenger, commercial and two-wheeler segments. Globally, the sector has moved beyond early adoption and is emerging as a core pillar of the automotive market.

The global EV market is expected to be valued at USD 459.47 Bn in 2026 and is expected to reach USD 767.27 Bn by 2033 exhibiting a compound growth rate of 7.6% from 2026-2033. In CY 2026, global electric vehicle sales are expected to



Big numbers

500 GW, India's non fossil energy capacity by 2030E	50 %, share of electricity from renewable sources by India, 2030E	6.73 USD Bn, global lithium ion battery market size in 2026	15.17 USD Bn, global market size by 2031E
210 GWh, India's lithium ion battery market size by 2030E	45 %, targeted reduction in carbon intensity of the economy by 2030	27.1 %, CAGR of LFP battery segment to 2031	6,000+ Cycles, lifecycle of LFP batteries



exceed 20 Mn units, representing more than one-quarter of all new cars sold worldwide, reflecting sustained growth momentum despite emerging headwinds.

Global EV sales grew but also faced a sharp slowdown in markets like US with hybrids and Range extenders seeing a renaissance. Chinese dominance continued with over 5.5mn cars exported by the Chinese and their EV share in Europe grew to 13.5%. BMI expects 23.9 Mn EVs will be sold globally this year, a 15.7% increase, with growth sharply accelerating in China to 21% and slowing in Europe and the rest of the world to 15% and 26%, respectively. It expects a sharper decrease of 23% in North America due to a 29% slump in the U.S.

(Source: Coherent Market Insights, Medium, Forbes, Reuters)

INDUSTRY LANDSCAPE
Indian electric vehicles (EV) industry

The Indian electric vehicle (EV) industry continued its strong upward trajectory in FY 2024-25, underpinned by rising

consumer awareness of clean mobility, robust policy support, expanding charging infrastructure, and greater model availability across vehicle segments. Government initiatives such as PM E-Drive, Production Linked Incentive (PLI) schemes, and EV charging incentives have collectively boosted market demand and supply-side capabilities, aligning with the nation's broader climate and net-zero targets.

In the year 2025, India's electric vehicle market has reached another major milestone, with total EV registrations (excluding hybrids) crossing approximately 2.02 Mn units - the first time annual registrations have surpassed the 2 Mn mark, highlighting continued momentum in electrification across the country.

The EV market witnessed significant sales momentum in 2025, with 2.3 Mn EVs sold, representing 8% of new vehicle registrations, a marked increase driven by policy incentives and festive demand. Two-wheelers remained the dominant segment, accounting for 57% of

total EV sales, followed by three-wheelers (35%) and passenger vehicles (7%). Electric two-wheelers continue to lead adoption, supported by affordability and suitability for urban commuting. Electric three-wheelers have achieved remarkable penetration, often exceeding 60% market share in key months, driven by last-mile delivery and commercial use cases. Passenger EVs (cars/SUVs) are gaining traction, with growing model offerings from domestic and global manufacturers.

India's public EV charging network has expanded nearly fivefold from FY 2021-22 to FY 2024-25, with over 39,000 charging stations, showcasing strong progress in addressing range anxiety and usability. National and state policies are targeting the establishment of over 1.3 Mn charging stations by 2030, indicating long-term infrastructure build-out. Government reforms, including the reduction of customs duties for international EV manufacturers establishing local production, and continued budgetary allocations for EV incentives, aim to enhance India's competitiveness as

a global EV manufacturing hub. The PLI Auto scheme has already supported the production of over 1.36 Mn EVs, spanning two-, three-, and four-wheelers, along with buses, by December 2025.

India has set an ambitious goal of achieving 30% EV sales penetration by 2030, in alignment with its net-zero emissions target by 2070, and is actively enhancing policy frameworks to sustain the industry's growth momentum. Major global and domestic players continue to scale up manufacturing and network investments, further strengthening India's position in the global EV landscape.

(Source: Economic Times, AckoDrive, IBEF, Business World, PSA)

Key government initiatives supporting EV growth
PLI Scheme for automobiles and auto components: With an outlay of ₹25,938 Crores, the PLI-Auto Scheme aims to strengthen India's capabilities in Advanced Automotive Technology (AAT). As of September 30, 2025, cumulative

investments of ₹35,657 Crores and determined sales of ₹32,879 Crores were achieved, generating 48,974 jobs. Incentives of ₹1,999.94 Crores were disbursed for FY 2024-25, covering over 13.6 Lakhs EVs, predominantly electric two- and three-wheelers.

PM E-Drive Scheme: Designed to accelerate EV adoption, expand charging infrastructure and build a domestic EV manufacturing ecosystem, the scheme had disbursed ₹1,703.32 Crores by 31 December 2025. Over 21.36 Lakhs EVs were sold under the scheme, with the target for electric three-wheelers (L5 category) fully achieved by December 2025.

Scheme to promote Manufacturing of Electric Passenger Cars (SMEC): SMEC mandates a minimum investment of ₹4,150 Crores (USD 500 Mn) per approved applicant, with domestic value addition targets of 25% within three years and 50% within five years. The scheme permits limited imports of electric four-wheelers at concessional duties, capped at 8,000 vehicles annually per applicant.

EV infrastructure and localisation support: In August 2025, the government sanctioned ₹1,062 Crores to support 85 civil depot projects and 88 power infrastructure projects, with ₹475 Crores already disbursed to nine states and Union Territories to improve EV accessibility and localisation.

National EV policy direction: NITI Aayog proposed a national EV policy in August 2025 emphasising mandates and disincentives over subsidies, targeting a 30% EV share in total vehicle sales by 2030 and piloting 100% electrification of buses and freight vehicles. (Source: PIB, Ministry of Heavy Industries, NITI Aayog)

Battery materials for Electric Vehicles (EVs) and Energy Storage Solutions (ESS)
India's commitment to achieving net-zero emissions by 2070 continues to drive a strategic push toward electric vehicles (EVs) and energy storage solutions (ESS), supported by a combination of targeted policies and strong government incentives.

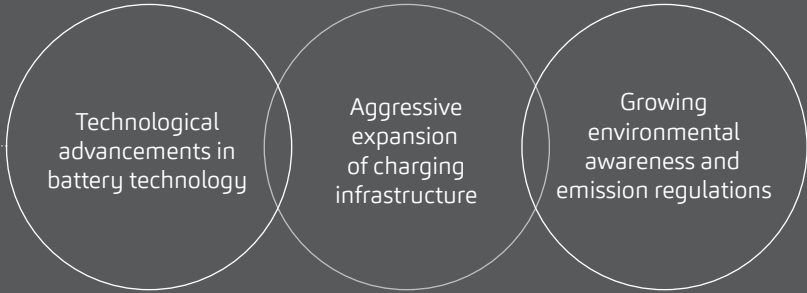
In support of sustainable manufacturing and environmental stewardship, Himadri is advancing circular economy practices within its battery materials production, integrating recovery and recycling processes to improve resource efficiency. Aligned with the India-led Lifestyle for Environment movement, the Company continues to embed environmentally friendly practices across its value chain, positioning itself to benefit from the rapidly expanding EV and ESS markets while contributing to national sustainability goals. (Source: Ministry of Heavy Industries, Argus media, Construction world, ET auto, Economic times, PW market research)

Growth prospects for the global battery storage sector
The global battery energy storage market is entering a phase of strong and sustained growth. Energy storage installations are expected to expand sharply from 2025, driven by rising utility scale and distributed deployments to support grid flexibility and renewable energy integration. Market value is projected to more than

double between 2025 and 2030, growing from roughly USD 50.8 Bn to USD 105.9 Bn, supported by double digit annual growth rates. Industry forecasts indicate CAGRs in the range of 15 to over 20% across segments, with residential storage emerging as a high growth area as households increasingly combine battery systems with rooftop solar for energy resilience. Regionally, Europe is poised for significant expansion, with battery storage capacity expected to increase several folds by the end of the decade, supported by strong policy backing. Large scale utility and grid connected battery projects will remain a key driver of overall market momentum as countries accelerate their energy transition efforts. (Source: Markets and Markets)

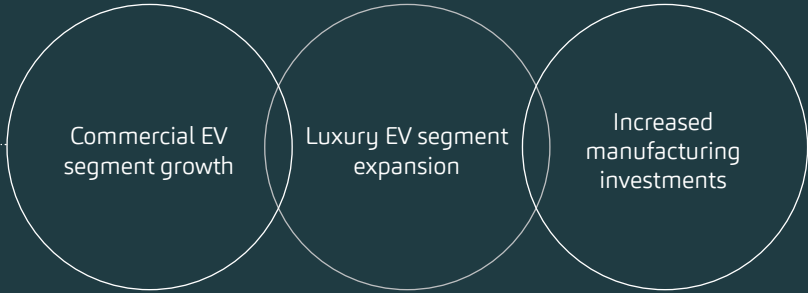
Global electric vehicles (EV) industry

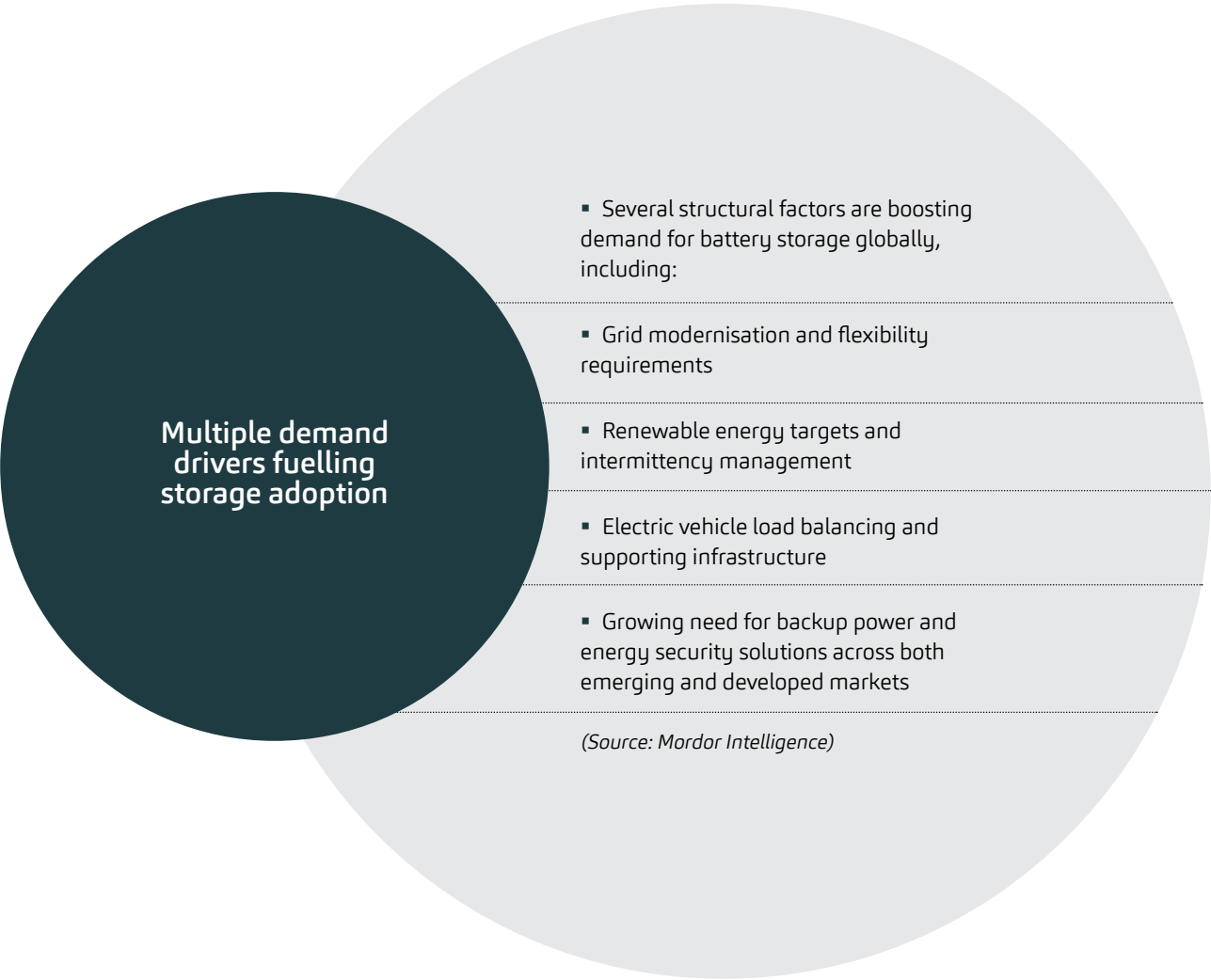
Growth drivers



Indian electric vehicles (EV) industry

Growth drivers





HIMADRI'S BUSINESS VERTICAL
New Energy Materials

Overview
New Energy Materials are becoming central to the global energy transition as electric mobility and renewable power scale worldwide. With over 40% of new vehicles expected to be electric by 2030 and wind and solar contributing around 15% of global power, battery storage demand is projected to approach 5,780 GWh by 2035, creating a lucrative lithium-ion battery market. (Source: McKinsey, Nektar Group)

Himadri operates at this critical intersection through battery grade Lithium Iron Phosphate cathode active materials and Anode Materials, two of the most value intensive components in EV and energy storage batteries. The business follows research first, scale with discipline model, progressing from laboratory to pilot and commercial production,



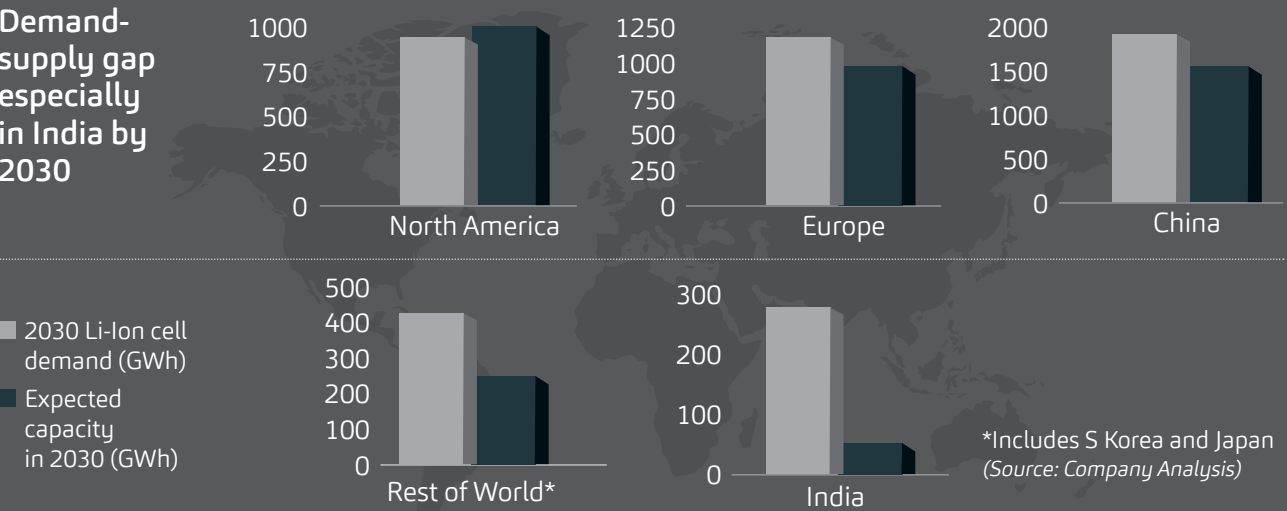
enabling early qualification and structured scale up. By establishing an integrated supply chain in India, Himadri has structurally insulated itself from technological and equipment dependencies linked to China. With US tariffs on Chinese graphite Anode Active Material at 160%, its India based production provides OEMs a cost competitive, geopolitically neutral alternative aligned with localisation and compliance frameworks.

The Company is evolving from a graphite supplier into a broader speciality solutions platform. It is developing silicon graphite composites to enhance energy density by 20 to 30% for high performance EVs, and hard carbon anode solutions for sodium ion batteries targeting cost sensitive storage and stationary applications. This technology led approach positions Himadri across both current lithium-ion chemistries and

next generation storage systems. Strategic stakes in IBC and Sicona strengthen access to Korean and US markets, while EcoVadis Platinum certification supports seamless entry into European supply chains. Together, these capabilities position the New Energy Materials business as a structurally attractive, long duration growth platform aligned with global decarbonisation.

Summary of sector outlook

Indicator	Key trend
Global BESS market value	Strong market expansion due to renewables deployment
CAGR (2025–2030)	Double-digit growth across segments
Europe BESS capacity	Rapid regional build-out
Residential storage	Rising consumer adoption





7 trends shaping the New Energy Materials sector

EVs and energy storage: High-performance anode, cathode, and other battery materials are driving adoption in electric vehicles, grid storage, and stationary energy systems.

Portable and emerging electronics: Materials are critical for reliable power in consumer electronics, industrial devices, and energy-efficient systems.

Renewable energy integration: Solar, wind, and other renewables are creating demand for durable, high-quality storage materials to stabilise grids and microgrids.

Advanced energy applications: Materials are increasingly used in hybrid energy systems, microgrids, aerospace batteries, and high-capacity storage for critical infrastructure.

Sustainability and circular economy: Low-carbon, recyclable, and environmentally responsible materials are preferred, supporting ESG and green manufacturing goals.

Global supply chain diversification: Rising demand for reliable, China+1 sources of advanced battery materials is opening export opportunities for Indian manufacturers.

Innovation in materials technology: Advanced chemistries, silicon-carbon hybrids, solid-state precursors, and next-generation materials are expanding performance, efficiency, and application versatility.

How Himadri is addressing the global New Energy Materials marketplace

Strategy and scale

- Platform-led expansion
- Lab to semi commercial innovation
- Commercial scale roadmap
- Reinvestment in materials

Portfolio and customers

- Multi-chemistry portfolio
- Customer-led development

Material performance focus

- Consistent conductivity
- Optimised electrochemistry
- Reliable processing quality
- Thermal and chemical stability
- Application-specific materials

- Sustainability and compliance
- Cross-chemistry compatibility

Performance, FY 2025-26

The Company is progressing setting up of a 40,000 MTPA LFP cathode material facility, positioned to be the world's first commercial scale LFP plant outside China, with 2,000 TPA milestone capacity set to commission for Q3

FY 2026-27. The balance capacity will be brought on stream in a modular manner aligned with customer approvals. This initiative marks a significant step in strengthening India's advanced battery materials ecosystem.

Outlook, FY 2026-27

Quality validation: Demonstration plant operations will continue to ensure product consistency,

qualification, and adherence to global standards.

Market expansion: The Company aims to broaden its reach across India, the United States, and Europe, strengthening its international presence.

Sustainable manufacturing: Production will leverage renewable energy to maintain a low carbon footprint and support ESG objectives.

Capacity growth: These initiatives lay the foundation for scaling production toward fulfilling Himadri's Cathode vision which is to produce 2,00,000 TPA of LFP Cathode Active Material, enabling Himadri to meet long-term domestic and global demand.

Optimism

The New Energy Materials business is expected to witness accelerated growth as commercial capacities scale and customer qualifications translate into steady volumes. Rising adoption of EVs and grid-scale storage, combined with increasing preference for LFP chemistry, positions the business for sustained demand visibility.

A growing share of value-added anode and cathode

materials, expanding exports and deeper engagement with global battery manufacturers are likely to support margin expansion and reduce business volatility. The Company's integrated approach from lab-scale innovation to commercial execution provides a strong foundation for consistent quality and predictable performance at scale.

Over the medium to long term, capacity expansion, backward integration and portfolio diversification across advanced battery materials are expected to strengthen Himadri's relevance across the global energy transition. As the business matures, New Energy Materials is positioned to become a meaningful contributor to the Company's growth, profitability and sustainability agenda, reinforcing Himadri's role in enabling a cleaner, electrified future.

INDUSTRY LANDSCAPE
Speciality construction chemicals

Sulphonated Naphthalene Formaldehyde (SNF) and Polycarboxylate Ether (PCE) remain integral

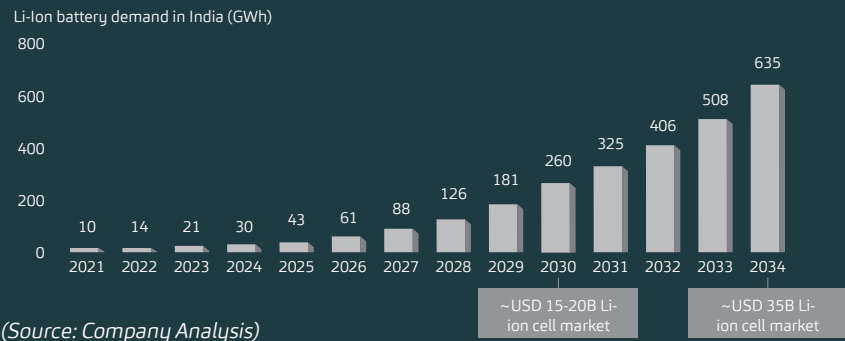
to high performance admixture solutions, each serving a distinct role in the evolution of modern construction chemicals. SNF was originally introduced as a second-generation superplasticizer for concrete, and over time its application base has expanded well beyond construction. In contrast, PCE has increasingly replaced SNF in construction applications due to its superior flow characteristics, dispersion efficiency, and high level of formulation customisation.

Despite this shift, SNF continues to witness strong

and stable demand across several non-construction industrial segments, where it functions as a highly effective dispersant. Himadri is actively responding to this transition by developing specialised SNF formulations tailored for agrochemicals, textiles, gypsum boards, latex products, and dye dispersions. Supported by extensive in house research and development and global collaborations, the Company has introduced advanced grades such as low free formaldehyde variants for gypsum



Demand for Li-Ion cells growing rapidly in India



Big numbers

2,00,000
TPA, targeted LFP Cathode Active Material production capacity

1.09
USD Bn, India concrete admixtures market size in 2025

6.55
%, CAGR of India concrete admixtures market

30+
Years, leadership in Coal Tar Pitch

15+
Years, presence in Carbon Black



applications and low free naphthalene and low quinoline grades for textile use. These innovations underline Himadri’s focus on regulatory compliance, product safety, and consistent performance, enabling SNF to remain a relevant and value adding solution across diverse industries.

PCE, on the other hand, continues to set the benchmark for next generation construction admixtures. Its superior water reducing capability and excellent workability retention have made it the preferred choice for high performance and high durability concrete applications.

India’s construction sector is poised for sustained growth, driven by rapid urbanisation, large scale national infrastructure programmes, and rising adoption of advanced construction materials. The Indian concrete admixtures market is projected to expand from USD 1.09 Bn in 2025 to USD 1.59 Bn by 2031, reflecting a compound annual growth rate of 6.55%. Growth is being supported by increased investments in national infrastructure corridors, urban mass transit systems, mega bridges, tunnels, and large

scale urban redevelopment projects. Residential construction is also expected to grow steadily, with a projected CAGR of 7.76%, as admixture technologies gain wider acceptance across mid-rise and affordable housing developments. *(Source: Mordor Intelligence)*

Overall, as India’s construction industry enters a high growth phase and global demand for advanced admixtures continues to rise, both SNF and PCE are expected to play a critical role in enabling durable, efficient, and high-performance concrete solutions across major infrastructure and real estate developments.

Growth drivers

- Government led infrastructure initiatives
- Smart cities mission
- Rapid urbanisation and high-rise construction
- Sustainability and green construction practices

Company overview

Himadri Speciality Chemical Ltd established in 1990, has evolved into a global speciality chemical conglomerate with a strong foundation in coal tar-based chemistry

and advanced carbon materials, with a clearly differentiated leadership position in lithium-ion battery materials. With a market leading presence in Coal Tar Pitch for over three decades and in Carbon Black for more than 15 years, the Company has successfully built scale, depth, and technical mastery across the carbon value chain, which has been strategically leveraged to develop advanced battery grade materials. Over time, Himadri has also emerged as a leading player in Speciality Carbon Blacks, speciality oils, naphthalene, and sulphonated naphthalene formaldehyde (SNF), supported by a diversified and application-driven product portfolio with increasing focus on energy storage applications.

Himadri is recognised as a pioneer in lithium-ion battery materials, with its solutions addressing critical performance requirements such as conductivity, stability, and durability in battery systems. The Company serves high growth industries, including lithium-ion batteries, paints, plastics, tyres, technical rubber goods, aluminium, graphite electrodes, agrochemicals, defence, and construction chemicals. Its

deep expertise in aluminium and graphite chemistry has enabled the development of battery grade carbon materials, positioning Himadri as a key enabler in the electric mobility and energy storage ecosystem. This leadership is reinforced by a government-recognised in-house R&D facility that drives continuous innovation, qualification of new materials, and customer specific battery solutions.

The Company is advancing its forward integration by leveraging its coal tar derivative capabilities to manufacture high-value speciality chemicals such as anthraquinone and carbazole. These materials, with applications spanning advanced materials, energy storage, and high-performance industrial systems, are expected to unlock new market opportunities and further strengthen Himadri’s positioning as a future ready leader in lithium ion battery materials and advanced carbon chemistry.

Sustainability is central to Himadri’s operating philosophy. Its ESG strategy, Together Towards Tomorrow, underpins the Company’s commitment to circularity, innovation, climate action, and

inclusive stakeholder value creation. This framework is reinforced by key sustainability aligned management systems, including ISO 14001:2015 for environmental management, ISO 50001:2018 for energy efficiency, SA 8000:2014 for social accountability, ISO 20400:2017 for sustainable procurement, and ISCC Plus for responsible sourcing and carbon traceability and many more.

Himadri’s sustainability performance has also received strong national and international recognition. The Company was awarded a Platinum Medal by EcoVadis consecutively, placing it among the top 1% of companies assessed globally, secured a B rating from CDP for Climate and Water Security in 2024, achieved an ESG Combined Rating of 80 Exceptional from ICRA, and received the Outstanding Award in CSR at the 19th Exceed Environment Award 2025.

Together, these certifications and recognitions reinforce the Company’s position as a responsible and future-ready partner aligned with the global transition toward sustainable industries and energy systems.

SCOT analysis

Strengths ▪ Established global speciality chemical conglomerate with leadership across coal tar derivatives and advanced carbon materials ▪ Quality-led manufacturing approach, ensuring high consistency, reliability, and performance across applications	▪ Integrated sustainability framework, embedding ESG principles across operations and value chains ▪ Strong innovation focus, supported by advanced R&D capabilities and application-driven product development ▪ Early mover in lithium-ion battery materials, aligned with energy transition and electrification trends	▪ Expansive global customer and distribution network, enabling diversified market access ▪ Clear Net Zero commitment by 2050, aligned with the Science Based Targets initiative (SBTi) and supported by a published roadmap ▪ Long-term customer relationships, built on technical expertise, trust, and supply reliability
Challenges ▪ Operating in a highly competitive speciality chemicals market, with sustained pressure on pricing, margins, and market share	▪ Managing cost optimisation amid scale expansion, while maintaining quality, innovation, and sustainability standards	▪ Balancing rapid growth with operational complexity, as the Company expands across products, geographies, and end-use industries
Opportunities ▪ Leveraging India’s economic and industrial growth, enabling deeper penetration across infrastructure, automotive, energy, and manufacturing sectors ▪ Benefiting from global supply chain diversification, as customers increasingly shift sourcing away from China	▪ Scaling global leadership in Speciality Carbon Black, supported by the brownfield expansion of the Singur facility, positioning Himadri among the top global producers ▪ Strengthening manufacturing capacity with the Birla Tyres plant in Odisha, with operations having commenced on 29 May 2025.	▪ Introducing high-value speciality products, expanding the portfolio and supply chain network for both domestic and international markets ▪ Entering the electric vehicle (EV) tyre segment, capitalising on the rapid growth of EV adoption globally
Threats ▪ Tightening environmental and regulatory norms,	potentially increasing compliance costs	▪ Geopolitical risks and global trade disruptions, affecting exports, logistics, and supply chain continuity

Certifications

ISO 14001:2015
Environmental management certification

ISO 50001:2018
Energy management certification

Certifications

SA 8000:2014
Social accountability certification

ISO 20400:2017
Sustainable procurement standard



Business performance

Financial highlights

Himadri achieved another milestone in its profitable growth journey in FY 2025-26 with record revenues from operations and peak profitability.

Particulars	Standalone		Consolidated	
	FY26	FY25	FY26	FY25
Revenue from operations (₹ in Crores)	4405.11	4,595.8	4660.70	4,612.63
Earnings before interest, tax, depreciation, amortisation, foreign exchange fluctuation gain/ (loss) and other income (EBITDA) (₹ in Crores)	978.10	843.55	1005.70	846.75
Profit Before Tax (PBT) (₹ in Crores)	991.36	807.73	1000.90	806.17
Profit After Tax (PAT) (₹ in Crores)	749.70	558.06	755.07	555.09
Basic Earnings Per Share (EPS) (₹)	15.05	11.31	15.08	11.26
Diluted Earnings Per Share (₹)	14.98	11.22	15.02	11.17

Changes in financial ratios and changes in return on interest

The tables below provide a comparative analysis of the changes in the financial ratios and the return on net worth of the Company from FY 2024-25 to FY 2025-26.

Details of key financial ratios

(On a consolidated basis)

Particulars	FY26	FY25	Variance (%)	Explanation for the change in the ratio by more than 25%
Debtors Turnover (Sales/Average Debtors)	6.91	7.05	(2.01%)	–
Inventory Turnover (COGS/Average Inventory)	4.30	4.89	(11.98%)	–
Interest Coverage Ratio (EBITDA*/Interest)	16.12	20.89	(22.81%)	–
Current Ratio (Current assets/Current liabilities)	2.28	3.56	(35.78%)	Increase in trade payables resulted in reduction in current ratio
Debt Equity Ratio (Net Debt/Equity)	(0.03)	(0.10)	(75.51%)	Decrease in net positive cash balance led to increase in debt equity ratio
Operating Profit Margin (%) (EBITDA*/Revenue)	21.58%	18.36%	17.55%	–
Net Profit Margin (%) (PAT/Revenue)	16.20%	12.03%	34.62%	Increase in net profit resulted in improved profit margin
Return on equity (PAT/Average equity)	17.70%	16.29%	8.62%	–

*Earnings before interest, tax, depreciation, amortisation, foreign exchange fluctuation gain/ (loss) and other income.

Research and development (R&D)

Himadri is widely recognised for its robust Research and Development (R&D) capabilities, which play a key role in maintaining its market competitiveness.

By integrating advanced technologies into its R&D processes, the Company is able to develop products that respond to evolving market needs.

R&D initiatives are closely aligned with Himadri’s

sustainability objectives, including reducing water usage and enhancing water recycling. The Company operates state-of-the-art facilities, with all laboratories accredited by the National Accreditation Board for Testing and

Calibration Laboratories (NABL). Supported by a team of global experts, Himadri’s R&D function drives innovation and strengthens its portfolio of high-performance products.

Quality

Himadri places strong emphasis on rigorous quality control across its entire product range, ensuring consistency, precision, and reliability. From product

development to manufacturing, the Company adheres to stringent quality standards, reinforcing customer satisfaction and trust. This commitment to quality has enabled the Company to build

strategic partnerships with diverse organisations and earn recognition from the Government of India. Himadri holds the following certifications:

ISO 9001:2015: Awarded for establishing a robust quality management system that ensures consistent product quality and customer satisfaction.	ISO 14001:2015: Awarded for implementing an effective environmental management system focused on reducing environmental impact and improving sustainability performance.	ISO 45001:2018: Awarded for maintaining a strong occupational health and safety management system that safeguards people wellbeing.
IATF 16949:2016: Awarded for meeting global automotive quality management standards and ensuring defect prevention across the supply chain.	ISO 27001:2022: Awarded for implementing an information security management system that protects sensitive data and mitigates cyber risks.	ISO 50001:2018: Awarded for establishing an energy management system that improves energy efficiency and reduces consumption.
ISO 37001:2016: Awarded for implementing an anti-bribery management system that strengthens ethical business practices and governance.	ISO IEC 17025:2017: Awarded for NABL laboratory accreditation, demonstrating technical competence and reliability in testing and calibration.	SA 8000:2014: Awarded for upholding social accountability standards related to labour practices, human rights, and workplace ethics.
ISO 20400:2017: Awarded for adopting sustainable procurement practices that integrate environmental and social considerations into sourcing.	ISO 28000:2022: Awarded for implementing a security management system that enhances supply chain security and risk control.	ISO 31000:2018: Awarded for establishing a structured risk management framework to identify, assess, and mitigate business risks.
ISO 22301:2019: Awarded for implementing a business continuity management system that ensures operational resilience during disruptions.	ISCC Plus: Awarded for complying with international sustainability and carbon certification standards that support traceability and responsible sourcing.	

By integrating cutting-edge technologies and sustainable practices, Himadri not only meets but often exceeds client expectations, strengthening relationships and reinforcing its reputation for excellence in quality.



Night view of our manufacturing facility at Mahistikry

Sustainability and responsible growth

Himadri integrates Environmental, Social, and Governance (ESG) principles into the core of its business operations. During the reporting period, the Company enhanced its climate risk management framework, released its Net Zero 2050 roadmap with short-, medium-, and long-term targets aligned with SBTi, and rolled out supplier engagement initiatives under its Sustainable Procurement Policy.

The Company also received several notable recognitions, including the Platinum Medal from EcoVadis, a B rating from CDP for Climate and Water Security, Great Place to Work certification, Indias Top Value Creator 2025 Chemicals by Dun and Bradstreet India, the Outstanding Award in CSR for Building Futures, Empowering Communities at the 19th Exceed Environment Award 2025, and a Merit award at the International

Safety Award by the British Safety Council. These recognitions underscore the Companys strong and consistent commitment to sustainability.

Operationally, Himadri achieved full Zero Liquid Discharge (ZLD) across all sites and conducts third-party verified water and energy audits. In FY 2024-25, the Company further advanced clean energy adoption, condensate recovery, and circular use of by-products such as Anthracene Oil.

Himadri maintains robust management systems, including ISO 20400:2017 (Sustainable procurement), SA8000:2014 (Social accountability), ISO 27001:2013 (Information security), ISO 45001:2018 (Occupational health and safety), and ISO 14001:2015 (Environmental management). It also aligns with global frameworks such as the UN Global Compact, ICCA Responsible Care, and the Global DEI Alliance, reinforcing its

environmental stewardship and social responsibility.

Human resource

Himadri’s approach to talent management is closely aligned with its mission for sustainable growth. Built on principles of trust, transparency, and shared values, the Company cultivates a collaborative and innovative workplace. A strong team spirit fosters people engagement and loyalty, contributing to enduring market success.

The Company’s workforce development strategy focuses on attracting and retaining top talent while creating an environment that encourages creativity and operational excellence. Structured programmes, including assessment and development centres, are designed to groom future leaders and equip our people to meet evolving business challenges.

Himadri also prioritises diversity and inclusion, with recruitment policies

that promote respect and recognition, driving innovation across the organisation. Equal opportunities for career progression are extended to all Himadrians. Engagement initiatives such as annual picnics and team competitions further boost motivation, productivity, and long-term organisational success.

As of 31 March 2026, the total team strength stood at 1,161. Himadri continues to strengthen its talent base, ensuring the right mix of skills, experience, and diversity to drive its growth ambitions. The Company remains committed to creating an empowering and inclusive work environment, where people are supported through continuous learning, career development opportunities, and engagement initiatives. This robust workforce foundation enables Himadri to deliver operational excellence and sustain long-term business success.

People, health and safety

Himadri’s ‘Together Towards Tomorrow’ vision drives its commitment to a safer, healthier, and more sustainable workplace. The Company maintained an LTIFR of ZERO in FY 2024-25 and FY 2025-26, reflecting its sustained focus on workplace safety and incident prevention. Following internationally recognised standards such as ISO 45001:2018 and SA 8000:2014, Himadri ensures the protection of its people and stakeholders.

A comprehensive safety framework underpins these efforts, encompassing hazard identification, risk assessments, and behaviour-based safety programmes. Regular safety drills, emergency simulations, and refresher trainings maintain a high level of preparedness across the workforce. Guided by a vision of ‘Zero accident/Incident,’ the Company continuously tracks safety performance using both leading and

lagging indicators. Real-time monitoring, digital safety audits, and investment in advanced technologies like wearable safety devices and live monitoring systems – enable proactive risk management.

Occupational health is equally prioritised, with periodic medical check-ups, stress management programmes, and expanded ergonomics initiatives to enhance well-being and productivity. Himadri continually upgrades emergency response protocols, elevates PPE standards, and fosters a culture of safety leadership through targeted engagement programmes.

Corporate social responsibility

Himadri actively engages in community development initiatives designed to improve the lives of underserved populations. The Company emphasises women’s empowerment and skill-building, while also supporting education

through book donations and scholarship programs.

Healthcare is another focus area, with primary medical services provided via the Village Medical Centre. Himadri contributes to rural upliftment by reconstructing homes and ensuring villages have access to clean water and dependable electricity.

Himadri’s outlook

Himadri is entering its next phase of growth with its foray into lithium-ion battery materials as the central growth anchor. The Company is advancing Phase 1 of its Lithium Iron Phosphate cathode material plant, positioning itself to benefit from the accelerating momentum in electric mobility and energy storage. This focus on advanced materials is supported by targeted capacity expansions that strengthen Himadri’s presence in future facing segments.

Alongside this, the strategic acquisition of Birla Tyres marks a calibrated entry

into the B2C space, enhancing downstream integration and building a platform for brand led growth. The expansion of the Speciality Carbon Black portfolio further reinforces the Company’s position in value added markets.

In parallel, Himadri is broadening its revenue base through high value speciality chemicals such as Anthraquinone and Carbazole, as well as consumer offerings like Durofresh moth balls. The commissioning of the liquid pitch terminal will enable ambient temperature exports and deepen its footprint in the Middle East.

These growth initiatives are complemented by a continued focus on sustainability and social impact through skill development centres and support for nursing homes, collectively positioning Himadri for sustained growth and long-term industry leadership.

Key risks and their mitigation measures

Risk category	Description of risk	Mitigation measures
Industry risk	Adverse shifts in industry outlook, variability in demand, or a deceleration in downstream sectors may affect the Company’s production levels and financial performance.	▪ Addressing key industries such as aluminum, automotive and infrastructure, supporting sustained inelastic demand fundamentals. ▪ Relocation of manufacturing capacities from Western regions to the Middle East, Africa and Asia is reinforcing consumption of Coal Tar Pitch. ▪ Expansion of steelmaking capacity in India and China is improving feedstock availability while simultaneously driving demand for finished products.
Operational risk	Interruptions in equipment, operational inefficiencies, or technical malfunctions can reduce both productivity and overall profitability.	▪ Developed robust storage facilities for raw materials and finished goods to avoid supply gaps. ▪ Conducts ongoing training of its people, routine preventive maintenance, and systematic failure investigations. ▪ Implements stringent governance frameworks to monitor and manage key operational performance indicators.



Risk category	Description of risk	Mitigation measures
Raw material risk	Reliance on coal tar, which is obtained as a by-product of steel manufacturing, exposes the business to potential supply uncertainties and fluctuations in input prices.	- Ensures sufficient inventory is maintained to support uninterrupted operations. - Has established long-standing relationships with leading domestic raw material suppliers to secure consistent sourcing. - Internal utilisation of approximately one-third of output lowers exposure to raw material supply disruptions. - Strategic overseas sourcing arrangements and structured pricing mechanisms help manage supply and cost volatility, with fluctuation impacts largely transferred to customers through predefined formulas.
Dependency risk	A significant dependence on selects end-use sectors such as aluminum and graphite may exert pressure on margins when these industries experience cyclical slowdowns.	- Aluminum demand remains relatively stable, as production shutdowns involve substantial costs. - Over time, the Company has developed a broad-based product portfolio that caters to multiple sectors, including tyres, construction chemicals, paints, and infrastructure.
Environmental risk	Failure to adhere to environmental regulations may result in regulatory intervention and adverse impacts on the Company's reputation.	- Has deployed advanced effluent treatment infrastructure and zero-liquid-discharge systems, including reverse osmosis and continuous evaporation technologies. - Undertakes regular compliance audits to confirm emissions remain within statutory limits. - Is accredited with ISO 9001:2015, ISO 14001:2018, and OHSAS 45001 certifications. - Has obtained all requisite environmental consents and approvals from relevant State and Central Pollution Control Boards across its operating locations. - Maintains a dedicated EHS function supported by structured programmes for training its people.
People risk	Effective management of critical roles is essential to ensure smooth and efficient operational performance.	- Has a structured succession framework and competitive remuneration aligned with industry benchmarks to attract and retain talent. - Fosters a strong people engagement environment supported by a performance-oriented culture. - Operates internal recognition initiatives to identify, reward, and motivate high-performing team members.
Safety risk	Insufficient safety practices can adversely affect team morale and hinder overall business growth.	- Implements standard operating protocols along with compulsory use of safety equipment across operations. - Has constituted Apex Safety and Plant-level Safety Committees to oversee safety governance. - Holds ISO 45001:2018 certification
Quality risk	Inability to consistently comply with strict quality requirements may result in loss of customers.	- Leverages robust R&D capabilities and people, process and technology-led initiatives to continuously enhance quality and value addition. - Engages with customers on a regular basis to ensure product specifications remain aligned with their expectations. - Subjects products to comprehensive testing in accordance with global quality standards.

Risk category	Description of risk	Mitigation measures
Logistics risk	Interruptions across the supply chain have the potential to adversely affect manufacturing operations and the Company's ability to meet customer obligations.	- Operates multiple dispatch locations supported by an integrated transportation network for Coal Tar Pitch distribution. - Maintains a dedicated fleet of 292 temperature-controlled tankers to guarantee timely delivery of liquid pitch at optimal conditions. - Utilises secure railway and port storage facilities to ensure uninterrupted raw material supply.
Competition risk	High levels of competition within the industry could put pressure on the Company's market share.	- Drives ongoing product innovation and explores opportunities in new markets. - Proximity to key customer locations strengthens competitive positioning. - Maintains robust client relationships, with long-term contracts accounting for approximately one-third of sales. - Leverages operational scale, efficiency, and quality as a distinct competitive edge that is challenging for competitors to match.
Anti-competitive practices risk	Engaging in unethical or unfair practices to secure a competitive advantage poses serious risks to the business, market integrity, and the broader economy.	- Has established a clear fair competition policy to uphold a healthy and competitive market environment. - Himadri's code of conduct directs the Company's operations and governs its interactions with customers, suppliers, and the wider community.
Geographic risk	Dependence on a single geographic market leaves the Company vulnerable to regional economic slowdowns.	- Pursues growth in export markets, particularly targeting high-value Speciality Carbon Black products and Coal Tar Pitch. - Has built a comprehensive global distribution network supported by international sales offices.
Technological obsolescence	Reliance on outdated processes may result in operational inefficiencies and increased costs.	- Maintains an internal technical team focused on enhancing operational processes. - Continuously invests in advanced technologies and environmental management systems.
Funding risk	The availability and cost of financing directly affect the Company's capacity for capital expansion and the efficiency of its working capital management.	- Maintains a balanced debt structure comprising both secured and unsecured loans. - Strategically utilises available funding sources to obtain cost-effective financing.
Regulatory risk	Failure to comply with statutory regulations can lead to interruptions in business operations.	- Maintains a dedicated compliance function to ensure all legal requirements are met. - Conducts regular monitoring and board-level reviews of compliance frameworks. - Provides oversight of legal and regulatory adherence for international subsidiaries.



Risk category	Description of risk	Mitigation measures
Anti-bribery and corruption risk	This risk presents serious threats to organisations, individuals, and society as a whole. Key consequences linked to such unethical practices include: - Legal and financial exposure - Damage to reputation - Disruptions to operations - Regulatory and compliance violations - Financial losses and inefficient resource allocation - Ethical dilemmas and internal governance challenges - Potential for blackmail and extortion	- Himadri has established a comprehensive anti-bribery and corruption policy to address risks associated with unethical practices. A robust operational framework and vigilance system ensure that all concerns are managed transparently and efficiently, with proper oversight to uphold accountability and strengthen ethical standards. - All reports of unethical conduct are managed by the Vigilance Officer. - Multiple reporting channels are available at all times, including direct contact with the Vigilance Officer, drop boxes, email, and a confidential hotline. - Investigations are typically completed within 90 days, with extensions granted when necessary. - Regular internal audits of the Vigilance Mechanism are conducted to assess compliance with the policy, evaluate the effectiveness of reporting channels, maintain confidentiality, and verify implementation of corrective measures. - External audits are carried out every three years or as mandated by law. - Detailed records are maintained for all whistleblower reports, investigations, and their outcomes. - The Company holds ISO 37001:2016 certification.
System risk	This may give rise to several potential issues, including: - System limitations or failures - Hardware vulnerabilities - Network security threats - Endpoint security risks - Compromised data integrity - Disruptions to business continuity - Risks related to coordination and system interfaces	- Himadri has established comprehensive IT policies and procedures to manage risks associated with its IT systems and infrastructure. Key measures include: - The IT Department continuously maintains and upgrades systems with trained personnel. - Multi-level complex password protection is enforced to safeguard access to business technologies and ensure data integrity. - All IT systems operate on licensed software. - Data security is maintained through identity and access controls along with an authorisation matrix. - Business data is stored on SAP S/4 HANA and cloud-based systems, fully protected by firewalls and antivirus/anti-malware software. - Critical business data, including user and application data, is regularly backed up at alternate sites to ensure information security. - Company gateways and endpoints are secured with leading products to mitigate network and web security risks. - A disaster recovery plan is in place to ensure business continuity. - The Company holds ISO 27001:2013 certification.
Project risk	Inadequate planning can lead to delays and cost overruns. Moreover, initial assumptions made at the start of a project may require revision as the project progresses.	Conducts detailed cost-benefit and ROI analyses prior to initiating capital-intensive projects or initiatives, with outcomes regularly benchmarked against actual results.
Pandemic risk	Global pandemics, including COVID-19, have introduced additional challenges and risks to the continuity of business operations worldwide.	Established protocols for working from home and on-site attendance, aligned with WHO and Government of India guidelines, ensure continuity of critical business operations during such adverse situations.

Financial risk

Risk category	Description of risk	Mitigation measures
Credit risk	Credit risk occurs when a customer or counterparty is unable to fulfill contractual obligations, resulting in potential financial losses. The Company faces credit risk through trade receivables, bank deposits, and investments in debt instruments.	- Has a formal credit policy that includes assessment of customer creditworthiness. - Monitors exposures regularly and makes provisions using an expected credit loss model. - Manages credit through approvals, limits, and continuous evaluation of counterparties' financial health. - Utilises a provision matrix to minimise the risk of payment defaults.
Liquidity risk	Liquidity risk refers to the possibility that the Company may be unable to meet its financial obligations on time or at a reasonable cost.	Manages liquidity risk by maintaining adequate cash reserves and marketable securities, alongside sufficient credit facilities to meet obligations as they arise. The finance team oversees funding and settlement activities, while senior management supervises related policies and processes. Liquidity positions are monitored through rolling forecasts based on projected cash flows.

Market risk

Market risk arises from changes in exchange rates, interest rates, and equity prices, which can impact the Company’s earnings, cash flows, and asset valuations.

Risk category	Description of risk	Mitigation measures
Interest rate risk	Changes in interest rates influence borrowing costs and can directly impact the Company’s financial performance.	- Uses interest rate swaps to hedge against fluctuations in floating-rate loans. - Makes strategic financing decisions informed by prevailing credit market conditions. - Maintains long-term relationships with lenders to secure competitive borrowing rates.
Equity price risk	Fluctuations in the market impact the valuation of both listed and unlisted equity investments.	- Senior management conducts regular reviews of equity investments. - Engages in detailed financial planning, including annual business plans and variance analysis. - Ensures robust internal controls supported by external audit oversight.

Management’s perspective

Our strong governance framework and established internal controls empower us to respond to challenges with agility and discipline, while ensuring clear accountability across the organisation. Anchored in clearly articulated principles and robust policies, we foster a culture where integrity and transparency shape everyday decisions and actions. This foundation enables us to evolve with confidence, adapt to changing circumstances and create lasting value.

Monika Saraswat
Company Secretary & Compliance Officer





Risk mitigation

The Company undertakes regular risk assessments to recalibrate its approach in line with changing market dynamics. Its emphasis is on early-stage risk containment, ensuring business continuity while safeguarding people and assets. With coordinated oversight from the Risk Management Committee, the Audit Committee and the Management, potential risks are systematically identified and reduced to levels that can be reasonably anticipated and controlled.

Industrial relations

Himadri places its people at the heart of the organisation, recognising them as its most valuable asset. With a well-structured HR system and comprehensive policies, the Company fosters the growth and well-being of its workforce. Open communication channels ensure team members are informed about the Company's objectives and that organisational goals remain aligned with individual aspirations.

The Company is committed to inclusive growth, offering development programmes at multiple levels to create a supportive and engaging work environment. These initiatives strengthen talent management, enhance

capabilities, and improve overall performance.

Himadri's robust people policies focus on attracting top talent, providing continuous training, maintaining ongoing engagement, and ensuring strong retention. This approach builds a resilient human capital foundation, enabling the Company and its workforce to collaborate effectively toward shared goals.

Statutory compliance

We are committed to maintaining the highest level of ethical practices and ensuring compliance with legal and regulatory requirements. Integrity, professional and ethical conduct remains at the forefront of all our business interactions and activities. The Company strongly believes that the spirit of Corporate Governance goes beyond the statutory form. Sound corporate governance is the key driver of sustainable corporate growth and long-term value creation for the stakeholders and the protection of their interests. Our company meticulously adheres to all legal requirements, emphasising compliance as a fundamental principle in every business decision and strategic direction. The role of the Company Secretary as the Compliance Officer is to ensure the

Company's compliance with legal and regulatory requirements, SEBI regulations. The Company Secretary also functions as compliance officer to prevent insider trading. Internal auditors have been appointed to ensure timely reporting of any potential non-compliance thereby mitigating associated risks.

Internal control system

Himadri has designed well-structured internal control systems comprising detailed policies, guidelines and procedures commensurate with the nature, size and complexity of the industry in which it operates. The Company's Board of Directors is responsible for establishing and maintaining internal controls for financial reporting. The Board also evaluates the adequacy and effectiveness of such controls.

Within the Company, internal control mechanisms for business processes, operational efficiency and compliance with all applicable rules and regulations are firmly in place. Himadri follows stringent procedures, enabling to achieve high accuracy in recording ensuring robust financial reporting. To strengthen the internal control process, independent internal auditors are engaged. The

Internal control systems are monitored by the internal audit team and Audit Committee, ensuring smooth business functioning by designing, implementing and maintaining adequate internal financial controls. The Audit Committee engages with the Company's statutory auditors to gather insights on financial statements, including the financial reporting system, compliance with accounting policies and procedures and the adequacy and effectiveness of internal controls and systems. The Management considers the Audit Committee's views and recommendations in its decision-making processes.

Regular internal inspections and audits are conducted to ensure the efficient execution of obligations. A comprehensive assessment of the Company's internal controls, accounting procedures and policies is undertaken.

Senior Management evaluates and certifies the effectiveness of internal control mechanisms over financial reporting, adherence to the code of conduct and Company policies and compliance with established procedures in financial or commercial transactions, especially in cases of personal interest or potential conflicts of interest.

Cautionary statement

The management discussion and analysis (MDA) contains statements regarding the Company's objectives, projections, expectations, and estimations, which may constitute 'forward-looking

statements' within the scope of applicable securities laws and regulations. Such forward-looking statements are based on certain assumptions and anticipations of future events. However, the Company does not

guarantee the accuracy or realisation of these assumptions and expectations.

Actual results may vary materially from those expressed or implied in these statements due to external factors beyond

the Company's control. The Company disclaims any obligation to publicly amend, modify, or revise any forward-looking statements in response to subsequent developments or events.

Corporate Information

CHAIRMAN CUM MANAGING DIRECTOR & CEO

Mr. Anurag Choudhary
(DIN: 00173934)

EXECUTIVE DIRECTORS

Mr. Shyam Sundar Choudhary
(DIN: 00173732)

Mr. Amit Choudhary
(DIN: 00152358)

INDEPENDENT DIRECTORS

Mr. Girish Paman Vanvari
(DIN: 07376482)

Mr. Gopal Ajay Malpani
(DIN: 02043728)

Ms. Rita Bhattacharya
(DIN: 03157199)

Mr. Amitabh Srivastava
(DIN: 09704968)

SENIOR MANAGEMENT TEAM

Mr. Kamlesh Kumar Agarwal
– Chief Financial Officer

Ms. Monika Saraswat
-Company Secretary & Compliance Officer

Dr. Soumen Chakraborty
-Business President, Treated Black Division

Mr. Monojit Mukherjee
-Business President, Carbon Black Division

Mr. Somesh Satnalika
-Executive Vice President, Tyre and Strategy

Mr. Kunal Mukherjee
-Vice President, HR

Mr. Soumyodeep Bhattacharya
-Business President, CTD & SNF

BANKERS

Axis Bank Limited
Bank of Baroda
Citi Bank N.A.
CTBC Bank Co. Ltd
DBS Bank India Limited
Federal Bank Limited
HDFC Bank Limited
ICICI Bank Limited
IDFC First Bank Limited
IndusInd Bank Limited
Kotak Mahindra Bank Limited
Kookmin Bank
RBL Bank Limited
Standard Chartered Bank
State Bank of India
The Hongkong and Shanghai Banking Corporation Limited
Yes Bank Limited
Sumitomo Mitsui Banking Corporation.

REGISTRAR & SHARE TRANSFER AGENT

M/s. S.K. Infosolutions Pvt. Ltd
D/42, Katju Nagar Colony,
Ground Floor, Near South City Mall,
PO & PS - Jadavpur, Kolkata - 700 032
Tel: (033) 033- 24120027 / 033- 24120029
E-mail: contact@skcinfo.com/
skcdilip@gmail.com
Web Site: www.skcinfo.com

CORPORATE IDENTITY NUMBER (CIN):

L27106WB1987PLC042756

REGISTERED OFFICE

Fortuna Tower
23-A, Netaji Subhas Road 8th Floor,
Kolkata - 700 001
Tel Fax: +91 (033) 2210 4261
E-mail: info@himadri.com
Web Site: www.himadri.com

CORPORATE OFFICE

8, India Exchange Place, 2nd Floor,
Kolkata – 700 001
Tel: (033) 2230 4363/ 9953
Fax: +91-033-2230-9051

STATUTORY AUDITORS

M/s Singhi & Co Chartered
Accountants 161, Sarat Bose Road
Kolkata - 700 026

WORKS

Unit number 1
58 N.S. Road, Liluah, Howrah (W.B.)

Unit number 2
27B Gadadhar Bhatt Road, Liluah,
Howrah (W.B.)

Mahistikry Plant
Mahistikry, P.S. – Haripal District
Hooghly (W.B.)

Visakhapatnam Unit
Industrial Estate Visakhapatnam (A.P.)

Korba Unit
Jhagrah, Rajgamar Colliery Korba
(Chhattisgarh)

Sambalpur Unit
Kenghati, P.O. Jayantpur,
Sambalpur - 768112

Falta (SEZ Unit)
Falta Special Economic Zone
Sector - II, Vill - Simulberia, Falta,
Dist - 24 Pgs (South), West Bengal

China Unit
Longkou, Shandong China

Board's Report

Dear members

The Board of Directors ("the Board") are pleased to present the 38th Annual Report of Himadri Speciality Chemical Limited ("the Company" or "Himadri") together with the Audited Financial Statements (Standalone and Consolidated) and Auditor's Report thereon for the financial year ended 31 March 2026.

1. Financial Highlights

The Company's financial performance for the financial year ended 31 March 2026 are summarized below:

Sl. No.	Particulars	Amount in ₹ Lakhs			
		Standalone		Consolidated	
		2025-26	2024-25	2025-26	2024-25
I.	Revenue from operations	4,40,510.57	4,59,580.34	4,66,069.87	4,61,263.12
II.	Other income	17,630.11	5,090.14	17,129.53	5,169.18
III.	Total income (I + II)	4,58,140.68	4,64,670.48	4,83,199.40	4,66,432.30
IV.	Expenses				
	Cost of materials consumed	2,67,392.60	3,15,698.98	2,66,983.81	3,15,210.53
	Changes in inventories of finished goods and work-in-progress	9,361.42	(501.19)	3,237.48	(507.60)
	Purchase of trading goods	-	-	19,766.44	-
	Employee benefits expense	15,095.98	12,436.63	19,385.63	13,938.55
	Finance costs	5,840.40	4,457.13	6,437.05	4,477.24
	Depreciation and amortisation expense	6,081.92	4,961.51	6,816.14	5,496.52
	Other expenses	55,232.12	46,843.67	60,482.31	47,198.97
	Total expenses (IV)	3,59,004.44	3,83,896.73	3,83,108.86	3,85,814.21
V.	Profit before exceptional items and tax (III-IV)	99,136.24	80,773.75	1,00,090.54	80,618.09
VI.	Exceptional Items	-	-	-	-
VII.	Profit before tax (V-VI)	99,136.24	80,773.75	1,00,090.54	80,618.09
VIII.	Tax expenses				
	Current tax	21,855.28	14,094.76	22,341.27	14,229.71
	Deferred tax	2,274.28	10,780.02	2,190.62	10,778.99
	Income tax related to earlier years	36.82	91.92	51.49	99.42
	Total tax expenses (VIII)	24,166.38	24,966.70	24,583.38	25,108.12
IX.	Profit for the year (VII-VIII)	74,969.86	55,807.05	75,507.16	55,509.97

2. Performance Highlights

i) Financial Performance - Standalone

The Company has achieved total revenue from operations of ₹4,40,510.57 Lakhs for the financial year ended 31 March 2026 as against ₹4,59,580.34 Lakhs for the financial year ended 31 March 2025 representing a decrease of 4%. The earnings before interest, taxes, depreciation, and amortization ('EBITDA') for the year, excluding the effect of foreign exchange fluctuation

loss/ (gain) and other income was ₹97,809.56 Lakhs as compared to ₹84,354.83 Lakhs for the previous financial year. EBITDA for the year increased by 16% as stable volumes combined with higher margins drove strong performance for the year as well as strategic focus on value-added products continues to fuel profitability growth. During the financial year 2025-26, the Company earned a profit after tax of ₹74,969.86 Lakhs as compared to ₹55,807.05 Lakhs in the previous financial year representing an increase of 34%.

Board's Report (Contd.)

ii) Financial Performance - Consolidated

On a consolidated basis, the total revenue from operations in the financial year 2025-26 increased by 1% to ₹4,66,069.87 Lakhs from ₹4,61,263.12 Lakhs in the previous financial year. EBITDA for the year, excluding the effect of foreign exchange fluctuation loss/ (gain) and other income, was ₹1,00,570.50 Lakhs as compared to ₹84,674.67 Lakhs for the previous financial year. EBITDA for the year increased by 19%, as stable volumes combined with higher margins drove strong performance for the year as well as strategic focus on value-added products continues to fuel profitability growth. During the financial year 2025-26, the Company earned a profit after tax of ₹75,507.16 Lakhs as compared to ₹55,509.97 Lakhs in the previous financial year representing an increase of 36%.

The consolidated financial statements of the Company for the financial year ended 31 March 2026, have been prepared in accordance with the Indian Accounting Standards (IND AS) 110 - "Consolidated Financial Statements" as notified by Ministry of Corporate Affairs and as per the general instructions for preparation of consolidated financial statements given in Schedule III and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as 'Act'), and in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations'). The financial statements of the subsidiaries and the related detailed information will be made available to the shareholders of the Company seeking such information.

The financial statements of the subsidiaries are available at the Website of the Company at www.himadri.com

The Audited Consolidated Financial Statements along with the Auditor's Report thereon forms part of the Annual Report.

3. Dividend

The Board, has recommended final dividend of ₹0.80 per equity share of face value of ₹1 each (i.e. @ 80% per equity share of face value ₹1 each) fully paid-up for the financial year ended 31 March 2026 (Dividend for

financial year 2024-25 was @ ₹0.60 per equity share of ₹1 each fully paid-up) out of its' current years' profits, subject to the approval of Members at the ensuing 38th Annual General Meeting (hereinafter referred to as 'AGM') of the Company. The Dividend payout during the financial year ended 31 March 2026 was ₹2,963.10 Lakhs (previous year: ₹2,467.58 Lakhs).

The Board has recommended the final Dividend as per the criteria laid down in the Dividend Distribution Policy.

The above dividend, if approved by the shareholders at the ensuing AGM, will be paid within 30 days from the date of declaration as per the relevant provisions of the Act to those Members, whose name shall appear on the Register of Members as on close of business hours as on the Record Date. The record date for determining entitlement of the Members to final dividend shall be mentioned in the Notice of AGM.

Pursuant to the provisions of the Income-tax Act, 1961, the dividend paid or distributed by a company shall be taxable in the hands of the shareholders. Accordingly, in compliance with the said provisions, your Company shall make the payment of the dividend after the necessary deduction of tax at source at the prescribed rates, wherever applicable. For the prescribed rates for various categories, the shareholders are requested to refer to the Income Tax Act, 1961 and amendments thereof.

Dividend Distribution Policy

In compliance with the requirements of Regulation 43A of the SEBI Listing Regulations, the Board of Directors of the Company has, formulated a Dividend Distribution Policy, which is available on the website of the Company at: https://www.himadri.com/home/uploads/govnce_report/code_policy/dividend-distribution-policy-10.02.2023.pdf

4. Transfer to reserves

The Board of Directors has decided to retain the entire profit as retained earnings. During the financial year 2025-26, the Company has not transferred any amount to the General Reserve.

For details regarding the transfer to other reserves, please refer Note No. 18 of the Standalone Financial Statements for the year which are self-explanatory

Board's Report (Contd.)

5. Subsidiaries & Associates

- (i) The Company has 14 (Fourteen) Subsidiary Companies including 3 (Three) Foreign Subsidiaries as on 31 March 2026. The Company does not have any associate or joint venture company. The following Companies are subsidiaries as on 31 March 2026.

Sl No.	Indian Subsidiaries	% of Holding	Type	Date of becoming Subsidiary
1.	Himadri Agro Tech Specialities Limited (Formerly known as Combe Projects Limited, Combe Projects Private Limited)	100	Wholly Owned Subsidiary	20-07-2023
2.	Himadri Clean Energy Limited	100	Wholly Owned Subsidiary	30-11-2023
3.	Himadri Future Material Technology Limited	100	Step down Wholly Owned Subsidiary in which the Company holds 100% equity through its Wholly Owned Subsidiary Company, Himadri Clean Energy Limited	01-02-2024
4.	Invati Creations Private Limited*	40	Subsidiary	17-05-2024
5.	Himadri Green Technologies Innovation Limited	100	Step down Wholly Owned Subsidiary in which the Company holds 100% equity through its Wholly Owned Subsidiary Company, Himadri Clean Energy Limited.	01-08-2024
6.	Birla Tyres Limited	100	Wholly Owned Subsidiary	01-04-2025 WOS - w.e.f. 07.04.2025
7.	Himadri Birla Tyre Manufacturer Private Limited*	49	Subsidiary	01-04-2025
8.	Trancemarine and Confreight Logistics Private Limited	60	Subsidiary	04-04-2025
9.	Sturdy Niketan Private Limited	99	Step down subsidiary in which Company's subsidiary, Trancemarine and Confreight Logistics Private Limited holds 99% shareholding.	04-04-2025
10.	Himadri Advance New Energy Material Limited (Formerly known as Elixir Carbo Limited, Elixir Carbo Private Limited)	100	Wholly Owned Subsidiary	22-04-2025
11.	Himadri Integrated Minerals and Resources Limited (Formerly known as Himadri Power Limited)	100	Wholly Owned Subsidiary	11-02-2026
Foreign Subsidiary				
12.	AAT Global Limited (In Hong Kong)	100	Wholly Owned Subsidiary	01-08-2006
13.	Shandong Dawn Himadri Chemical Industry Limited (In China)	94	Step down Subsidiary, in which the Company holds 94% equity through its Wholly Owned Subsidiary Company, AAT Global Limited.	15-01-2009
14.	Himadri Speciality Inc (In the State of Delaware, United States of America)	100	Wholly Owned Subsidiary	07-02-2025

* The Company has acquired 40% and 49% paid-up share capital of Invati Creations Private Limited ("ICPL") and Himadri Birla Tyre Manufacturer Private Limited ("HBTMPL") respectively and this voting right does not qualify ICPL and HBTMPL as a subsidiary under Section 2(87) of the Companies Act, 2013. However, based on contractual rights (including potential voting right), Himadri has the power to make decisions concerning relevant activities and thus has control over ICPL and HBTMPL as per IND AS 110: "Consolidated Financial Statements." Consequently, the management of the Company has decided to consolidate the financial results of ICPL and HBTMPL as subsidiary with effect from 17 May 2024 and 1 April 2025 respectively.

Board's Report (Contd.)

(ii) Names of the Companies which become or ceased to be its Subsidiaries, Joint Ventures or Associates during the financial year 2025-26:

During the financial year 2025-26, the following Companies have become subsidiaries of the Company. Other than these no Company has become Joint Ventures or Associates during the financial year 2025-26:

Sl. No	Names of Subsidiary
1.	Birla Tyres Limited
2.	Himadri Birla Tyre Manufacturer Private Limited
3.	Trancemarine and Confreight Logistics Private Limited
4.	Sturdy Niketan Private Limited
5.	Himadri Advance New Energy Material Limited (Formerly known as Elixir Carbo Limited, Elixir Carbo Private Limited)
6.	Himadri Integrated Minerals and Resources Limited (Formerly known as Himadri Power Limited)

The percentage of holding of the above subsidiary companies and date of becoming subsidiary have been provided in above table in point no 5 (i).

(iii) Names of the Companies which become Subsidiaries or Associates after the end of the financial year and as on the date of the report.

No Company has become or ceased to be a subsidiary or joint venture or associate of the Company after the end of the financial year and as on the date of the report.

(iv) Material subsidiary

During the financial year 2024-25 and 2025-26, AAT Global Limited was material subsidiary pursuant to Regulation 16 of the SEBI Listing Regulations.

The Company has formulated a policy for determining material subsidiaries. The Policy is available on the website of the Company at https://www.himadri.com/home/uploads/govnce_report/code_policy/1776950634_Policy_for_determining_Material_Subsidiaries_23.04.2026_AMENDED.pdf

6. Performance of Subsidiary Companies

A report on the performance and financial position of each of the subsidiaries as per provisions of sub section (3) of Section 129 of the Act read with rule 5

of Companies (Accounts) Rules, 2014 in Form AOC-1 is annexed to this Report as **Annexure I**.

Further, pursuant to the provisions of Section 136 of the Act, the standalone and consolidated financial statements of the Company for the financial year ended 31 March 2026, along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at www.himadri.com.

7. Preferential Issue

• Issue of convertible warrants on a preferential basis

Pursuant to the approval of the Board at its meeting held on 20 March 2024 and approval of the Members of the Company obtained via special resolution passed through Postal Ballot on 19 April 2024, upon receipt of 25% of the issue price per warrant (i.e. ₹79 per warrant) as upfront payment ("Warrant Subscription Price"), the Company, on 14 May 2024 had allotted 1,08,17,000 warrants, on preferential basis to the Promoter/Promoter Group of the Company and certain identified non-promoter persons at a price of ₹316 each payable in cash ("Warrant Issue Price").

Each warrant, so allotted, is convertible into one fully paid-up equity share of the Company having face value of ₹1 (Rupee One only) each in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, on payment of the balance consideration of ₹237 per warrant ("Warrant Exercise Price"), being 75% of the issue price per warrant from the Allottees pursuant to exercise of conversion option against each such warrant, within 18 months from the date of allotment of warrants.

During the financial year 2024-25 the Company allotted 1,60,000 fully paid-up equity shares against the conversion of equal no. of warrants exercised by the warrant holders upon receipt of balance 75% of the issue price (i.e., ₹237 per warrant).

During the financial year 2025-26 the Company has allotted 1,06,57,000 equity shares upon receipt of 75% of the issue price (i.e., ₹237 per warrant) and upon conversion of Warrants exercised by the warrant holders.

There were no warrants outstanding as on 31 March 2026.

Board's Report (Contd.)

The details of utilization of funds raised during the financial year 2025-26 against conversion of warrants are given hereunder:

Sl No.	Particulars	Amount in ₹ Lakhs
1	Funds raised through allotment of 1,08,17,000 warrants on 14 May 2024	8,545.43
2	Funds raised through allotment of 1,60,000 fully paid-up equity shares against conversion of equal number of warrants during financial year 2024-25	379.20
3	Funds raised through allotment of 1,06,57,000 fully paid-up equity shares against conversion of equal number of warrants during financial year 2025-26	25,257.09
4	Total Funds raised and available for utilization till 31 March 2026 (1+2+3)	34,181.72
5	Funds utilized during the year ended 31 March 2025	8,924.63
6	Funds utilized during the year ended 31 March 2026	14,019.05
7	Total Funds utilized till 31 March 2026 (5+6)	22,943.68
8	Funds remaining to be utilized as on 31 March 2026 (4-7)	11,238.04

There is no deviation or variation in the use of proceeds from the preferential issue of warrants, from the objects as stated in the Explanatory Statement to the Notice of the Postal Ballot dated 19 April 2024. Further, there is no category wise variation between projected utilisation of funds and the actual utilisation of funds.

8. Share Capital

The paid-up share capital of the Company at the beginning of the financial year was ₹4,937.82 Lakhs consisting of 49,37,82,224 equity shares of ₹1 each fully paid-up.

During the financial year 2025-26, the Company has allotted:

- 67,275 equity shares of ₹1 each of the Company to the eligible employees on exercise of options pursuant to "Himadri Employee Stock Option Plan 2016" on 18 April 2025.
- 3,08,000 equity shares of ₹1 each of the Company on 13 August 2025 towards conversion of warrants issued on preferential basis.
- 12,451 equity shares of ₹1 each of the Company to the eligible employees on exercise of options pursuant to "Himadri Employee Stock Option Plan 2016" on 20 September 2025.
- 3,07,800 equity shares of ₹1 each of the Company on 16 October 2025 towards conversion of warrants issued on preferential basis.
- 1,00,17,200 equity shares of ₹1 each of the Company on 7 November 2025 towards conversion of warrants issued on preferential basis.

(vi) 24,000 equity shares of ₹1 each of the Company on 10 November 2025 towards conversion of warrants issued on preferential basis.

(vii) 22,649 equity shares of ₹1 each of the Company to the eligible employees on exercise of options pursuant to "Himadri Employee Stock Option Plan 2016" on 5 March 2026.

As a result of the above allotment the paid-up capital of the Company as at the end of the financial year increased to ₹5,045.42 Lakhs consisting of 50,45,41,599 equity shares of ₹1 each.

9. Working Capital

The Company continues to enjoy working capital facilities under multiple banking arrangements with various banks including Axis Bank Limited, Bank of Baroda, Citi Bank N.A., CTBC Bank Co. Ltd, DBS Bank India Limited, Federal Bank Limited, HDFC Bank Limited, ICICI Bank Limited, IDFC First Bank Limited, IndusInd Bank Limited, Kotak Mahindra Bank Limited, Kookmin Bank, RBL Bank Limited, Standard Chartered Bank, State Bank of India, The Hongkong and Shanghai Banking Corporation Limited, Yes Bank Limited, Sumitomo Mitsui Banking Corporation.

The Company has been regular in servicing these debts.

10. Credit Rating

The Company has obtained a Credit Rating of its various credit facilities and instruments from ICRA Limited. During the year the Company has also obtained rating on the Commercial paper Programme from India Ratings and Research Private Limited (Ind-Ra). The details about

Board's Report (Contd.)

the ratings assigned by the above-mentioned agencies are clearly drawn up in the Corporate Governance report forming part of the Board's Report.

11. Capital Expenditure

During the financial year 2025-26, the Company incurred capital expenditure on account of addition to fixed assets aggregating to ₹41,816.68 Lakhs (including capital work in-progress and capital advances).

The Company has completed the brownfield expansion for installation of a new Speciality Carbon Black line of 70,000 MTPA at the Company's manufacturing facility situated at Mahistikry, Hooghly, West Bengal. The Commercial Operations of the aforesaid expanded capacity have been commenced with effect from 24 February 2026. Consequent to the above expansion, the Company's total Carbon Black manufacturing capacity stands enhanced to 2,50,000 MTPA, including Speciality Carbon Black capacity of 1,30,000 MTPA at the Mahistikry site and with this capacity, the Mahistikry facility becomes the single largest Speciality Carbon Black manufacturing site at one location globally, with a capacity of 1,30,000 MTPA.

On 23 April 2026, the Company achieved a milestone with the commencement of its first anode material production facility at Mahistikry, Hooghly, West Bengal, with an initial capacity of 200 MTPA.

12. Directors and Key Managerial Personnel

• Composition

The Board of Directors of the Company contains an optimum combination of Executive and Non-Executive Directors. As on 31 March 2026, it comprises of 7(seven) Directors, viz. 4 (four) Non-Executive Independent Directors including a Woman Director and 3 (three) Executive Directors. The position of the Chairman of the Board and the Managing Director are held by same individual, who is an Executive Director. The profile of all the Directors can be accessed on the Company's website at www.himadri.com

None of the Directors of the Company have incurred any disqualification under Section 164(1) & 164(2) of the Act. Further, all the Directors have confirmed that they are not debarred from accessing the capital market as well as from holding the office of Director pursuant to any order of Securities and Exchange Board of India or Ministry of Corporate Affairs or any other such regulatory authority.

During the year under review, the Board has accepted the recommendations of the Committees of the Board.

The details of the Board composition including names of Directors and composition of Committees are provided separately in the Corporate Governance Report.

As of 31 March 2026, the Company has 7 (Seven) Key Managerial Personnel (senior management) other than Executive Directors. The names of senior management are provided separately in the Corporate Governance Report.

• Changes in Board Composition and Key Managerial Personnel

During the financial year 2025-26, Mr. Shyam Sundar Choudhary (DIN: 00173732) was re-appointed as Whole-time Director of the Company, liable to retire by rotation, for a period of three (3) consecutive years with effect from 1 April 2025 till 31 March 2028 by means of passing Special Resolutions of the Members at the 37th AGM of the Company held on 12 June 2025.

During the financial year 2025-26, Mr. Amitabh Srivastava (DIN: 09704968) was appointed as Non-Executive Independent Director of the Company, not liable to retire by rotation, for a period of 5 (five) consecutive years with effect from 21 April 2025 to 20 April 2030 by means of passing Special Resolutions of the Members at the 37th AGM of the Company held on 12 June 2025.

Further, based on the recommendation of the Nomination and Remuneration Committee, the Board has re-appointed Mr. Girish Paman Vanvari (DIN: 07376482) as Non-Executive Independent Director for the further term of 5 (five) consecutive years with effect from 22 June 2026, subject to the approval of the Members of the Company.

Further, based on the recommendation of the Nomination and Remuneration Committee, the Board has re-appointed Mr. Gopal Ajay Malpani (DIN: 02043728) as Non-Executive Independent Director for the further term of 5 (five) consecutive years with effect from 13 August 2026, subject to the approval of the Members of the Company.

During the financial year 2025-26, the condition of the Board complies with the requirements of the Act and SEBI Listing Regulations.

During the year 2025-26, Mr. Soumyodeep Bhattacharya, Executive Vice President (CTD) has been designated as Key Managerial Personnel (KMP) w.e.f. 15

Board's Report (Contd.)

July 2025. Apart from this there was no change in the senior management during the year.

- Director retiring by rotation:**

Pursuant to the provisions of the Act, the Members of the Company at the 37th AGM held on 12 June 2025, re-appointed Mr. Shyam Sundar Choudhary (DIN: 00173732), Executive Director of the Company, who was liable to retire by rotation.

In accordance with the provisions of the Act, Mr. Anurag Choudhary (DIN: 00173934), Executive Director retires from the Board by rotation and being eligible and offers himself for re-appointment. The Board recommends the said re-appointment at the 38th AGM.

Further, the brief resume and other details relating to the Director seeking re-appointment, as stipulated under Regulation 36 of the SEBI Listing Regulations and Secretarial Standard 2, are provided in the Notice convening the ensuing AGM.

None of the Directors of your Company is disqualified under the provisions of Section 164(2) of the Act. A certificate dated 13 April 2026 received from M/s Arun Kumar Maitra & Co, Practising Company Secretaries (ICSI Unique Code P2015WB086500), certifying 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 Securities and Exchange Board of India ("SEBI")/Ministry of Corporate Affairs or any such statutory authority is annexed to the Corporate Governance Report.

During the year under review, none of the Directors of the Company is disqualified as per the applicable provisions of the Act.

13. Meetings of the Board

The Board met 9 (Nine) times during the financial year 2025-26. The dates of meetings of the Board and its Committees and attendance of each of the Directors thereat are provided separately in the Corporate Governance Report.

The maximum gap between two Board meetings held during the year was not more than 120 days.

14. Declaration from Independent Directors

During the financial year 2025-26, all the Independent Directors of the Company have given necessary declarations regarding their Independence to the Board as stipulated in Section 149(6) & 149(7) of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) and 25(8) of the SEBI Listing Regulations.

In the opinion of the Board, all the Independent Directors fulfil the conditions specified in the Act with regard to integrity, expertise and experience (including the proficiency) of an Independent Director and are independent of the management.

15. Change in nature of business, if any

During the year under review, there was no fundamental change in the nature of the business of the Company.

16. Material changes and commitments affecting the financial position of the Company

There were no material changes and commitments that occurred after the close of the year till the date of this Report, which affected the financial position of the Company.

17. Directors' Responsibility Statement

Based on internal financial controls work performed by the Internal Auditors, Statutory Auditors, Cost Auditors and Secretarial Auditors, the reviews performed by the management, with the concurrence of the Audit Committee, pursuant to Section 134(3)(C) read with Section 134(5) of the Act and as per Schedule II Part C(A)(4)(a) of the SEBI Listing Regulations, the Board states the following for the year ended 31 March 2026:

- In the preparation of the annual accounts for the year ended 31 March 2026, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The Directors have selected suitable accounting policies and applied them consistently and made judgments and estimates that were 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 profit of the Company for the year under review;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a going-concern basis;
- The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and

Board's Report (Contd.)

- f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

18. Nomination & Remuneration Policy

Pursuant to the provisions of Section 178 of the Act, and in terms of Regulation 19 read with Part D of Schedule-II of the SEBI Listing Regulations, the Company has a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel and Senior Management which also provides for the diversity of the Board and provides the mechanism for performance evaluation of the Directors.

The objectives and key features of this policy includes:

- i. Formulation of the criteria for determining qualifications, positive attributes of Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP) and also the independence of independent director.
- ii. Aligning the remuneration of Directors, KMPs and SMPs with the Company's financial position, remuneration paid by its industry peers, etc;
- iii. Performance evaluation of the Board, its committees and Directors, including independent directors;
- iv. Ensuring Board diversity;
- v. Identifying persons who are qualified to become Directors and who may be appointed to senior management in line with the criteria laid down and
- vi. Directors' induction and continued training.

The said Policy was amended and reviewed from time to time. The policy is available on Company's website at under the link: https://www.himadri.com/home/uploads/govnce_report/code_policy/nomination-and-remuneration-policy-10.02.2023.pdf

The remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company

19. Remuneration of Directors, Managerial Personnel, Senior Management and Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12), read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in **Annexure II** enclosed hereto and forms part of this Report. In accordance with the provisions of the Section, the names and other particulars of employees drawing

remuneration in excess of the limits set out in the aforesaid rules form part of this Report. However, in line with the provisions of Section 136(1) of the Act, the Report and Accounts as set out therein, are being sent to all Members of your Company, excluding the aforesaid information. Copies of the said statements are available at the registered office of the Company during the designated working hours from 21 days before the AGM till the date of the AGM. Any Members interested in obtaining such details may write to the Company Secretary, stating their Folio No./DPID & Client ID.

20. Board Diversity

The Company recognizes the importance of having a diverse Board of Director as a key element in maintaining a competitive advantage, fostering innovation and enhancing the overall effectiveness of the Board. The Company believes that diversity in composition of the Board promotes better Corporate Governance, improves decision making quality and strengthens stakeholder confidence. The Company also believes that a diverse Board enhances the transparency, accountability and ethical standards in the conduct of business and contributes to sustainable growth and value creation for shareholders and other stakeholders. The Board remains committed to maintaining the highest standards of corporate governance through continuous improvement in Board composition and diversity.

The Board has adopted the Board Diversity Policy which sets out the approach to diversity. The policy is available at the website of the Company at https://www.himadri.com/home/uploads/govnce_report/code_policy/nomination-and-remuneration-policy-10.02.2023.pdf

21. Board Evaluation

The annual evaluation of the Board of Directors, individual Directors including Chairman of the Board and committees was conducted in accordance with the provisions of the Act and the SEBI Listing Regulations. The Independent Directors at their meeting have evaluated the performance of executive directors after considering the views of the Executive and Non-Executive Directors and the Board as a whole and assessed the quality, quantity, and timeliness of flow of information between the Company's Management and the Board.

The evaluation process focused on various aspects of the Board and Committees' functioning such as composition of the Board and its Committees, experience and competencies, performance of specific duties, obligations and governance issues. A separate exercise was carried out to evaluate the performance of

Board's Report (Contd.)

individual Directors on parameters such as attendance, contribution and exercise of independent judgement.

Further, the Board, upon recommendation of the Nomination and Remuneration Committee and as per the criteria and manners provided for the annual evaluation of each member of the Board and its Committees, has evaluated the performance of the entire Board, its Committees, and individual directors. During the financial year 2025-26, all the members of the Board and its Committees met the criteria of performance evaluation as set out by the Nomination and Remuneration Committee.

The Board expressed satisfaction with the overall functioning of the Board and its Committees.

22. Loans, Investments and Guarantee

During the year under review, no loans and advances was granted to firm/companies in which directors are interested that would attract the provisions of Section 185 of the Act, other than its subsidiaries. The Company has also given loans to its Subsidiaries for business purpose.

During the financial year 2025-26, the Company has made the following investments in securities of other body corporate:

- (i) The Company has acquired equity share capital of Birla Tyres Ltd to make it Wholly Owned Subsidiary;
- (ii) The Company has acquired equity share capital of Himadri Birla Tyre Manufacturer Private Limited pursuant to exercise of option to convert Unsecured Optionally Convertible Debentures (OCDs);
- (iii) The Company has acquired 60% equity share capital of Trancemarine and Confreight Logistics Private Limited;
- (iv) The Company has acquired 100% equity share capital of Himadri Advance New Energy Material Limited (Formerly known as Elixir Carbo Limited, Elixir Carbo Private Limited);
- (v) The Company has acquired 100% equity share capital of Himadri Integrated Minerals and Resources Limited (Formerly known as Himadri Power Limited);
- (vi) The Company has made further investment by subscribing shares issued by its WOS, Himadri Agro Tech Specialities Limited (Formerly known as Combe Projects Limited, Combe Projects Private Limited);

(vii) The Company has made further investment in Secured Non-Convertible Debentures ("NCDs") issued by Dalmia Bharat Refractories Limited;

(viii) The Company has made further investment in Unsecured Compulsorily Convertible Notes issued by Sicona Battery Technologies Pty Ltd ("Sicona")

(ix) The Company has made investment in International Battery Company, Inc, ("IBC") a Delaware corporation. IBC secures a reliable supply of high-quality anode and cathode materials—critical to battery performance and cost.

The details of loans granted, guarantee given, and investments made during the year under review, covered under the provisions of Section 186 of the Act, are provided in the notes to the financial statements of the Company forming part of this Annual Report.

23. Annual Return

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the draft Annual Return as on 31 March 2026 is available on the website of the Company at the link https://www.himadri.com/home/uploads/shareholder_info/sholder_meeting_agm_doc/1778046666_Draft_Annual_Return_in_Form_MGT_7_for_the_FY_2025-26.pdf

The annual return uploaded on the website is a draft in nature and the final annual return shall be uploaded at the same link on the website of the Company once the same is filed with the Ministry of Corporate Affairs after the AGM.

24. Risk Management (Risk Assessment and Minimization Procedure)

The Company identifies the risk as a fundamental aspect of business and is committed to managing risk proactively and efficiently. Himadri has established a robust Risk Management framework which ensures that risks are managed systematically, thereby safeguarding the interest of stakeholders and enhancing organizational resilience. The Company recognizes that effective risk management is critical in achieving operational efficiency, financial stability, regulatory compliance and strategic growth. Accordingly, the Company has adopted an effective Enterprise Risk Management (ERM) framework which includes the identification of potential risks. Evaluation of their likelihood and impact, implementation of appropriate mitigation measures and continuous monitoring and review of risk exposure. The Company has a policy on Risk Management (Risk

Board's Report (Contd.)

Assessment and Minimization Procedure) to identify various kinds of risks in the business of the Company. The Board and the Senior Management review the Policy from time to time and take adequate steps to minimize the risk in business. As per the opinion of the Board, there are no such risks, which, threaten the existence of your Company. However, some of the risks which are inherent in business and the type of industry in which it operates are elaborately described in the Management Discussion and Analysis forming part of this Report.

25. Employee Stock Option Plan (ESOP)

Your Company has adopted the Himadri Employee Stock Option Plan ("ESOP 2016") for granting options to eligible employees of your Company as approved by the Members of your Company at the 28th AGM held on 24 September 2016.

The applicable disclosures as required under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the details of stock options as at 31 March 2026 under the ESOP 2016 are set out in the Report as **Annexure III** and the same forms part of this Report and is also available on the Company's website at the link https://www.himadri.com/home/shareholder_information

26. Auditors and Auditors' Report

(i) Statutory Auditors

M/s Singhi & Co, Chartered Accountants (FRN 302049E), the Statutory Auditors of the Company were appointed at the 34th AGM held on 28 September 2022 for the term of 5 (Five) consecutive years from the conclusion of the 34th AGM till the conclusion of the 39th AGM to be held for the financial year 2026-27.

The Report given by M/s Singhi & Co, Chartered Accountants on the financial statements of the Company for the financial year 2025-26 is part of the Annual Report and there is no qualification, reservation, adverse remark, or disclaimer given by the Auditors in their Reports. The Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Act.

(ii) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI Listing Regulations, M/s LABH & LABH Associates, Practising Company Secretaries (FRN: P2025WB105500) has been appointed as Secretarial

Auditors of the Company for the term of 5 (Five) consecutive years at 37th Annual General Meeting held on 12 June 2025 to hold office for a term of 5 (Five) consecutive years, i.e. from financial year 2025-26 to financial year 2029-30.

The Secretarial Audit Report, pursuant to Section 204(1) of the Act for the financial year ended 31 March 2026 is annexed to this Report as **Annexure IV** and forms part of this Report. There is no qualification, reservation, adverse remark, or disclaimer given by the Secretarial Auditors in their Reports.

The Company has undertaken an Annual Secretarial Compliance Audit for the financial year 2025-26 pursuant to Regulation 24A (2) of the SEBI Listing Regulations. The Annual Secretarial Compliance Report for the financial year ended 31 March 2025 has been submitted to the Stock Exchanges and the said report may be accessed on the Company's website at the link https://www.himadri.com/home/stock_exchange_compliance

(iii) Cost Auditor

Mr. Sambhu Banerjee, Cost Accountant, the Cost Auditor of the Company submitted the Cost Audit Report for the year 2024-25 within the time limit prescribed under the Act and Rules made thereunder.

During the Period under review, pursuant to Section 148 of the Act read with the Rules framed thereunder, the Board has re-appointed Mr. Sambhu Banerjee, Cost Accountants, to conduct an audit of the cost records of the Company for the financial year 2025-26.

Pursuant to Section 148 of the Act, read with the rules framed thereunder, the Board of Directors at its meeting held on 23 April 2026, upon the recommendation of the Audit Committee, re-appointed Mr. Sambhu Banerjee as the Cost Auditor of the Company to conduct the audit of the cost records of the Company for the financial year 2026-27. The Company has received the necessary consent from Mr. Sambhu Banerjee to act as the Cost Auditor of the Company for the financial year 2026-27 along with the certificate confirming that his appointment would be within the applicable limits.

Further, pursuant to Section 148 of the Act, read with the rules framed thereunder, the remuneration payable to Cost Auditor for the financial year 2026-27 is required to be ratified by the Members of the Company at the ensuing AGM. Accordingly, an ordinary resolution seeking the approval of Members for ratification of payment of remuneration payable to the Cost Auditor is included in the Notice convening the ensuing AGM of the Company.

Board's Report (Contd.)

(iv) Internal Auditors

The Board appointed M/s Ernst & Young LLP ("EY"), Chartered Accountants, as the Internal Auditor of the Company for the financial year 2025-26. The Audit Committee considers and reviews the Internal Audit Report submitted by the Internal Auditor on a quarterly basis.

27. Maintenance of Cost Records

The Company is duly maintaining the cost accounts and records as specified by the Central Government in compliance with Section 148 of the Act.

28. Vigil Mechanism / Whistle Blower Policy

The Company is dedicated to foster an ethical, transparent and accountable environment in all its business activities. The Company has adopted vigil mechanism through its whistle blower policy which provides a secure platform for its employees, directors and stakeholders to report genuine concern about unethical behaviour, fraud and violations of Company's policies while ensuring protection from retaliation.

The Company has formulated a Vigil Mechanism/ Whistle Blower Policy in terms of Section 177 of the Act and Regulation 22 of the SEBI Listing Regulations for the employees to report their grievances / concerns about instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct by means of protected disclosure to the Vigilance Officer or the Chairman of the Audit Committee. The Vigil Mechanism / Whistle Blower Policy may be accessed on the Company's website at https://www.himadri.com/home/uploads/govnce_report/code_policy/1744099263_Policy_on_Vigil_Mechanism.pdf

29. Conservation of energy, technology absorption and foreign exchange earnings and outgo

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo for the financial year ended 31 March 2026, as required to be given pursuant to Section 134(3)(m) of the Act read with the Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed to this Report as **Annexure V**.

30. Details in respect of adequacy of Internal Financial Controls with reference to the financial statements

The Company has established and maintained adequate Internal Financial Controls (IFC) commensurate with the size, scale, and complexity of its operations. These controls are designed to provide reasonable assurance regarding the reliability of financial

reporting and the preparation of financial statements in accordance with applicable accounting standards and regulatory requirements.

The Internal Audit of the Company for financial year 2025-26 was carried out by M/s Ernst & Young LLP ("EY"), Chartered Accountants, Internal Auditor for all divisions and units of the Company. The Audit Committee regularly interacts with the Internal Auditors, the Statutory Auditors and Senior Executives of the Company responsible for financial management and other affairs. The Audit Committee evaluates the internal control systems and checks & balances for continuous updation and improvements therein. The Audit Committee also regularly reviews and monitors the budgetary control system of the Company as well as the system for cost control, financial controls, accounting controls, physical verification, etc. The Audit Committee regularly observes that proper internal financial controls are in place including with reference to financial statements. During the year, such controls were reviewed, and no reportable material weakness was observed.

31. Related Party Transactions

Your Company has Policy on materiality of and dealing with related party transactions. The Audit Committee reviews this policy periodically and also reviews and approves all related party transactions, to ensure that they are in line with the provisions of applicable law and the Policy.

The Audit Committee approves the related party transactions and wherever it is not possible to estimate the value, approves limit for the financial year, based on best estimates.

The related party transactions that were entered into by the Company during the financial year 2025-26, were on an arm's length basis. Further, no material related party transactions were entered into by the Company during the financial year 2025-26. The disclosure under Section 134(3)(h) read with Section 188 (2) of the Act in form AOC-2 is given in **Annexure VI** forming part of this Report.

The details of the transaction with related parties during financial year 2025-26 are provided in the accompanying financial statements.

The Policy on materiality of and dealing with related party transactions as approved by the Board in terms of Regulation 23 of the SEBI Listing Regulations is posted on the website of the Company and can be accessed through the following link: https://www.himadri.com/home/uploads/govnce_report/code_policy/1776950455_RPT_Policy_HSCL_-_23.04.2026_AMENDED.pdf

Board's Report (Contd.)

32. Corporate Social Responsibility (CSR)

Your Company believes that it has a responsibility to bring enduring positive value to the communities it works with. In line with Company's core theme to keep India moving, we have and will continue to build enduring and engaging relationships with key stakeholders.

The Board, in compliance with the provisions of Section 135(1) of the Act and Rules made thereunder, has formulated the CSR Committee and CSR Policy. Further, the CSR policy has been placed on the website of the Company and can be accessed through the following link: https://www.himadri.com/home/uploads/govnce_report/code_policy/1777370619_CSR_Policy.pdf

The CSR Committee guides and monitors the activity undertaken by the Company in this sphere. The Company's key objective is to make a difference to the lives of the underprivileged and help them to bring a self-sustaining level. There is a deep commitment to CSR engagement. The Company has the following ongoing CSR projects:

- (i) Rural development project for constructing Pucca houses in place of Kutchha houses for Economically Weaker Sections (EWS) of the society in village area surrounding or adjoining to Company's plant at Mahistikry as well as surrounding villages, setting up of rural electrification facility, setting up of drainage system, setting up of water supply tanks including pipeline connectivity to the villages involving a large amount of outlay and same are under process.
- (ii) Heath Care Project for Setting up of Nursing Home at Dist. Hooghly by construction of building - facilities of Kidney dialysis, eye testing, spectacles distribution, medicine distribution, Ayurvedic, naturopathic and homeopathy treatment for the betterment of local people surrounding the plant at Mahistikry as well as surrounding villages.

During the financial year 2025-26, the Company was required to spend ₹1,120.77 Lakhs, the minimum amount to be spent on CSR activity. The Company had an excess spent of ₹83.00 Lakhs towards CSR in financial year 2024-25 which has been set off during financial year 2025-26. After the setting of excess spent of the previous financial year, the Company is required to spend in financial year 2025-26 an amount of ₹1,037.77 Lakhs.

Out of net CSR obligation of ₹1,037.77 Lakhs for the financial year 2025-26, the Company spent ₹790.66 Lakhs during the financial year 2025-26. Accordingly, the unspent amount for financial year 2025-26 is ₹247.11 Lakhs pertaining to ongoing Heath Care Project and the same has been transferred to the "Himadri

Speciality Chemical Ltd - Unspent CSR Account 2026" pursuant to Section 135(6) of the Act for the aforesaid Heath Care Project.

Setting up the aforesaid Heath Care Project requires a substantial amount of involvement of time and effort for planning and its execution. Through its CSR activities, the Company has always focused on efforts that can substantially impact on the well-being of the disadvantaged segments of the population. The endeavor is to have a comprehensive approach that is meaningful and with a long-term focus to ensure scalability. The CSR Committee has been continuously focused on providing social benefits to society in its true sense.

The Annual Report on CSR activities in terms of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith and marked as **Annexure VII** forming part of this Report.

33. Public Deposit

During the financial year 2025-26, the Company has not accepted any deposits from the public within the meaning of Section 73 and Section 74 of the Act, therefore the disclosure pursuant to Rule 8 (5)(v) & (vi) of Companies (Accounts) Rules, 2014, is not applicable to the Company.

34. Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operation in future

There are no significant/ material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations. During the year under review, no Corporate Insolvency Resolution application was made, or proceeding was initiated, against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended). Further, no application/ proceeding against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended) is pending as on 31 March 2026.

35. Transfer of Unclaimed Dividend and Unclaimed Shares to Investor Education & Protection Fund (IEPF)

Pursuant to applicable provisions of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF" or "Fund") established by the Central Government,

Board's Report (Contd.)

after completion of seven years from the date the dividend is transferred to unpaid/unclaimed account. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

The Company had sent individual notices and advertised in the newspapers seeking action from the shareholders who have not claimed their dividends for seven consecutive years or more. Thereafter, the Company transferred such unpaid or unclaimed dividends and corresponding shares to IEPF.

During the financial year 2025-26, pursuant to the provisions of Section 124 of the Act, the Company has transferred a sum of ₹3,19,482.50 to the IEPF, the amount of dividend which was unclaimed/unpaid for a period of seven years declared for the financial year 2017-18.

During the financial year 2025-26, the Company has transferred 64,586 shares of 81 shareholders in respect of which dividend has not been paid or claimed for seven consecutive years or more pursuant to Section 124 (6) of the Act to the credit of IEPF Authority as prescribed in Section 125 of the Act.

Shareholders/claimants whose shares or unclaimed dividend, have been transferred to the IEPF may claim those dividends and shares from the IEPF Authority by complying with prescribed procedure and filing the e-Form IEPF-5 online with MCA portal.

The dividend declared for the financial year ended 31 March 2019 and remains unpaid/unclaimed is due to be transferred to IEPF within statutory timelines, upon expiry of the period of seven years. The due dates for transfer of unclaimed dividend to IEPF are provided in the report on Corporate Governance.

Further the shares in respect of which dividend has not been paid or claimed for seven consecutive years will also be transferred to IEPF.

Shareholders are requested to ensure that they claim the unpaid dividends referred to above before the dividend and shares are transferred to the IEPF pursuant to the provisions of Section 124 of the Act.

36. Corporate Governance

Your directors believe that corporate governance is an ethically driven business process that is committed to values aimed at enhancing the growth of your Company. The endeavor is to continue and move forward as a

responsible and sustainable Company in order to attract as well as retain talents and investors and to maintain fulfilling relationships with the communities and take all possible steps in the direction to re-write a new future for your Company.

We are committed to achieve the highest standards of ethics, transparency, corporate governance and continue to comply with the code of conduct framed for the Board and senior management under the Act as well as SEBI Listing Regulations and have maintained high standards of corporate governance based on the principle of effective implementation of internal control measures, adherence to the law and regulations and accountability at all levels of the organization.

Your Company's corporate governance practices are driven by effective and strong Board oversight, timely disclosures, transparent accounting policies and high levels of integrity in decision making. In terms of the provisions of Regulation 34(3) of the SEBI Listing Regulations, the Corporate Governance Report for the financial year 2025-26 together with a certificate from Practising Company Secretaries confirming compliance, is annexed herewith and marked as **Annexure VIII** forming part of this Report.

37. Management Discussion and Analysis

The Management Discussion and Analysis as required under Schedule V of the SEBI Listing Regulations forms an integral part of the Annual Report. The said report gives detail of the overall industry structure, economic developments, performance and state of affairs of your Company's business, risk management systems and material developments during the year under review.

38. Business Responsibility and Sustainability Reporting (BRSR)

The Business Responsibility and Sustainability Reporting (BRSR) of the Company for the financial year ended 31 March 2026 as required pursuant to the Regulation 34(2)(f) of the SEBI Listing Regulations is annexed herewith and marked as **Annexure IX** forming part of this Report and the same is also available on the Company's website at www.himadri.com.

39. Listing on Stock Exchanges

The Company's 50,45,41,599 equity shares of ₹1 each as on 31 March 2026 are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company has paid the annual listing fees to these stock exchanges.

Board's Report (Contd.)

40. Dematerialisation of Shares

There were 50,45,41,599 equity shares of the Company as on 31 March 2026, out of the 50,45,41,599 equity shares of the Company 50,29,54,037 shares was held in electronic form representing 99.69% to the total paid-up share capital, whereas balance of 15,87,562 shares were held in physical form representing 0.31% to the total paid up share capital of the Company. The Company's equity shares are compulsorily required to be traded in dematerialised form, therefore, Members are advised to speed up converting the physical shareholding into dematerialised form through their DP(s).

41. E-voting facility at AGM

In terms of Regulation 44 of SEBI Listing Regulations and in compliance with the provisions of Section 108 of the Act read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014 (as amended), the items of business specified in the Notice convening the 38th AGM of the Company shall be transacted through electronic voting system only and for this purpose the Company is providing e-Voting facility to its' Members whose names will appear in the register of members as on the cut-off date (fixed for the purpose), for exercising their right to vote by electronic means through the e-voting platform to be provided by National Securities Depository Ltd ("NSDL"). The detailed process and guidelines for e-Voting have been provided in the notice convening the AGM.

42. Prevention of Sexual Harassment at Workplace

Your Company firmly believes in providing a safe, supportive, and friendly workplace environment – a workplace where its values come to life through supporting behaviors. A positive workplace environment and great employee experience are integral parts of its culture. Your Company continues to take various measures to ensure a workplace free from discrimination and harassment based on gender.

Your Company educates its employees as to what may constitute sexual harassment and in the event of any occurrence of an incident constituting sexual harassment. Your Company has created the framework for individuals to seek recourse and redressal to instances of sexual harassment.

Your Company has a policy on Preservation and Redressal of Sexual Harassment at workplace in place to provide clarity around the process to raise such a grievance and how the grievance will be investigated and resolved. An Internal Committee has been constituted

in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and Rules made thereunder. There are regular sessions offered to all employees to increase awareness of the topic and the Committee and other senior members have undergone training sessions.

During the financial year 2025-26, the Committee submitted its Annual Report as prescribed in the said Act and there was no complaint as regards sexual harassment received by the Committee during the year.

During the financial year 2025-26, initiatives were taken to demonstrate the Company's zero tolerance philosophy against discrimination and sexual harassment, which included easy to understand training and communication material which was made easily accessible. The Company has also conducted online training for the employees to cover various aspects of this matter.

The following is a summary of Sexual Harassment complaint(s) received and disposed of during the financial year 2025-26, pursuant to the POSH Act and Rules framed thereunder:

Particular	Number
Number of complaint(s) of Sexual Harassment received during financial year 2025-26	Nil
Number of complaint(s) disposed of during financial year 2025-26	Not Applicable
Number of cases pending for more than 90 days (stipulated timeline under POSH)	Not Applicable
Number of cases pending as on 31 March 2026	Not Applicable

43. Compliance of Secretarial Standards

During FY 2025-26 the Company has followed the applicable Secretarial Standards, with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

44. Disclosure of Maternity Benefit Compliance

Your Company complies with the Maternity Benefit Act, 1961 for the year under review.

45. General Disclosures

The Directors state that no disclosure or reporting is required in respect of the following items as there were no such transactions during the year under review:

Board's Report (Contd.)

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. The Company has not resorted to any buy back of its equity shares during the year under review.
3. Neither the Managing Director nor the Whole-time Directors of your Company received any remuneration or commission during the year, from any of its subsidiaries.
4. The Company serviced all the debts and financial commitments as and when they became due, and no settlements were entered into with the bankers. Since the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof - Not Applicable.

46. Outcome of Board Meetings

Month	Outcome
April 2025	i) Acquisition of 60% equity shares of Trancemarine and Confreight Logistics Private Limited and related transactions. ii) Audited Financial Results (Standalone & Consolidated) for the quarter and financial year ended 31 March 2025. iii) Declaration of Dividend iv) Acquisition of 100% Equity Shares of Himadri Advance New Energy Material Limited (Formerly known as Elixir Carbo Limited, Elixir Carbo Private Limited) v) Alteration of Article of Association vi) Appointment of Mr. Amitabh Srivastava (DIN: 09704968) as an Independent Director; vii) Appointment of M/s LABH & LABH Associates, (FRN: P2025WB105500) Company Secretaries, as Secretarial Auditor of the Company viii) Re-appointment of M/s Ernst & Young, LLP, as Internal Auditors of the Company.
May 2025	i) Investment in Sicona Battery Technologies Pty Ltd ii) Technology Licensing Agreement with Sicona iii) Acquisition of 16.24% stake of International Battery Company, Inc
July 2025	i) Un-audited Financial Results (Standalone and Consolidated) for the quarter ended 30 June 2025. ii) Incorporation of foreign Wholly Owned Subsidiary in Dubai, United Arab Emirates (UAE). iii) Appointment of Mr. Soumyodeep Bhattacharya, Executive Vice President (CTD, as Key Managerial Personnel (KMP) of the Company..
October 2025	i) Un-audited Financial Results (Standalone and Consolidated) for the quarter and six-months ended 30 September 2025
January 2025	i) Un-audited Financial Results (Standalone & Consolidated) for the quarter and nine-months ended 31 December 2025
February 2026	i) Acquisition of 100% paid-up equity share capital of Himadri Integrated Minerals and Resources Limited (Formerly known as Himadri Power Limited)

Board's Report (Contd.)

47. Green Initiatives & Acknowledgement

As a responsible corporate citizen, the Company supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report etc. to Members at their e-mail address registered with the Depository Participants ("DPs") and RTAs. To support the 'Green Initiative', Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent ("RTAs")/Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically.

Pursuant to the MCA Circular No. 03/2025 dated 22 September 2025 and Regulation 36 of SEBI Listing Regulations, the Annual Report of the Company for the financial year ending 31 March 2026 including therein the Audited Financial Statements for the financial year 2025-26, will be sent only by email to the Members who have registered their email address(es). A letter providing the web-link, including the exact path, where complete details of the Annual Report are available will be sent to those shareholder(s) who have not so registered their email address(es). Further the Company will send hard copy of the full annual report to shareholders, who request that.

The Board of the Company wishes to place on record their sincere appreciation of the dedication and commitment of all employees in continuing their achievements and excellence in all areas of the business. The Board thanks the shareholders, customers, suppliers, bankers, other stakeholders and various departments of the State Government and the Central Government for their continuous support to the Company.

Your Board appreciates and values the contribution made by every member of the Himadri family.

For and on behalf of the Board

Sd/-

Anurag Choudhary

Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-

Shyam Sundar Choudhary

Executive Director
(DIN: 00173732)

Place: Kolkata

Date: 23 April 2026

Statement containing salient features of the Financial Statements of Subsidiaries (Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

Name of the Subsidiary Company	1		2		3	4	5	6	7
	AAT Global Ltd, Hongkong	Shandong Dawn Himadri Chemical Industry Ltd, China*	Himadri Agro Tech Specialities Limited (Formerly known as Combe Projects Combe Projects Private Limited)	Himadri Clean Energy Ltd	Himadri Future Material Technology Ltd#	Himadri Green Technologies Innovation Ltd#	Invati Creations Private Ltd ^		
CIN/ any other registration number of subsidiary company	Business Registration Number: 37003928	Business Registration Number: 370600400030062	U70101WB 2010PLC153215	U20296WB 2023PLC261077	U20296WB 2023PLC261076	U39000WB 2023PLC265424	U74999WB 2016PTC217564		
Date since when subsidiary was acquired	01 August 2006	15 January 2009	20 July 2023	30 November 2023	01 February 2024	01 August 2024	17 May 2024		
Financial year ending on	31 March 2026	31 March 2026	31 March 2026	31 March 2026	31 March 2026	31 March 2026	31 March 2026		
Reporting Currency	INR	INR	RMB	INR	INR	INR	INR		
Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	94.6543	13.7125	-	1.00	1.00	1.00	1.00		
Share Capital	8,653.18	91.42	500.00	156.00	450.00	1.00	1.22		
Reserves & surplus /Other Equity	(17,821.19)	(188.28)	(912.48)	(7.43)	28.20	(112.84)	2,873.94		
Total Assets	5,446.42	57.54	504.07	149.07	3,273.00	1,063.17	3,012.28		
Total Liabilities	14,614.43	154.40	916.55	0.50	2,794.80	1,175.01	137.12		
Investments	-	-	-	31.76	5.63	-	594.54		
Turnover / Total Income	35,872.06	414.80	29.60	1.76	18,764.37	-	1,362.90		
Profit/(Loss) Before Taxation	(59.13)	(0.64)	9.67	(2.14)	413.12	(83.73)	603.44		
Provision for Taxation	-	-	-	-	9.64	-	163.58		
Profit/(Loss) After Taxation	(59.13)	(0.64)	9.67	(2.14)	403.48	(83.73)	439.86		
Proposed Dividend	-	-	-	-	-	-	-		
% of Shareholding			94%	100%	100%	100%	40%		

Annexure I

of the Board's Report (Contd.)

Amount in Lakhs

Name of the Subsidiary Company	8		9	10	11	12	13	14
	Himadri Speciality Inc USA		Birla Tyres Limited	Himadri Birla Tyre Manufacturer Private Limited^	Trancemarine and Confreight Logistics Private Limited	Sturdy Niketan Private Limited**	Himadri Advance New Energy Material Limited (Formerly known as Elixir Carbo Private Limited)	Himadri Integrated Minerals and Resources Limited (Formerly known as Himadri Power Limited)
CIN/ any other registration number of subsidiary company	SR 20250434629		U25209WB 2018PLC228915	U22119WB 2016PTC271245	U45400MH 2011PTC217748	U45201WB2023 PTC259835	U23100WB 2022PLC286629	U07299WB 2008PLC131595
Date since when subsidiary was acquired	07 February 2025		01 April 2025	01 April 2025	04 April 2025	04 April 2025	22 April 2025	11 February 2026
Financial year ending on	31 March 2026		31 March 2026	31 March 2026	31 March 2026	31 March 2026	31 March 2026	31 March 2026
Reporting Currency	INR	USD	INR	INR	INR	INR	INR	INR
Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	94.6543		1.00	1.00	1.00	1.00	1.00	1.00
Share Capital	9.47	0.10	301.00	29.41	196.00	0.05	60.00	5.00
Reserves & surplus /Other Equity	64.05	0.68	1,773.50	(692.99)	492.58	806.93	(186.65)	(3.14)
Total Assets	11,604.11	122.59	2,431.39	9869.83	1,089.02	14,593.22	2,191.09	2.11
Total Liabilities	11,530.59	121.81	356.89	10,533.41	400.44	13,786.24	2,317.74	0.25
Investments	-	-	0.55	-	-	537.20	-	-
Turnover / Total Income	8,076.54	89.64	216.40	0.85	1467.64	8,872.72	154.42	1.04
Profit/(Loss) Before Taxation	78.34	0.86	6.07	(847.24)	(28.51)	1,096.98	(275.61)	0.46
Provision for Taxation	16.29	0.18	(15.61)	-	(12.21)	288.83	(38.02)	-
Profit/(Loss) After Taxation	62.05	0.68	21.68	(847.24)	(16.30)	808.15	(237.59)	0.46
Proposed Dividend	-	-	-	-	-	-	-	-
% of Shareholding	100%		100%	49%	60%	99%	100%	100%

*Shandong Dawn Himadri Chemical Industry Ltd ("SDHCIL") in China, in which the Company holds 94% equity through its wholly owned subsidiary Company, AAT Global Limited.

#Himadri Future Material Technology Ltd and Himadri Green Technologies Innovation Ltd in which the Company holds 100% equity through its wholly owned subsidiary Company, Himadri Clean Energy Limited.

Annexure I
of the Board's Report (Contd.)

** Sturdy Niketan Private Limited in which Trancemarine and Confreight Logistics Private Limited, the Company's subsidiary holds 99% equity.
^ The Company has acquired 40% and 49% paid-up share capital of Invati Creations Private Limited ("ICPL") and Himadri Birla Tyre Manufacturer Private Limited ("HBTMPL") respectively and this voting right does not qualify ICPL and HBTMPL as a subsidiary under Section 2(87) of the Companies Act, 2013. However, based on contractual rights (including potential voting right), the Holding Company has the power to make decisions concerning relevant activities and thus has control over ICPL and HBTMPL as per IND AS 110: "Consolidated Financial Statements." Consequently, the management of the Holding Company has decided to consolidate the financial results of ICPL and HBTMPL as subsidiary with effect from 17 May 2024 and 1 April 2025 respectively.

- 1. Names of subsidiaries which are yet to commence operations- Nil.
- 2. Names of subsidiaries which have been liquidated or sold during the year- Nil

Part B - Associates and Joint Ventures - Not Applicable

For and on behalf of the Board

Sd/- Anurag Choudhary Chairman cum Managing Director & Chief Executive Officer (DIN: 00173934)	Sd/- Shyam Sundar Choudhary Executive Director (DIN: 00173732)
Sd/- Kamlesh Kumar Agarwal Chief Financial Officer PAN: *****0960H	Sd/- Monika Saraswat Company Secretary & Compliance Officer ACS-29322

Place: Kolkata
Date: 23 April 2026

Annexure II

of the Board's Report

Details pursuant to Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- The ratio of remuneration of each Director to median remuneration of employees of the Company for the financial year 2025-26:**

Name	Designation	Ratio
Mr. Anurag Choudhary	Chairman cum Managing Director & Chief Executive Officer ("CMD & CEO")	70:1
Mr. Shyam Sundar Choudhary	Executive Director	61:1
Mr. Amit Choudhary	Executive Director	61:1
Mr. Girish Paman Vanvari	Independent Director	2:1
Mr. Gopal Ajay Malpani	Independent Director	2:1
Ms. Rita Bhattacharya	Independent Director	1:1
Mr. Amitabh Srivastava ¹	Independent Director	2:1

¹Mr. Amitabh Srivastava (DIN: 09704968), was appointed as Independent Director with effect from 21 April 2025.

- The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year 2025-26:**

Name	Designation	% Increase in remuneration
Mr. Anurag Choudhary	Chairman Cum Managing Director & Chief Executive Officer ("CMD & CEO")	-
Mr. Shyam Sundar Choudhary	Executive Director	17
Mr. Amit Choudhary	Executive Director	-
Mr. Kamlesh Kumar Agarwal	Chief Financial Officer	15
Ms. Monika Saraswat	Company Secretary & Compliance Officer	18
Independent Director (Sitting Fee)		
Mr. Girish Paman Vanvari	Independent Director	22.22
Mr. Gopal Ajay Malpani	Independent Director	-
Ms. Rita Bhattacharya	Independent Director	-
Mr. Amitabh Srivastava ¹	Independent Director	NA

¹Mr. Amitabh Srivastava (DIN: 09704968), was appointed as Independent Director with effect from 21 April 2025.

- The percentage increase in the median remuneration of employees in the financial year 2025-26:**

The percentage increase in the median remuneration of employees is 11%.

- The number of permanent employees on the rolls of the Company:**

There were 1,161 permanent employees on the rolls of the Company as on 31 March 2026.

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

The average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2025-26 was 14% and the increase in managerial remuneration for the same financial year was 14%.

Annexure II

of the Board's Report (Contd.)

6. Affirmation that the remuneration is as per the remuneration policy of the Company:

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

Note: The Independent Directors of the Company are entitled to the sitting fees as per the terms approved by the Members of the Company. The criteria for making payments to the Independent Directors and details of remuneration paid to them have been provided in the Corporate Governance Report.

For and on behalf of the Board

Sd/-

Anurag Choudhary

Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-

Shyam Sundar Choudhary

Executive Director
(DIN: 00173732)

Place: Kolkata

Date: 23 April 2026

Annexure III

of the Board's Report

Disclosure as required under Section 62(1)(b) of the Act read with Regulation 14 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are appended as below:

Sl. No	Particulars	Himadri Employee Stock Option Plan 2016	
1	Date of Shareholders' Approval	24 September 2016	
2	Total No of Options approved under ESOS	40,00,000	
3	Vesting Requirements	The Options granted under ESOP 2016 would vest after one year but not later than five years from the date of grant of such option. Vesting of Options would be subject to continued employment with the Company and Options would vest on passage of time and also fulfilment of certain performance parameters.	
4	Date of Grant	5 January 2017	8 May 2018
5	Exercise price or pricing formula	₹19 (Exercise Price)	₹140 (Exercise Price)
6	Maximum term of options granted	9.65 years from the date of grant	4.57 years from the date of grant
7	Source of Shares	Primary	Primary
8	Variation in terms of option	Not Applicable	Not Applicable
9	Method of Option Valuation	Black Scholes Merton Model	Black Scholes Merton Model
10	Option Movement during the year		
	Number of Options outstanding at the beginning of the period	6,472	1,98,772
	Number of Options granted during the year	-	-
	Number of Options forfeited / lapsed during the year	-	9,925
	Number of Options vested during the year	-	-
	Number of Options exercised during the year	-	1,02,375
	Number of Shares arising as a result of exercise of options	-	1,02,375
	Money realized by exercise of options (Amount in ₹ Lakhs)	-	143.33
	Loan repaid by the Trust during the year from exercise price received	-	-
	Number of Options outstanding at the end of the year	6,472	86,472
	Number of Options exercisable at the end of the year	6,472	86,472
11	Weighted average exercise price of Options granted during the year whose		
	(a) Exercise Price equals market price	-	-
	(b) Exercise Price is greater than market price	-	-
	(c) Exercise Price is less than market price	-	-
12	Weighted average fair value of Options granted during the year whose		
	(a) Exercise Price equals market price	-	-
	(b) Exercise Price is greater than market price	-	-
	(c) Exercise Price is less than market price	-	-

Annexure III

of the Board's Report (Contd.)

13. Employee wise details of Options granted during the financial year 2025-26 to:

i. Senior Management Personnel

Name	Designation	Options granted during the year	Exercise Price
None			

ii. Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year; and

Name	Designation	Options granted during the year	Exercise Price
None			

iii. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversion) of the Company at the time of grant

Name	Designation	Options granted during the year	Exercise Price
None			

Note:

- (1) Other details as required under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and any amendment thereof are mentioned in the notes to the financial statements, the same forms part of this Annual Report.
- (2) There were no material changes in the scheme and the scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and any amendment thereof.

For and on behalf of the Board

Sd/-

Anurag Choudhary

Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-

Shyam Sundar Choudhary

Executive Director
(DIN: 00173732)

Place: Kolkata

Date: 23 April 2026

Annexure IV

of the Board's Report

Form No.MR-3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31.03.2026

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members,
Himadri Speciality Chemical Ltd
23A, Netaji Subhas Road,
8th Floor, Suite No. 15,
Kolkata - 700 001
West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Himadri Speciality Chemical Limited** having its Registered Office at 23A, Netaji Subhas Road, 8th Floor, Suite No. 15, Kolkata – 700 001, West Bengal (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 the 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 31.03.2026 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.

Auditors' Responsibility

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding 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.

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of the Board, respective committees of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required we have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of compliance procedures on test basis.

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

We report that, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2026 according to the provisions of (as amended) :

- The Companies Act, 2013 (the Act) and the rules made there under;
- Secretarial Standards as issued by The Institute of Company Secretaries of India;

Annexure IV

of the Board's Report (Contd.)

- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (as amended) :
 - (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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (f) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Acts :

- (i) The Petroleum Act, 1934 and Rules made thereunder;
- (ii) The Legal Metrology Act, 2009;
- (iii) The Public Liability Insurance Act, 1991;
- (iv) The Hazardous and Other Wastes (Management, Handling and Transboundary Movement) Rules, 2016;
- (v) The Environment (Protection) Act, 1986;
- (vi) The Boilers Act, 1923;
- (vii) Air (Prevention and Control of Pollution) Act, 1981;
- (viii) Water (Prevention and Control of Pollution) Act, 1974

to the extent of its applicability to the Company during the financial year ended 31.03.2026 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environmental laws, etc.

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

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
- (ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.

We further report that :

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (iii) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- (iv) 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 year under review :

- (i) The Company has made allotment of :
 - (a) 67,275, 12,451 and 22,649 Equity Shares to the eligible employees on exercise of options pursuant to "Himadri Employee Stock Option Plan - 2016" on 18.04.2025, 20.09.2025 and 05.03.2026 respectively;

Annexure IV

of the Board's Report (Contd.)

- (b) 2,000 units of Commercial Paper of ₹5,00,000/- each aggregating to ₹100 Crores on 30.05.2025, 4,000 units of Commercial Paper of ₹5,00,000/- each aggregating to ₹200 Crores on 27.06.2025, 2,000 units of Commercial Paper of ₹5,00,000/- each aggregating to ₹100 Crores on 04.09.2025, 4,000 units of Commercial Paper of ₹5,00,000/- each aggregating to ₹200 Crores on 26.09.2025, 2,000 units of Commercial Paper of ₹5,00,000/- each aggregating to ₹100 Crores on 04.12.2025 and 4,000 units of Commercial Paper of ₹5,00,000/- each aggregating to ₹200 Crores on 26.12.2025 and has made full and timely re-payment to the holders of the said Commercial Paper on 28.08.2025, 25.09.2025, 03.12.2025, 24.12.2025, 04.03.2026 and 26.03.2026 respectively;
- (c) 3,08,000, 3,07,800, 1,00,17,200 and 24,000 Equity Shares on 13.08.2025, 16.10.2025, 07.11.2025 and 10.11.2025 respectively by conversion of Warrants issued on preferential basis.
- (ii) The members of the Company at the 37th Annual General Meeting of the Company held on 12.06.2025 have approved the following special resolutions:
- (a) Appointment of Mr. Amitabh Srivastava (DIN: 09704968) as an Independent Director for a period of five (5) years w.e.f. 21.04.2025 to 20.04.2030;
- (b) Re-appointment of Mr. Shyam Sundar Choudhary (DIN: 00173732) as Whole-time Director of the Company for a period of three (3) consecutive years w.e.f. 01.04.2025 to 31.03.2028;
- (c) Adoption of the amended Articles of Association of the Company;
- (d) Transactions under Section 185 of Companies Act, 2013 for granting inter-corporate loans to or provide guarantee or security in favour of persons in whom any of the directors are interested.
- (iii) The Company has completed acquisition of 60% paid-up equity share capital of "Trancemarine and

Confreight Logistics Private Limited" and the said company has become a subsidiary of the Company and "Sturdy Niketan Private Limited", a subsidiary of the said company has also become a step down subsidiary of the Company w.e.f. 04.04.2025 accordingly.

- (iv) The Company acquired 99.67% of equity shares of "Birla Tyres Limited" (BTL) on 01.04.2025 by way of conversion of Optionally Convertible Debentures into equity shares of BTL and post-acquisition of the balance shares on 07.04.2025, BTL has become a wholly owned subsidiary of the Company.
- (v) The Company has acquired the entire paid-up equity share capital of "Elixir Carbo Private Limited" and "Himadri Power Limited" and the said companies have become a wholly-owned subsidiary w.e.f. 22.04.2025 and 11.02.2026 respectively. Further, the name of these respective companies have been changed to "Himadri Advance New Energy Material Limited" and "Himadri Integrated Minerals and Resources Limited" w.e.f. 21.08.2025 and 23.02.2026 respectively.
- (vi) The name of "Combe Projects Limited" one of the wholly-owned subsidiary of the Company has been changed to "Himadri Agro Tech Specialities Limited" w.e.f. 21.08.2025.

This report is to be read with our letter of even date which is annexed as **Annexure – A**, which forms an integral part of this report.

For Labh & Labh Associates Company Secretaries

Sd/-

CS A. K. LABH

Partner

FCS : 4848 / CP No. : 3238

UIN : P2025WB105500

PRCN : 7215/2025

UDIN : F004848H000177922

Place : Kolkata
Dated : 23.04.2026

Annexure IV

of the Board's Report (Contd.)

Annexure – A

To
The Members,
Himadri Speciality Chemical Ltd

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

1. Maintenance 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 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 procedures 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 Labh & Labh Associates
Company Secretaries

Sd/-
CS A. K. LABH
Partner
FCS : 4848 / CP No. : 3238
UIN : P2025WB105500
PRCN : 7215/2025
UDIN : F004848H000177922

Place : Kolkata
Dated : 23.04.2026

Annexure V

of the Board's Report

Information as per Section 134(3)(m) of the Act read with the Rule 8(3) of Companies (Accounts) Rules, 2014 for the year ended 31 March 2026:

A. Conservation of energy

Sl. No	Particulars	Description
1.	Steps taken or impact on conservation of energy	The Company remains committed to reducing energy consumption, enhancing operational efficiency, and pursuing alternative energy sources in line with its sustainability goals. This commitment is driven by adopting an approach of continuous improvement, supported by practices such as regular monitoring, scheduled maintenance of machinery, adoption of automation technologies, and vigilant oversight. By adopting this integrated approach, the Company effectively minimizes energy usage and strengthens efficiency across its business operations. The Company has undertaken few specific initiatives and used innovative technology for conservation of energy: Borewell pumping system optimization: The existing 15 kW borewell pump was replaced with a 5.5 kW pump which reduces electricity consumption associated with water pumping while maintaining operational efficiency Spiral heat exchanger installation in by-product distillation: A spiral heat exchanger was installed to enable efficient heat transfer between residual oil and Wide Fractional Oil (WFO) feed streams through counter current heat exchange which improves heat recovery and reduce in fuel oil consumption, and lower high-pressure steam requirement, improving overall energy efficiency Deployment of energy efficient mill machine: An advanced mill machine was installed in the Treated Black Division to reduce processing time in milling operations, improving overall process energy efficiency. Fuel oil heating system modification: Additional heating coil and improved temperature control were introduced in the fuel oil system to allow improved feedstock utilization and stable combustion conditions resulting in yield improvement and reduced energy losses. Cold air line insulation in reactors: Thermal insulation was installed along with the cold air supply line from the PAB discharge to the APH inlet to reduce heat losses in the system to improve heat exchange efficiency, supporting lower fuel consumption. Cooling tower blowdown optimization Real-time monitoring of Total Dissolved Solids (TDS) was implemented to regulate intermittent and continuous blowdown in the Captive Power Plant, improving cooling system efficiency.
2.	Steps taken by the Company for utilizing alternate source of energy	Solar power installation at warehouse: A 5 kW on-grid solar power system has been installed at the warehouse facility to meet demand of Warehouse electricity through renewable energy generation and reduce dependence on conventional grid power.
3.	Capital investment on energy conservation equipment.	No direct identifiable investment pertaining to conservation of energy was done during the year. Hence the amount of investment cannot be directly measured.

Annexure V

of the Board's Report (Contd.)

B. Technology absorption

Sl. No	Particulars	Description
1.	Efforts made towards technology absorption	- Strengthening of digital energy management systems through enhanced real-time monitoring, predictive maintenance, and process-level energy analytics. - Implementation of advanced energy efficiency technologies including SIMOCODE-based motor controls, IE3 energy-efficient motors, boiler blowdown recovery systems, micro-turbine deployment, and power factor correction systems. - Enhanced water stewardship initiatives through Venturi installation in quench systems, RO optimisation through CIP processes, steam condensate recovery systems, and operational integration of Zero Liquid Discharge (ZLD) systems. - Deployment of strengthened environmental emission control infrastructure including high-efficiency scrubbers, cyclones, bag filters, suction-based dust capture systems, and continuous stack and ambient air monitoring systems. - Strengthening of structured Scope 1 and Scope 2 carbon accounting systems aligned with ISO 50001 Energy Management System and the Company's Net Zero 2050 roadmap. - Expanded focus on predictive monitoring, process automation, and digital optimisation for operational efficiency improvement. - Increased emphasis on advanced material development including Lithium Iron Phosphate (LFP) cathodes, silicon-carbon anodes, and advanced carbon materials for energy storage and clean mobility applications. - Strengthened process optimisation initiatives through pilot reactors and distillation units for advanced speciality chemical and carbon material development. - Enhanced localisation and indigenous development of advanced carbon materials and energy-efficient process technologies supporting import substitution initiatives.
2.	Benefits derived like product improvement, cost reduction, product development, import substitution	Product Improvement: - Improved operational efficiency through enhanced digital energy monitoring and process optimisation systems. - Enhanced product consistency and process reliability through process optimisation initiatives. - Improved environmental performance through advanced emission control infrastructure and sustainability initiatives. - Enhanced water efficiency through ZLD implementation, condensate recovery, and process-level optimisation systems. Cost Reduction: - Reduction in energy consumption through advanced energy efficiency systems, boiler optimisation, and digital energy management initiatives. - Reduction in utility consumption through steam condensate recovery, RO optimisation, and cooling system improvements. - Lower maintenance and operational losses through predictive monitoring and process automation.

Annexure V

of the Board's Report (Contd.)

Sl. No	Particulars	Description
		Product Development: - Development of next-generation materials for lithium-ion batteries, energy storage systems, electric mobility applications, and speciality carbon solutions. - Development of advanced speciality chemicals and carbon products through pilot-scale R&D and process optimisation initiatives. Import Substitution: - Increased localisation of advanced carbon materials and speciality chemicals. - Development of domestic capability in advanced carbon materials, energy-efficient process technologies, and waste recovery systems. - Reduced dependence on imported speciality materials through indigenous process development and integrated manufacturing capabilities.
3.	In case of imported technology	The Company has not imported any technology during this financial year
4.	Expenditure incurred on Research and Development	Capital expenditure as well as recurring expenditure incurred from time to time during the year on laboratory items, tools, spares, handling equipment, trial run expenses and salaries of research personnel remain merged with various heads, as per established accounting policy and expenditures incurred during the year under review, on Research & Development are as follows: i) Capital expenditure: ₹182.00 Lakhs (Capitalized); ii) Revenue expenditure: ₹6,255.30 Lakhs; iii) Capital expenditure included in CWIP: ₹6,368.82 Lakhs iv) Total Research & Development expenditure: ₹12,806.12 Lakhs; v) Total R&D expenditure as a percentage of total turnover: 2.91%

C. Foreign Exchange Earnings and Outgo

Total foreign exchange used and earned during the year:

Particulars	Amount in ₹ Lakhs	
	2025-26	2024-25
Total foreign exchange outgo in terms of actual outflow	80,904.02	93,956.94
Total foreign exchange earned in terms of actual inflows	1,04,844.66	81,055.89

For and on behalf of the Board

Sd/-

Anurag Choudhary

Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-

Shyam Sundar Choudhary

Executive Director
(DIN: 00173732)

Place: Kolkata
Date: 23 April 2026

Annexure VI

of the Board's Report

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)

Form for 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 Act including certain arm's length transactions under third proviso thereto

a. Details of contracts or arrangements or transactions not at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	There were no contracts or arrangements, or transactions entered into during the year ended 31 March 2026, which were not at arm's length basis.
(b)	Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/ Passport for individuals or any other registration number	
(c)	Nature of contracts/arrangements/transactions	
(d)	Duration of the contracts/arrangements/transactions	
(e)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(f)	Justification for entering into such contracts or arrangements or transactions	
(g)	Date(s) of approval by the Board	
(h)	Amount paid as advances, if any	
(i)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	
(j)	SRN of MGT-14	

b. Details of material contracts or arrangement or transactions at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	There were no material contracts or arrangements, or transactions entered into during the year ended 31 March 2026.
(b)	Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/ Passport for individuals or any other registration number	
(c)	Nature of contracts/arrangements/transactions	
(d)	Duration of the contracts/arrangements/transactions	
(e)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances	

Note: The above disclosures on material transactions are based on the principle that transactions with wholly-owned subsidiaries are exempt for the purpose of Section 188 (1) of the Act.

For and on behalf of the Board

Sd/-

Anurag Choudhary

Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-

Shyam Sundar Choudhary

Executive Director
(DIN: 00173732)

Place: Kolkata

Date: 23 April 2026

Annexure VII

of the Board's Report

Annual Report on CSR Activities

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

1. Brief outline on CSR Policy of the Company:

Himadri as a conscientious corporate citizen, recognizes the corporate social responsibility to address some of India's most challenging issues relating to education, health, equality and development of the weaker section of the society and always endeavors to contribute to the welfare and development of the society, in which it operates. The Company had adopted CSR Policy as recommended by the CSR Committee and duly approved by the Board of Directors, pursuant to Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The scope of the Policy is given hereunder:

- (i) eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- (v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

(vii) training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;

(viii) contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

(ix) (a) contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs);

(x) rural development projects;

(xi) slum area development;

Explanation.- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

(xii) disaster management, including relief, rehabilitation and reconstruction activities;

(xiii) such other projects or purposes as may be notified by the Government from time to time.

Annexure VII

of the Board's Report (Contd.)

2. Composition of CSR Committee:

Sl. No.	Name of 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	Mr. Amitabh Srivastava ¹	Chairman, Independent Director	3	2
2	Mr. Shyam Sundar Choudhary	Member, Executive Director	3	3
3	Mr. Anurag Choudhary	Member, CMD & CEO	3	2
4	Mr. Gopal Ajay Malpani ²	Member, Independent Director	3	-

¹Mr. Amitabh Srivastava was appointed and designated as Chairman of Corporate Social Responsibility Committee w.e.f 21 April 2025.

²Mr. Gopal Ajay Malpani ceased to be member of Corporate Social Responsibility Committee w.e.f 21 April 2025.

3. The 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:

Composition of CSR Committee:	https://www.himadri.com/home/uploads/disclosure/1770293034_List_of_Committee_of_Directors_17.10.2025.pdf
CSR Policy:	https://www.himadri.com/home/uploads/govnce_report/code_policy/1777370619_CSR_Policy.pdf
CSR Projects approved by the Board:	https://www.himadri.com/home/uploads/shareholder_info/sholder_meeting_agm_doc/1778238237_CSR_Project_Approved_by_the_Board_2025-26.pdf

4. 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 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable

	Amount in ₹ Lakhs
5. (a) Average net profit of the company as per section 135(5)	56,038.35
(b) Two percent of average net profit of the company as per section 135(5)	1,120.77
(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	83.00
(e) Total CSR obligation for the financial year [(b)+(c)-(d)]	1,037.77

	Amount in ₹ Lakhs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	790.66
(b) Amount spent in Administrative Overheads	Nil
(c) Amount spent on Impact Assessment, if applicable	Nil
(d) Total amount spent for Financial Year [(a)+(b)+(c)]	790.66

Annexure VII

of the Board's Report (Contd.)

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

Amount in ₹ Lakhs

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
790.66	247.11	20-04-2026	Not Applicable	-	-

Details are also provided in Note 32 of the standalone financial statements.

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

Sl. No.	Particulars	Amount in ₹ Lakhs
(i)	Two percent of average net profit of the Company as per section 135(5)	1,120.77
(ii)	Amount required to be set-off for the financial year	83.00
(iii)	Total amount spent for the Financial Year	790.66
(iv)	Excess amount spent for the financial year [(iii) + (ii) - (i)]	-
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(vi)	Amount available for set off in succeeding financial years [(iv) - (v)]	-

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

Amount in ₹ Lakhs

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135 (6)	Balance Amount in Unspent CSR Account under Section 135(6)	Amount spent in the Financial Year	Amount transferred to a Fund specified under Schedule VII as per second proviso to section 135(5), if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of transfer		
1	2022-23	39.39	39.39	39.39	-	-	-	-
2	2023-24	-	-	-	-	-	-	-
3	2024-25	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through CSR spent in the financial year: No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) of the Act: Not Applicable

For and on behalf of the Board

Sd/-

Anurag Choudhary

Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-

Amitabh Srivastava

Chairman – CSR Committee
Independent Director
(DIN: 09704968)

Place: Kolkata

Date: 23 April 2026

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of the Board's Report

Corporate Governance Report

In accordance with Regulation 34(3) read with Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations') the details of compliance by the Company with the norms on Corporate Governance are as under:

1. Company's philosophy on Code of Governance:

Corporate governance represents the system of laws, regulations, principles, and ethical practices that collectively shape the way an organization is directed and controlled. It is not merely a compliance requirement but a strategic framework that ensures businesses operate with integrity, accountability, and transparency. By embedding governance into its core, your Company can balance efficiency with ethical responsibility, thereby generating sustainable wealth and long-term value for all stakeholders. The Company recognizes that robust corporate governance is essential for strengthening and sustaining investor confidence. The philosophy of Corporate Governance in your organisation emphasises on highest levels of transparency, accountability, awareness, safety and equity across all business practices. Through strong ESG commitments, we ensure long-term growth while delivering resilient value for all stakeholders. The Company has a strong legacy of fair, transparent and ethical governance practices.

By adhering to Corporate Governance practices as per SEBI Listing Regulations, the Company reinforces its commitment to excellence in governance and aims to set benchmarks as a best-governed Company. Your Company ensures that it continuously evolves while adhering to stated Corporate Governance guidelines and embracing the best global practices.

The Corporate Governance framework of the Company is based on an effective Independent Board of Directors with a balanced mix of experts of eminence and integrity, separation of the supervisory role of the Board of Directors from the executive management team, forming a core group of top-level executives, inducting competent professionals across the organization and constitution of the committees of the Board of Directors. The Board of Directors of the Company have ultimate responsibility for the management, general affairs, direction, performance and long-term success of the business as a whole.

The Company conforms to the requirements of the Corporate Governance as stipulated in Part C of the Schedule V of the SEBI Listing Regulations that are implemented in a manner so as to achieve the objectives of the principles stated in the clause with respect to rights of shareholders, role of stakeholders in Corporate Governance, Disclosure and Transparency, responsibilities of the Board and other responsibilities prescribed under these regulations.

A Management Discussion and Analysis Report has been given as a separate section forming part of the Annual Report.

2. Board of Directors ("Board"):

The Company recognizes and embraces the importance of a diverse Board in its success and firmly believes that an active and well-informed Board with strong independent representation is necessary to ensure the highest level of corporate governance. The Board provides leadership, strategic guidance, objective and independent views to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the Company adheres to high standards of ethics, transparency and disclosure. The Board is collectively responsible to ensure a structured Corporate Governance processes.

Annexure VIII

of the Board's Report (Contd.)

Board

The Board's primary role is to ensure the Company's long-term sustainable success for all stakeholders. The Board is responsible for providing strategic guidance to the business and overall affairs of the Company, ensuring effective monitoring of management, and avoiding potential conflicts of interest. Additionally, the Board is committed to upholding sound principles of Corporate Governance within the Company.

Chairman

The Chairman leads the Board and fosters effective participation from all Executive and Non-Executive Directors during Board meetings. Additionally, the Chairman promotes transparency and encourages debate, which leads to effective decision-making at the Board level.

Independent Directors

The Independent Directors provide strategic guidance and expert advice, fostering objective judgment and accountability. They offer constructive feedback, and engage with the Company and its employees.

Committees of the Board

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need a closer review.

MD & CEO, Senior Management

Senior Management lead by the MD & CEO, is responsible for ensuring delivery of the Company's strategy, business plans and performance.

Role of Company Secretary in Governance Process

By ensuring compliance and advising the Board, the Company Secretary strengthens governance and fosters transparency. Through effective Board and Committee processes, robust policies, and clear communication, the Secretary enables informed decision-making and ensures that management acts promptly on Board directives. Serving as a trusted advisor and institutional link, the Company Secretary enhances accountability and stakeholder confidence.

a) Composition of the Board:

Himadri values and recognises the importance of having a diverse Board. A Board with diverse experiences, thought, perspective, skill sets, gender, and expertise ensure constructive deliberations and effective decision-making. The Company's Board represents an optimum combination of Executive and Non-Executive Directors which is in conformity with the Section 149 of the Companies Act, 2013 ("hereinafter referred to as "Act") and Regulation 17 of the SEBI Listing Regulations.

As on 31 March 2026, the Board comprised of 7 (Seven) Directors, out of which 3 (Three) Directors

(43%) were Executive and 4 (Four) (57%) were Independent Directors including one Independent Woman Director. The Company has passed a special resolution for Mr. Shyam Sundar Choudhary, Executive Director who has attained the age of seventy years, in compliance with Section 196 of the Act. Apart from the above, there are no executive directors who have attained the age of 70 years or more and for which approval of Shareholders was required through special resolution. Further there is no non-executive directors who have attained the age of 75 years or more and for which approval of Shareholders was required through special resolution in compliance with Regulation 17(1A) of the SEBI Listing Regulations.

The Chairman of your Company is a Promoter & Executive Director, and the number of Independent Directors is more than one half of the total number of Directors. The members of the Board are from diverse background having expertise in the fields of management, economics, sustainability, finance & taxation, etc. The Board's composition reflects an optimal blend of knowledge, experience, and expertise across diverse domains such as manufacturing, finance, economics, law,

Annexure VIII

of the Board's Report (Contd.)

and governance, enabling it to discharge its responsibilities effectively.

Based on the declarations received from the Independent Directors, the Board has confirmed that all the Independent Directors of the Company satisfy the criteria/conditions of independence as laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and they have also registered in the data bank of Independent Director and renewed their registrations as required under Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014. All the Independent Directors of the Company have complied with Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014 by passing online proficiency self-assessment test or exempted therefrom as per the Rule. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or affect their ability to discharge their duties. The maximum tenure of Independent Directors is in compliance with the Act and SEBI Listing Regulations

During the financial year 2025-26, Mr. Amitabh Srivastava (DIN: 09704968), has been appointed as Independent Director for a term of 5 (five) consecutive years with effect from 21 April 2025. The appointment of Director has been considered and approved by the Shareholders of the Company at the Annual General Meeting of the Company, held on 12 June 2025.

b) Directorship(s), committee membership(s)/chairmanship(s) and shareholding of directors:

During financial year 2025-26, in compliance with Regulation 17A of the SEBI Listing Regulations

and the Act none of the Directors, including Independent Directors on the Board held directorship in more than 10 (ten) public companies and serve as a Director or Independent Director in more than 7 (Seven) listed entities or as a Whole-time Director in any other listed company and none of the Executive Directors held directorship as an Independent Director in any listed company. Further in compliance with Regulation 26(1) (a) of the SEBI Listing Regulations none of the Directors held membership in more than 10 committees or acted as chairperson in more than 5 committees across all listed entities where they serve as a director. For the purpose of determination of limit of the board committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1) (b) of the SEBI Listing Regulations.

Every Director on the Board notifies the Company on an annual basis about the Board and the Committee positions which he/she occupies in other Companies and regularly updates any changes therein. The number of Directorship(s), Committee Membership(s)/Chairmanship(s) of all the Directors is within respective limits prescribed under the Act and the SEBI Listing Regulations.

All the Directors possess requisite qualifications and experience in general corporate management, risk management, finance, marketing, legal and other allied fields, which enable them to contribute effectively to your Company by providing valuable guidance and expert advice to the Management and enhance the quality of Board's decision-making process. Detailed profiles of the Directors are available on the Company's website at www.himadri.com.

c) Disclosure of relationships between Directors inter-se:

Sl. No.	Name of the Director	Category	Relationship between Directors inter-se*
1	Mr. Anurag Choudhary	Promoter, Chairman cum Managing Director & Chief Executive Officer	- Son of Mr. Shyam Sundar Choudhary - Brother of Mr. Amit Choudhary
2	Mr. Shyam Sundar Choudhary	Promoter, Executive Director	Father of Mr. Anurag Choudhary and Mr. Amit Choudhary
3	Mr. Amit Choudhary	Promoter, Executive Director	- Son of Mr. Shyam Sundar Choudhary - Brother of Mr. Anurag Choudhary
4	Mr. Girish Paman Vanvari	Independent Director	NA
5	Ms. Rita Bhattacharya	Independent Director	NA
6	Mr. Gopal Ajay Malpani	Independent Director	NA
7	Mr. Amitabh Srivastava	Independent Director	NA

*Relative as per Section 2(77) of the Act.

Annexure VIII

of the Board's Report (Contd.)

Apart from the relations mentioned hereinabove, there is no inter-se relation among the Directors of the Company.

d) Board procedure and access to information:

The Board of Directors serves as the apex decision-making authority of the Company, entrusted with aligning its actions and decisions with the Company's overall interests. It plays a central role in all significant matters, including policy formulation, strategic business planning, budgeting, investment and expansion opportunities, compliance with statutory and regulatory requirements, accounting provisions, and oversight of business performance.

The Company adheres to the provisions of the Act, Secretarial Standards and SEBI Listing Regulations with respect to convening and holding the meetings of the Board and its Committees. The Board meets at least once in a quarter to review the quarterly business and the financial performance of the Company, apart from other businesses. The meetings are pre-scheduled based on the availability of the Director(s). All divisions/departments of the Company are advised to schedule their work plans well in advance, with regard to matters requiring discussion/approval/decision at the Board/Committee meetings. All such matters are communicated to the Company Secretary & Compliance Officer in advance so that the same can be included in the Agenda for the Board/Committee Meetings. In case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting. The Committees of the Board usually meet prior to the Board meeting, to ensure an update to the Board. There was no situation or matter where the Board has not accepted the recommendations of the Committees.

The agenda for the Board and Committee meetings includes all material information, detailed notes and support documents on the items to be discussed at the meeting. Matters in the nature of unpublished price sensitive information are circulated to the Board and Committee members, at a shorter notice or are placed at the Meeting, as per the general consent taken from the Board/Committee members in advance. The Board is free to take up any matter, apart from those included in

the agenda, for consideration with the permission of the Chairman and with the consent of majority of the Directors present in the Meeting. Clarifications/queries, if any, on the items which are to be taken on record by the Board are sought in advance and resolved before the meeting, to ensure focused and effective discussions at the meetings.

To promote inclusiveness and efficiency, Directors are provided with the option to attend meetings through video conferencing (VC) or other audio-visual means (OAVM), wherever permissible. Draft minutes of meetings are circulated in advance in accordance with Secretarial Standard SS-1, and Directors' comments are incorporated in consultation with the Chairman. Signed copies of minutes are made available to all Directors. The minutes of the meetings are also prepared considering the general principles of governance to ensure that they cover a true and fair summary of the discussions & decisions taken at the meeting. Minutes of Committee meetings and those of subsidiary companies are also placed before the Board for review. The Minutes of the Meetings of the Committees of the Board are placed before the Board for its review. In addition to the Board Members and the Company Secretary, meetings of the Board and its Committees are attended by the Chief Financial Officer and, when necessary, by the Heads of business functions.

The Board periodically reviews the Compliance Report of all laws applicable to the Company. The Board is also provided with Audit Committee observations on the Internal audit findings and matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act. Reports on decisions at the previous meetings are placed at the next meeting(s) for information and further recommended actions, if any.

The Company Secretary plays a pivotal role in ensuring that Board and Committee procedures are properly followed and periodically reviewed. Key responsibilities include advising the Board on Company affairs, ensuring compliance with statutory requirements, guiding Directors on their duties, facilitating meetings, and serving as the interface between management and regulatory authorities on governance matters.

Annexure VIII

of the Board's Report (Contd.)

- e) The details of composition of the Board as at 31 March 2026, the number of Directorships, Committee Chairmanships and Memberships held by them in other Public Companies and number of shares held by Directors, Directorship in other listed companies along with the category of directorship as on 31 March 2026 are given herein below:

Sl. No.	Directors' Name & DIN	Category	Age (Years)	Date of Appointment & Tenure on Board and term ending date	No of shares held	Directorship in Public Companies*	No. of Committee position held in all Companies#		Directorship in other listed companies along with the category of directorship	
							As Member	As Chairman	Names of other listed entities	Category of directorship
1	Mr. Anurag Choudhary (DIN: 00173934)	Promoter, Chairman cum Managing Director & Chief Executive Officer ("CMD & CEO")	53	Date of Appointment: 14-08-2019 Tenure on Board: 79.17 months Term ending date: 13-08-2029 (present term as Managing Director)	4,33,17,676	10	2	-	Himadri Credit & Finance Limited	Promoter, Managing Director
2	Mr. Shyam Sundar Choudhary (DIN: 00173732)	Promoter, Whole-time Director ("Executive Director")	78	Date of Appointment: 28-07-1987 Tenure on Board: 464.03 months Term ending date: 31-03-2028 (present term as Whole-time Director)	82,50,000	10	1	-	-	-
3	Mr. Amit Choudhary (DIN: 00152358)	Promoter, Whole-time Director ("Executive Director")	50	Date of Appointment: 14-08-2019 Tenure on Board: 79.17 months Term ending date: 13-08-2029 (present term as Whole-time Director)	1,77,50,000	10	2	-	Himadri Credit & Finance Limited	Promoter, Non-Executive Director
4	Mr. Girish Paman Vanvari (DIN: 07376482)	Independent Director	53	Date of Appointment: 22-06-2021 Tenure on Board: 57.10 months Term ending date: 21-06-2026	-	9	9	4	1. Aurobindo Pharma Ltd; 2. Rategain Travel Technologies Ltd; 3. Kolte-Patil Developers Limited; 4. Blue Jet Healthcare Limited; 5. Suzlon Energy Limited.	Independent Director

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Sl. No.	Directors' Name & DIN	Category	Age (Years)	Date of Appointment & Tenure on Board and term ending date	No of shares held	Directorship in Public Companies*	No. of Committee position held in all Companies#		Directorship in other listed companies along with the category of directorship	
							As Member	As Chairman	Names of other listed entities	Category of directorship
5	Mr. Gopal Ajay Malpani (DIN: 02043728)	Independent Director	44	Date of Appointment: 13-08-2021 Tenure on Board: 55.19 months Term ending date: 12-08-2026	-	3	5	2	1. MPL Plastics Limited 2. SRM Energy Limited	Independent Director
6	Ms. Rita Bhattacharya (DIN: 03157199)	Independent Director	71	Date of Appointment: 11-08-2022 Tenure on Board: 43.21 months Term ending date: 10-08-2027	-	1	-	-	-	-
7	Mr. Amitabh Srivastava (DIN: 09704968)	Independent Director	62	Date of Appointment: 21-04-2025 Tenure on Board: 11.11 months Term ending date: 20-04-2030	-	3	2	1	-	-

*Directorship in Public Companies includes listed as well as reporting entity.

Pursuant to Regulation 26 of the SEBI Listing Regulations, Memberships of only Audit Committee and Stakeholders' Relationship Committee in all Public Limited Companies (including Himadri Speciality Chemical Ltd) have been considered and Chairmanships of only Audit Committee and Stakeholders' Relationship Committee in all Listed Public Limited Companies (including Himadri Speciality Chemical Ltd) have been considered.

Notes:

- The Directorships/Committee Memberships are based on the latest disclosures received by the Company.
- The number of Directorships, Committee Membership(s)/ Chairmanship(s) of all Directors is within the limits as prescribed under the Act and the SEBI Listing Regulations.

Annexure VIII

of the Board's Report (Contd.)

f) Meetings of the Board of Directors:

During the financial year 2025-26, the Board met 9 (Nine) times, i.e., on 03 April 2025, 21 April 2025, 13 May 2025, 22 May 2025, 15 July 2025, 17 October 2025, 16 January 2026, 04 February 2026 and 23 March 2026. The maximum gap between two Board meetings held during the year was not more than 120 days.

g) Attendance of Directors at the Board Meetings and Annual General Meeting (AGM) held during the financial year 2025-26;

The Board Meetings were held in compliance with the various provisions of the Act/ SEBI Listing Regulations during the financial year 2025-26. The 37th AGM of the Company was held on 12 June 2025 through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM").

The attendance of the Directors at the Board Meetings and AGM held during the financial year 2025-26 are as follows:

Sl. No.	Directors' Name & DIN	Category	Attendance at Board Meetings held during the year									Attendance at Board Meetings (%)	Attendance at the AGM held on 12 June 2025
			03 April 2025	21 April 2025	13 May 2025	22 May 2025	15 July 2025	17 October 2025	16 January 2026	04 February 2026	23 March 2026		
1	Mr. Anurag Choudhary (DIN: 00173934)	Promoter, CMD & CEO	✓	✓	✓	✓	✓	✓	✓	✓	✓	100	✓
2	Mr. Shyam Sundar Choudhary (DIN: 00173732)	Promoter, Whole time Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	100	✓
3	Mr. Amit Choudhary (DIN: 00152358)	Promoter, Whole Time Director	✓	✓	✓	LOA	✓	✓	✓	✓	✓	88.89	✓
4	Mr. Girish Paman Vanvari (DIN: 07376482)	Independent Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	100	✓
5	Mr. Gopal Ajay Malpani (DIN: 02043728)	Independent Director	✓	✓	✓	LOA	✓	✓	✓	✓	✓	88.89	✓
6	Ms. Rita Bhattacharya (DIN: 03157199)	Independent Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	100.00	✓
7	Mr. Amitabh Srivastava ¹ (DIN: 09704968)	Independent Director	NA	NA	✓	✓	✓	✓	✓	✓	✓	100.00	✓

¹Mr. Amitabh Srivastava (DIN: 09704968) Independent Director has been appointed w.e.f. 21 April 2025.

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of the Board's Report (Contd.)

h) Post-meeting follow-up system:

The governance processes in the Company includes an effective post-meeting follow-up, review, and reporting process for action taken report/pending for discussions of the Board and its Committees in the subsequent meetings.

i) Directors and Officers Insurance ("D&O Insurance"):

In line with the requirements of Regulation 25(10) of the Listing Regulations, the Company has in place a Directors and Officers Liability Insurance policy. The Board of Directors on an annual basis reviews the quantum of the D&O Insurance.

j) Separate Meeting of Independent Directors:

In accordance with Schedule IV of the Act and Regulation 25(3) of the SEBI Listing Regulations, Independent Directors are required to convene at least one meeting in a financial year, without the presence of Non-Independent Directors and members of the management. Additionally, Schedule II, Part E of the SEBI Listing Regulations mandates that the top 2000 listed entities by market capitalization hold a minimum of two such meetings each financial year.

During the financial year 2025-26, 2 (Two) separate meetings of Independent Directors were held on 17 December 2025 and 13 January 2026 without the presence of the Non-Independent Directors and the members of the Management. The Independent Directors discussed on the matters pertaining to review of performance of Non-Independent Directors and the Board of Directors as a whole including the Chairperson of the Company (considering the views of the Executive Directors), assessed the quality, quantity and timeliness of flow of information between the Management of the Company and the Board, so that the Board can effectively and reasonably perform its duties.

k) Performance Evaluation:

In compliance with the Act and SEBI Listing Regulations, and upon the recommendation of the Nomination and Remuneration Committee, the Board adopted a Board Evaluation Policy that defines the criteria for evaluating the performance of the Board, its Committees, and individual Directors, including Independent Directors. The evaluation framework, including the questionnaire and process, was reviewed in accordance with SEBI's guidance note on Board evaluation. A structured questionnaire was prepared after taking into consideration the input received from the Directors, 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.

During the financial year 2025-26, the Board carried out an annual performance evaluation of its own performance as well as that of its Committees and individual Directors including the Chairman of the Board. The performance evaluation of all the Directors were carried out by the Nomination and Remuneration Committee. The performance evaluation of the Board as a whole, Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Directors have expressed their satisfaction with the evaluation process.

The purpose of the Board evaluation is to drive continuous improvement in the Company's governance at the Board level in a spirit of collaboration. The Board reaffirms its commitment to adopting and adhering to "best practices" in governance to fulfil its fiduciary responsibilities to the Company. It believes that the evaluation process will strengthen working relationships among members, enhance the efficient use of the Board's time, and improve its overall effectiveness as a governing body.

l) Independent Directors

Independent Directors play a significant role in the governance processes of the Board by enriching the Board's decision making. The Company has appointed Independent Directors in accordance with the requirements of the Act and SEBI Listing Regulations. The Nomination and Remuneration Committee identifies suitable candidates based on established criteria and ensures that Board diversity is duly considered before making its recommendations to the Board.

On the basis of declarations as submitted by the Independent Directors and due assessment of the veracity undertaken by the Board, in terms of Regulation 25(9) of the SEBI Listing Regulations, the Board is of the opinion that all the Independent Directors of the Company meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the management. None of the Independent Directors are aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence. The number of Directorship

Annexure VIII

of the Board's Report (Contd.)

of all the Independent Directors is within the respective limits prescribed under the Act and SEBI Listing Regulations. All the Independent Directors of the Company have duly registered their names in the databank of Independent Directors as being maintained by the Indian Institute of Corporate Affairs (IICA) in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

m) Formal Letter of Appointment to the Independent Directors:

Upon the recommendation of Nomination and Remuneration Committee, the Board has selected Independent Directors which is subsequently approved by the Shareholders. In terms of Section 149 of the Act, the Independent Directors were appointed for a period of five years.

Further, Schedule IV of the Act requires the appointment of the Independent Director to be formalised through a letter of appointment, which shall set out the Code for business ethics that the Company expects its Directors and Senior Management to follow. The said Schedule also requires the Independent Directors to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct.

The Company has issued formal appointment/re-appointment letters as per provisions of Schedule IV of the Act to the Independent Directors on their appointment/re-appointment containing the detailed terms and conditions of their appointment/re-appointment, role, duties and liabilities, evaluation process, code of conduct, etc. The letter of appointment/ re-appointment issued to the Independent Directors has been posted on the Company's website at https://www.himadri.com/home/corporate_governance_report

n) Familiarisation Programme for Independent Directors:

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, during the financial year 2025-26, the Company imparted familiarization programme for Independent Directors to familiarize them about their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, review of investments of the Company, business model of the Company, Prohibition of Insider Trading Regulations, SEBI Listing Regulations, etc. The details of the

familiarisation programme are available on the website of the Company at https://www.himadri.com/home/corporate_governance_report

All Board members of the Company are accorded every opportunity to familiarize themselves with the Company, its management, its operations, the industry perspective and issues. They are made to interact with senior management personnel and proactively provided with relevant news, views and updates on the Company and sector. All the information/documents sought by them are also shared with them for enabling a good understanding of the Company, its various operations and the industry of which it is a part.

Further, in the opinion of the Board, all the Independent Directors fulfill the conditions specified in SEBI Listing Regulations and are independent of the management.

o) Codes and Policies:

The Board has adopted all applicable codes and policies as per the requirements of the Act, SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI Listing Regulations. The requisite codes and policies are posted on the Company's website at https://www.himadri.com/home/corporate_governance_report and references thereof have been given elsewhere in this Annual Report.

p) Codes of Conduct:

▪ Codes of Conduct for all Directors and Senior Management Personnel

The Company has adopted Code of Conduct for its directors and senior management pursuant to Regulation 17(5) of the SEBI Listing Regulations. The Board of Directors has laid down a separate Code for the Independent Directors of the Company in line with the provisions of Section 149(8) and Schedule IV of the Act and contains brief guidance for professional conduct by the Independent Directors. The aforesaid Codes are available on the Company's website at www.himadri.com.

In terms of Regulation 26 of the SEBI Listing Regulations, all Directors and Senior Management Personnel of the Company have individually affirmed compliance with the said Codes as on 31 March 2026. A declaration signed by the Chairman cum Managing Director & Chief Executive Officer to this effect is enclosed at the end of this Report as **Annexure I**.

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- **Code of Conduct to regulate, monitor and report trading by Designated Persons, and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board has adopted a Code of Conduct to regulate, monitor, and report trading activities of designated persons and their immediate relatives, ensuring compliance with the Regulations. In addition, the Board has formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, designed to ensure timely and adequate disclosure of such information to the Stock Exchange(s), thereby enabling the investor community to make informed investment decisions regarding the Company's securities.

- **Supplier Code of Conduct**

The Company has in place the Supplier Code of Conduct which outlines the principles and standards that the Company expect all our suppliers to adhere to. This Code is applicable to all 'Suppliers'

- q) **Brief Note on the Director seeking appointment or re-appointment at the 38th AGM:**

As required under Regulation 36(3) of the SEBI Listing Regulations, the Company has furnished information relating to the Directors seeking appointment and re-appointment in the Notice convening the 38th AGM. Shareholders may kindly refer to the same. The names of the companies in which the Director holds directorships and the details of membership of committees of the Board are given separately in the Notice convening the 38th AGM.

- r) **List of core skills/expertise/competencies identified by the Board of Directors:**

The Company believes that the Board's overall effectiveness drives performance, and therefore its members should collectively possess a balanced mix of skills, experience, and diverse perspectives suited to the Company's needs. The Board, with support from the Nomination and Remuneration Committee, periodically evaluates its composition to ensure it maintains an appropriate balance of skills, expertise, experience, professional competencies, independence, and knowledge necessary for continued effectiveness.

The Board has identified the below-mentioned core skills/expertise/competencies as required by the Company in the context of its business(es) and sectors(s) for it to function effectively and those available with Board.

Sl. No.	Skills / Expertise / Competencies required by the Board of Directors	
1	Understanding of Business/ Industry	Experience and knowledge of the area of operation and associated businesses.
2	Strategy and strategic planning	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's policies and priorities.
3	Critical and innovative thoughts	The ability to critically analyse the information and develop innovative approaches and solutions to the problems.
4	Financial understanding	Ability to analyse and understand the key financial statements, assess financial viability of the projects and efficient use of resources.
5	Market understanding	Understanding of Market.
6	Risk and compliance oversight	Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance, monitor risk and compliance management frameworks.

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of the Board's Report (Contd.)

The table below expresses the specific areas of focus or expertise of individual Board members:

Name of director	Understanding of Business/ Industry	Strategy and strategic planning	Critical and innovative thoughts	Financial understanding	Market understanding	Risk and compliance oversight
Mr. Anurag Choudhary	✓	✓	✓	✓	✓	✓
Mr. Shyam Sundar Choudhary	✓	-	-	✓	✓	✓
Mr. Amit Choudhary	✓	✓	✓	✓	✓	✓
Ms. Rita Bhattacharya	-	✓	-	✓	-	✓
Mr. Girish Paman Vanvari	✓	✓	✓	✓	-	✓
Mr. Gopal Ajay Malpani	✓	-	-	✓	-	✓
Mr. Amitabh Srivastava	✓	✓	-	✓	✓	✓

s) Committees of Board:

▪ Statutory Committees

The Board has constituted various committees as mandated under the Act and the SEBI Listing Regulations to function in specific areas and to take informed decisions within delegated powers. Each Committee exercises its functions within the scope and area as defined in its constitution guidelines. The Company Secretary & Compliance Officer acts as the Secretary to all the Committees of the Board. These Committees are constituted in conformity of the SEBI Listing Regulations and the Act and are mentioned as follows:

- Audit Committee;
- Nomination and Remuneration Committee;
- Risk Management Committee;
- Stakeholders' Relationship Committee;
- Corporate Social Responsibility Committee ("CSR Committee");

▪ Other Board Committees:

The Board, in addition to the mandatory Committees under Chapter IV of the SEBI Listing Regulations has constituted various other Committees namely:

- Environment, Social and Governance Committee ("ESG Committee");
- Share Transfer Committee;
- Finance and Management Committee;
- Strategy & Investment Committee;
- Internal Complaint Committee;
- Commodity Committee;
- Share Issue & Allotment Committee;
- Project Committee

The Composition of Committees is provided Company's website at https://www.himadri.com/home/corporate_governance_report

3. Audit Committee:

The Company has duly constituted a qualified and independent Audit Committee. The Committee serves as a link between the auditors and the Board. It oversees the Company's financial reporting process, audit functions, and compliance with legal and regulatory requirements, ensuring transparency, integrity, and quality in financial disclosures.

a. Composition, Meetings and Attendance:

The composition of the Audit Committee is in accordance with the provisions of the Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act. As on 31 March 2026, the Audit Committee comprises of 3 (Three) Independent Directors. Mr. Girish Paman Vanvari, Chairman of the Committee is an Independent Director with decades of experience in Corporate Law, Accounting and Taxation. All the members of the Audit Committee are financially literate with the majority having accounting or related financial management expertise and the composition of the Committee complies with the requirements of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

The Statutory Auditors, Internal Auditors and Chief Financial Officer (CFO) are invited to attend meetings of the Audit Committee. The Executive Directors and Key Managerial Personnels are also invited from time to time as required by the Chairman upon necessity of agenda items. The Company Secretary & Compliance Officer acts as the Secretary to the Audit Committee.

During the financial year 2025-26, the Audit Committee met 10 (Ten) times in compliance with the various provisions of the Act / SEBI Listing Regulations, i.e., 03 April 2025, 21 April 2025, 13 May 2025, 22 May 2025, 13 June 2025, 15 July 2025, 17 October 2025, 16 January 2026, 04 February 2026 and 23 March 2026.

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The Committee, in its meetings *inter-alia* reviews the results of operation and the statement of related party transactions. All the recommendations made by the Audit Committee during the year under review were duly accepted by the Board. The Chairman of the Audit Committee attended the last Annual General Meeting of the Company.

The composition of the Audit Committee and the details of meetings attended by each of the members are given below:

Sl. No.	Name of members	Position and Category	Attendance of Committee meeting											Attendance at Meetings (%)
			03 April 2025	21 April 2025	13 May 2025	22 May 2025	13 June 2025	15 July 2025	17 October 2025	16 January 2026	04 February 2026	23 March 2026		
1	Mr. Girish Paman Vanvari	Chairman, Independent Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100	
2	Mr. Gopal Ajay Malpani	Member, Independent Director	✓	✓	✓	LOA	✓	✓	✓	✓	✓	✓	90	
3	Ms. Rita Bhattacharya (upto 21 April 2025)	Member, Independent Director	✓	✓	NA	NA	NA	NA	NA	NA	NA	NA	100	
4	Mr. Amitabh Srivastava (w.e.f 21 April 2025)	Member, Independent Director	NA	NA	✓	✓	✓	✓	✓	✓	✓	✓	100	

b. Terms of reference:

The present terms of reference of the Audit Committee are aligned as per the provisions of Section 177 of the Act and include the roles as laid out in Part C of Schedule II of the SEBI Listing Regulations. The brief description of the terms of reference of the Audit Committee are in conformity with the Act and the SEBI Listing Regulations and the same are as follows:

- (i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular 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 clause (c) of sub-section 3 of Section 134 of the Act;

- 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 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 opinion(s) in the draft audit report;
- (v) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- (vi) 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

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- 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 placement and making appropriate recommendations to the Board to take up steps in this matter;
- (vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (viii) Approval or any subsequent modification of transactions of the Company with related parties;
- (ix) Scrutiny of inter-corporate loans and investments;
- (x) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (xi) Evaluation of internal financial controls and risk management systems;
- (xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) 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;
- (xiv) Discussion with internal auditors of any significant findings and follow up there on;
- (xv) 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;
- (xvi) 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 of concern;
- (xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) To review the functioning of the Whistle Blower Mechanism;
- (xix) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xx) Carrying out any other function as mentioned in the terms of reference of the Audit Committee;
- (xxi) Reviewing the utilization of loans/and or advances from/investment by the holding Company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on date of coming into force of this provision;
- (xxii) Review the utilization of loan, advance and Investments by holding Company in the subsidiary;
- (xxiii) Review the compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations 2015, at least once in a financial year and shall verify that the systems of Internal Control are adequate and operating effectively;
- (xxiv) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- As stipulated, in Part C of Schedule II of SEBI Listing Regulations, the Audit Committee also reviews management discussion and analysis of financial performance, statement of significant related party transactions submitted by management and Internal Audit Reports relating to internal control weaknesses and appointment/removal and terms of remuneration of Internal Auditor.
- The Audit Committee may also review such matters as considered appropriate by it or referred to the Committee by the Board.

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4. Nomination and Remuneration Committee:

The Company has duly constituted an independent Nomination and Remuneration Committee. The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, knowledge, experience, independence, and diversity on the Board, and for overseeing succession planning and appointment procedures for Directors and Senior Management. It formulates policies on remuneration, performance evaluation, and Board diversity in line with the Act and SEBI Listing Regulations.

a. Composition, Meetings and Attendance:

The Nomination and Remuneration Committee of the Company has been constituted in accordance with the provisions of Section 178 of the Act as well as in terms of Regulation 19 of the SEBI Listing Regulations comprising of the requisite number of Independent Directors. Mr. Gopal Ajay Malpani, the Independent Director is the Chairman of the Committee. The Company Secretary & Compliance Officer acts as the Secretary to the Nomination and Remuneration Committee.

The Committee met 4 (Four) times during the year in compliance with the various provisions of the Act / SEBI Listing Regulations. i.e., on 18 April 2025, 15 July 2025, 13 January 2026 and 05 March 2026. Mr. Gopal Ajay Malpani, Chairman of the Committee, attended the last Annual General Meeting of the Company held on 12 June 2025.

The composition of the Nomination and Remuneration Committee and the details of meetings attended by each of the members are given below:

Sl. No.	Name of members	Position and Category	Attendance of Committee meeting				Attendance at Meetings (%)
			18 April 2025	15 July 2025	13 January 2026	05 March 2026	
1	Mr. Gopal Ajay Malpani	Chairman, Independent Director	✓	✓	✓	✓	100
2	Mr. Girish Paman Vanvari	Member, Independent Director	✓	✓	✓	✓	100
3	Ms. Rita Bhattacharya (upto 21 April 2025)	Member, Independent Director	✓	NA	NA	NA	100
4	Mr. Amitabh Srivastava (w.e.f. 21 April 2025)	Member, Independent Director	NA	✓	✓	✓	100

b. Terms of Reference:

The present terms of reference of the Nomination and Remuneration Committee are aligned as per the provisions of Section 178 of the Act and include the roles as laid out in Part D Para (A) of Schedule II of the SEBI Listing Regulations. The brief description of the terms of reference of the Nomination and Remuneration Committee in line with the Act and the SEBI Listing Regulations are as follows:

- Formulation of the criteria for determining qualifications, positive attitudes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, Key Managerial Personnel, and other employees;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board and its Committees;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

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- (vi) Review the performance and recommend to the Board, all remuneration in whatever form, payable to the senior management;
- (vii) For every appointment of an independent director, evaluate the balance of skills, knowledge and experience on the Board and based on such evaluation, prepare a description of the role and capabilities required of an independent director. The person 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 an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.

The Nomination & Remuneration Committee also administers the Himadri Employee Stock Option Scheme which was approved by the shareholders at the AGM of the Company held on 24 September 2016.

c. Remuneration Policy:

The Board of Directors of the Company has on the recommendation of the Nomination and Remuneration Committee of the Board approved a Nomination and Remuneration Policy of the Company. This Policy is available in the Company's website at https://www.himadri.com/home/uploads/govnce_report/code_policy/nomination-and-remuneration-policy-10.02.2023.pdf

d. Criteria for Performance Evaluation of Independent Directors:

The Nomination and Remuneration Committee laid down the criteria for performance evaluation of Independent Non- Executive Directors. The criteria are enumerated as below:

- a. **Qualifications:** Details of professional qualifications of the Independent Director.

- b. **Experience:** Details of prior experience of the Independent Director, especially the experience relevant to the entity.
- c. **Knowledge and Competency of the Independent Director.**
- d. **How the Independent Director fares across different competencies as identified for effective functioning of the entity and the Board.**
- e. **Whether the Independent Director has sufficient understanding and knowledge of the entity and the sector in which it operates.**
- f. **Fulfilment of functions:** Whether the Independent Director understands and fulfils the functions as assigned to him/her by the Board and the law (e.g. Law imposes certain obligations on Independent Directors).
- g. **Ability to function as a team:** Whether the Independent Director is able to function as an effective team- member.
- h. **Initiative:** Whether the Independent Director actively takes initiative with respect to various areas.
- i. **Availability and attendance:** Whether the Independent Director is available for meetings of the Board and attends the meeting regularly and timely, without delay.
- j. **Commitment:** Whether the Independent Director is adequately committed to the Board and the entity.
- k. **Contribution:** Whether the Independent Director contributed effectively to the entity and in the Board meetings.
- l. **Integrity:** Whether the Independent Director demonstrates highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.).
- m. **Independence:** Whether Independent Director is independent from the entity and the other directors and there is no conflict of interest.
- n. **Independent views and judgement:** Whether the Independent Director exercises his/ her own judgement and voices opinion freely.

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e. Remuneration to Directors and Disclosures:

- a) Details of remuneration paid / payable to the Directors for the year ended 31 March 2026 and their shareholding as on that date is as under:

Amount in ₹ Lakhs

Names of the Directors	Salary (₹)	Perquisites (₹)	Bonus (₹)	Commission (₹)	Sitting Fees (₹)	Stock Option	Pension (₹)	Total (₹)	Service Contract/ Notice period/ Severance Fees	Shareholding (Equity) (No.)
Mr. Shyam Sundar Choudhary	350.00	0.68	-	-	-	-	-	350.68	Period of Appointment: 3 years (from 01 April 2025 to 31 March 2028) and liable to retire by rotation.	82,50,000
Mr. Anurag Choudhary	400.00	38.50	-	-	-	-	-	438.50	Period of Appointment: 5 years (from 14 August 2024 to 13 August 2029) and liable to retire by rotation.	4,33,17,676
Mr. Amit Choudhary	350.00	33.03	-	-	-	-	-	383.03	Period of Appointment: 5 years (from 14 August 2024 to 13 August 2029) and liable to retire by rotation.	1,77,50,000
Ms. Rita Bhattacharya	-	-	-	-	6.75	-	-	6.75	Appointed as Independent Woman Director up to 10 August 2027	-
Mr. Girish Paman Vanvari	-	-	-	-	11.00	-	-	11.00	Appointed as Independent Director up to 21 June 2026	-
Mr. Gopal Ajay Malpani	-	-	-	-	10.75	-	-	10.75	Appointed as Independent Director up to 12 August 2026	-
Mr. Amitabh Srivastava	-	-	-	-	12.75	-	-	12.75	Appointed as Independent Director up to 20 April 2030	-

Note:

- The appointment of Executive Directors, Key Managerial Personnel, the management and other employees is by virtue of their employment with the Company and therefore, their terms of employment vis-à-vis salary, variable pay, service contract, notice period and severance fee, if any, are governed by the applicable policies of the Company at the relevant point in time.
- All other pecuniary transactions of the non-executive directors during the financial year 2025-26 are provided in the accompanying financial statements.
- Mr. Amitabh Srivastava has been appointed as Independent Director for a period of five years w.e.f. 21 April 2025 to 20 April 2030.

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b) Details of fixed components and performance linked incentives along with the Performance Criteria:

Remuneration of the Chairman and the other Executive Directors is determined by the Board on the recommendation of the Nomination & Remuneration Committee, subject to the approval of the Shareholders. The Chairman and the other Executive Directors are entitled to Performance linked remuneration not exceeding 40% of Salary, payable annually for each financial year, as may be determined by the Board.

c) Stock options details, if any and whether issued at discount as well as the period over which accrued and over which exercisable:

The Company has not issued any stock options to the Directors of the Company.

d) Criteria of making payments to Non-Executive Directors:

Non-Executive Directors are entitled for the sitting fees for attending the meetings of the Board and its Committees. The criteria for making payment to Non-Executive Directors is placed on the website of the Company at www.himadri.com.

5. Risk Management Committee:

Risk Management is crucial to achieve the Company's objective of strengthening its financial position, safeguarding the interests of stakeholders, enhancing its ability to continue as a going concern and maintain consistent sustainable growth. Pursuant to Regulation 21 of the SEBI Listing Regulations, the Board has constituted a Risk Management Committee to oversee the Company's risk management framework and monitoring the Risk Management Policy. The Committee monitors risk appetite and conducts regular assessments, reviews mitigation plans for significant risks, and assists the Board in strengthening risk management practices across operations, ensuring effective identification, evaluation, and disclosure of key risks.

a. Composition, Meetings and Attendance:

During the financial year 2025-26, the Risk Management Committee met on 22 May 2025, 06 November 2025 and 10 March 2026.

The composition of the Risk Management Committee and the details of meetings attended by each of the members are given below:

Sl. No.	Name of members	Position and Category	Attendance of Committee meeting			Attendance at Meetings (%)
			22 May 2025	06 November 2025	10 March 2026	
1	Mr. Shyam Sundar Choudhary	Chairman, Executive Director	✓	✓	✓	100
2	Mr. Anurag Choudhary	Member, CMD & CEO	✓	✓	✓	100
3	Mr. Kamlesh Kumar Agarwal	Member, Chief Financial Officer	✓	✓	✓	100
4	Mr. Somesh Satnalika	Member, Executive Vice President, Tyre and Strategy	✓	LOA	✓	66.67
5	Mr. Gopal Ajay Malpani (upto 21 April 2025)	Member, Independent Director	NA	NA	NA	NA
6	Mr. Amitabh Srivastava (w.e.f. 21 April 2025)	Member, Independent Director	LOA	✓	✓	66.67

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b. Terms of reference:

- (i) 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;
- (ii) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (iii) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (iv) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (v) To keep the board of directors informed about the nature and content of its discussions, recommendations, and actions to be taken;
- (vi) The appointment, removal, and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- (vii) To assist the Board with regard to the identification, evaluation, classification and mitigation of non-financial risks and assess management actions to mitigate such risks;
- (viii) To evaluate and ensure that the Company has an effective internal control systems to enable identifying, mitigate and monitoring the non-financial risks to the business of the Company;
- (ix) To implement proper internal checks and balances and review the same periodically;
- (x) To put in place a mechanism for ensuring cyber security;
- (xi) To ensure the implementation of the suggestions/remarks/comments of the Board of Directors on the Risk Management Plan;
- (xii) To monitor and review the performance of the non-financial Risk Owners;
- (xiii) To review effectiveness of risk management and control system;
- (xiv) Periodic reporting to the Board of non-financial risk management issues and actions taken in such regard;
- (xv) Co-ordinate its activities with the Audit Committee in instances where there is any overlap in their duties and responsibilities;
- (xvi) To do all other acts which are incidental to the risk associated with the business of the Company;

6. Stakeholders' Relationship Committee:

a. Composition, Meetings and Attendance:

The Stakeholders' Relationship Committee of the Company has been constituted in accordance with the provisions of Section 178 of the Act as well as in terms of Regulation 20 of the SEBI Listing Regulations comprising of requisite number of Independent Directors.

Mr. Amitabh Srivastava, the Independent Director is the Chairman of the Committee. Ms. Monika Saraswat, Company Secretary and Compliance Officer, acts as Secretary of the Committee.

The Committee reviewed the status of Investors' Complaints periodically relating to transmission of shares, issue of duplicate shares, and non-receipt of dividend, among others. During the year, the Committee met 3 (Three) times i.e., on 20 June 2025, 10 September 2025 and 17 March 2026. Mr. Amitabh Srivastava, Chairman of the Committee, attended the last Annual General Meeting of the Company held on 12 June 2025.

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The composition of the Stakeholders' Relationship Committee and the details of meetings attended by each of the members are given below:

Sl. No.	Name of members	Position and Category	Attendance of Committee meeting			Attendance at Meetings (%)
			20 June 2025	10 September 2025	17 March 2026	
1	Mr. Amitabh Srivastava (w.e.f 21 April 2025)	Chairman, Independent Director	✓	LOA	✓	66.67
2	Mr. Shyam Sundar Choudhary	Member, Executive Director	✓	✓	✓	100
3	Mr. Amit Choudhary	Member, Executive Director	LOA	✓	✓	66.67
4	Mr. Gopal Ajay Malpani (upto 21 April 2025)	Chairman, Independent Director	NA	NA	NA	NA

Note: Mr. Gopal Ajay Malpani was designated as Chairman of Stakeholders' Relationship Committee upto 21 April 2025.

b. Terms of reference:

- To resolve the grievances of the Security holders of the Company 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;
- To review measures taken for effective exercise of voting rights by shareholders;
- To review of adherence to the service standards adopted by the Company in respect of various services rendered by the Registrar and Share Transfer Agent;
- To review of 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;
- Such other matters as per the directions of the Board of Directors of the Company, which may be considered necessary in relation to shareholders and investors of the Company;
- Functions of the Committee as provided in Schedule II, Part "D", Para "B" read with Regulation 20(4) of the SEBI Listing Regulations.

c. Name and Designation of Compliance Officer:

Ms. Monika Saraswat, Company Secretary, has been designated as Compliance Officer in terms of Regulation 6(1) (a) of the SEBI Listing Regulations.

The shareholders may send their complaints directly to the Company Secretary, Himadri Speciality Chemical Ltd, 23A, Netaji Subhas Road, 8th Floor, Suite No 15, Kolkata - 700 001 or may email at: investors@himadri.com. Those Members who desire to contact us over telephone may do so at 033- 2230 9953 / 4363.

d. Status of Investors' Grievances:

There were 3 complaints pending at the beginning of the year, during the financial year 2025-26, a total of 445 complaints were received from investors' and 445 complaints were resolved satisfactorily and all complaints resolved to the satisfaction of the investors' during the year and there were 3 complaints pending at the end of the financial year.

The Company regularly updates the status of Investors Complaints on "SCORES", an online portal introduced by SEBI for resolving investor's complaints. There were no investors' complaints pending at the end of the financial year on SCORES.

7. Corporate Social Responsibility Committee ("CSR Committee"):

In accordance with Section 135 of the Act, the Board has constituted a Corporate Social Responsibility (CSR) Committee. The Committee formulates and recommends the CSR Policy, annual action plans, and budgets, monitors implementation of CSR initiatives, and reviews projects to ensure sustainable growth. It also engages with government agencies and development organizations to drive meaningful and durable CSR activities.

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a. Composition, Meetings and Attendance:

The Corporate Social Responsibility Committee comprise of 3 (Three) members and Mr. Amitabh Srivastava, Independent Director is the Chairman of the Committee.

During the financial year 2025-26, the Committee met 3 (Three) times on 18 April 2025, 14 July 2025 and 19 March 2026. The CSR Policy of your Company is available on the Company's website at https://www.himadri.com/home/uploads/govnce_report/code_policy/1777370619_CSR_Policy.pdf

The composition of the Corporate Social Responsibility Committee and the details of meetings attended by each of the members are given below:

Sl. No.	Name of members	Position and Category	Attendance of Committee meeting			Attendance at Meetings (%)
			18 April 2025	14 July 2025	19 March 2026	
1	Mr. Amitabh Srivastava (w.e.f 21 April 2025)	Chairman, Independent Director	NA	✓	✓	100
2	Mr. Shyam Sundar Choudhary	Member, Executive Director	✓	✓	✓	100
3	Mr. Anurag Choudhary	Member, CMD & CEO	✓	✓	LOA	66.67
4	Mr. Gopal Ajay Malpani (upto 21 April 2025)	Chairman, Independent Director	LOA	NA	NA	0.00

Note: Mr. Gopal Ajay Malpani was designated as Chairman of Corporate Social Responsibility Committee upto 21 April 2025.

b. Terms of reference:

- (i) Recommend to the Board, a CSR Policy (and modifications thereto from time to time) which shall provide an approach and the guiding principles for selection, implementation, and monitoring of CSR activities to be undertaken by the Company;
- (ii) Approve and recommend Annual Action Plan, and any modifications thereof, to the Board comprising of following information;
 - a. the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - b. the manner of execution of such projects or programmes;
 - c. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - d. monitoring and reporting mechanism for the projects or programmes; and
 - e. details of need of impact assessment, if any, for the projects undertaken by the company;
- (iii) Approve specific projects, either new or ongoing, in pursuance of the Areas of Interest outlined in CSR Policy, either for undertaking such projects by the Company itself, for inclusion in the annual action plan or for supporting such projects by way of contributions or financial assistance;
- (iv) Recommend to the Board, the amount of expenditure to be incurred on the CSR activities in a financial year and the amount to be transferred in case of ongoing projects and unspent amounts.
- (v) Review the progress of CSR initiatives undertaken by the Company;
- (vi) Monitor the CSR Policy of the Company from time to time and institute a transparent monitoring mechanism for implementation of the CSR projects referred to above;
- (vii) Review and recommend to the Board, the Annual Report on CSR activities to be included in Board's Report and certificate submitted by the Chief Financial Officer;
- (viii) Review and recommend to the Board, the impact assessment report obtained by the Company from time to time;
- (ix) Undertake such activities and carry out such functions as may be provided under section 135 of the Act and the Rules;

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8. Environment, Social and Governance Committee ("ESG Committee"):

In terms of Regulation 34 of the SEBI Listing Regulations, the Annual Report of top 1000 Companies as per market capitalisation shall contain Business Responsibility and Sustainability Report (BRSR) describing the initiatives taken by the Company from an Environmental, Social and Governance perspective, in the format as specified by SEBI. Accordingly, the BRSR containing the general information about the Company, financial details of the Company, other details like BR information, principle-wise performance etc. forms part of this Annual Report.

The Company has constituted the Environment, Social and Governance Committee ("ESG Committee") comprising of the following members:

Sl. No.	Name of members	Position and Category
1	Mr. Anurag Choudhary	Chairman, CMD & CEO
2	Mr. Amit Choudhary	Member, Executive Director
3	Mr. Amitabh Srivastava (w.e.f 21 April 2025)	Member, Independent Director
4	Mr. Gopal Ajay Malpani (upto 21 April 2025)	Member, Independent Director

During the financial year 2025-26, the ESG Committee met on 21 April 2025 and 15 December 2025.

Terms of reference:

- (i) To assist the Board in meeting its responsibilities in relation to the Environmental, Social and Governance (ESG) matters arising out of the activities and operations of the Company and its subsidiary companies (the Group) for aiming towards enhanced sustainable development;
- (ii) Sustainable development is a pattern of development through which the business is able to identify the pertaining ESG risks beyond just financial, which, in turn, guides the strategic actions of the business to meet the needs of the present without compromising the ability of future generations to meet their own needs;
- (iii) Review Group policies, Standards, Guidelines, and action plans regarding the sustainable development of the Company's projects and operations, comprising social, economic and environmental responsibility in the regions where the Group operates;

- (iv) Review targets for ESG performance and report to the Board with respect to their appropriateness, time horizons, and ambition and assess progress towards achieving those targets;
- (v) Seek updates on the management of material ESG issues from the respective functional and business heads;
- (vi) Review and report to the Board the performance of the Company with respect to the implementation of ESG Management Systems designed to ensure that the commitments made in the policy are being met and that sustainability and reputational related risks are being assessed, controlled and managed effectively. This includes existing HSE & Sustainability topics such as climate, safety, indigenous and human rights as well as emerging risk areas;
- (vii) Review the political contributions made by the Company;
- (viii) Seek updates on how ESG is being institutionalized across all levels of the organization;
- (ix) Recommend, when appropriate, amendments to the Sustainability & ESG policies or management systems;
- (x) Review the methods of communicating Company's sustainability performance, including approving the Sustainability Report and the ESG, and BRSR sections published in the Annual Report prior to publication as deem fit;
- (xi) Advise the Board on the aspects of diversity (including but not limited to: gender, qualifications, representation, etc.) that need to constitute the leadership committees (including the Board) of the organization in order to drive an ESG culture across all aspects of decision making;
- (xii) Advise the Board to enable it to discharge its responsibilities, having regard to the law and the expected international standards of sustainability & governance;
- (xiii) Review public and media reports in relation to the Health, Safety, Environment and Sustainability performance;
- (xiv) Reviews sustainability related risks;
- (xv) Perform such other duties and responsibilities as are consistent with the purpose of the Committee and as the Board or the Committee shall deem appropriate;
- (xvi) Monitor the preparation of BRSR Reporting in the format as prescribed by the SEBI.

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9. Share Transfer Committee:

The Company has constituted Share Transfer Committee to approve transmission of shares, consolidation /sub-division of shares/ re-materialization and other related matters. The Committee has been constituted with the following members:

Sl. No.	Name of members	Position and Category
1	Mr. Shyam Sundar Choudhary	Chairman, Executive Director
2	Mr. Anurag Choudhary	Member, CMD & CEO
3	Mr. Amitabh Srivastava (w.e.f 21 April 2025)	Member, Independent Director
4	Mr. Gopal Ajay Malpani (upto 21 April 2025)	Member, Independent Director

The Committee holds periodical meetings and co-ordinates with Company's Registrar & Share Transfer Agent. The Company confirms that all requests for de-materialization of shares as on that date were confirmed/ rejected into the NSDL / CDSL system.

During the financial year 2025-26, the Committee met once 1 (one) time.

10. Finance and Management Committee:

The Finance and Management Committee comprising of the following members:

Sl. No.	Name of members	Position and Category
1	Mr. Shyam Sundar Choudhary	Chairman, Executive Director
2	Mr. Anurag Choudhary	Member, CMD & CEO
3	Mr. Amit Choudhary	Member, Executive Director

During the financial year 2025-26, the Committee met 35 (Thirty-Five) times.

Terms of reference:

The terms of reference of Finance and Management Committee include the following:

- (i) To get working capital finance (both Fund based and Non-fund based) either secured or unsecured by means of fresh sanction, renewal, takeover and switch over from one Bank to another Bank or from any financial institution up to an aggregate amount of ₹3,000 Crores and do all acts as delegated by the Board from time to time;

- (ii) To open/closure of Banking Accounts;
- (iii) To arrange finance, from Bank and Financial institutions;
- (iv) To sign and execute necessary documents with Banks / Financial Institutions;
- (v) To create mortgage / charge including modification and satisfaction if any in favour of various banks/ Financial Institutions for securing the credit facilities as may be sanctioned to the Company from time to time;
- (vi) To deal with managing the day to day affairs of the Company, in the ordinary course of business, including grant of authority to officials in this regard;
- (vii) To avail of factoring facility from any other bank & Financial Institution;
- (viii) To obtain hire purchase loan / vehicle loan;
- (ix) To initiate legal action on behalf of the Company against any party and to defend the Company in any legal proceedings including grant of authority to deal with such matters for amount not exceeding ₹50 crores;
- (x) To file various e-forms with the MCA (Registrar of Companies);
- (xi) To avail of Commercial Card facility as a part of working capital limit sanctioned to the Company by any bank;
- (xii) To sell or dispose of old and obsolete movable office equipment, computer accessories, printers, including motor cars and commercial vehicles for value not exceeding ₹10,00,000 (Rupees ten Lakhs) of each such items;
- (xiii) To let-out office premises with or without consideration to its' group companies for official purposes;
- (xiv) To deal with all types of current investments in day to day business activities;
- (xv) To raise funds in form of Commercial paper for an amount not exceeding ₹700 Crores;
- (xvi) To apply for listing of Commercial paper at the Stock exchange;
- (xvii) To invest funds of the Company including investment in mutual fund for an amount not exceeding ₹1000 Crores;

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- (xviii) To borrow money from time to time for long term purpose of the Company upto an aggregate amount not exceeding ₹1000 Crores;
- (xix) To grant corporate guarantee upto an aggregate amount of ₹1000 Crores;
- (xx) To grant loan and provide security upto an aggregate amount of ₹1000 Crores;
- (xxi) To deal with any other matter which are incidental to the aforesaid.

The Committee shall exercise all such powers in ordinary course of business, subject to other compliances under applicable laws which are not otherwise restricted in the provisions of Section 179 of the Act.

11. Strategy & Investment Committee:

The Strategy & Investment Committee comprises of the following members of the Board:

Sl. No.	Name of members	Position and Category
1	Mr. Shyam Sundar Choudhary	Chairman, Executive Director
2	Mr. Anurag Choudhary	Member, CMD & CEO
3	Mr. Amitabh Srivastava (w.e.f 21 April 2025)	Member, Independent Director
4	Mr. Gopal Ajay Malpani (upto 21 April 2025)	Member, Independent Director

During the financial year 2025-26, the Committee met 4 (Four) times.

Terms of reference:

The terms of reference of Strategy & Investment Committee include the following:

- (i) To focus on the evaluation of the Company's strategic plans and to evaluate the Company's capital deployment in the context of the Company's Corporate Strategy;
- (ii) To review and approve the proposals for acquisition of potential targets for deploying capital of the Company not exceeding ₹2,000 crores for expanding the installed manufacturing capacity or acquisitions resulting in forward and backward integration in manufacturing process of the Company. The Committee upon review, shall place such proposals exceeding ₹2,000 crores along with its analysis before the Board for its consideration and approval;
- (iii) To review and approve strategic investments by the Company not exceeding ₹500 crores in line with the overall Corporate Strategy of the Company;

- (iv) To assist the Board in fulfilling its oversight responsibilities relating to long term strategy of the Company, risks and opportunities relating to such strategy and strategic decisions regarding investments and acquisitions by the Company;
- (v) To monitor the Company's progress against strategic goals and provide feedback and advice on merger and acquisition strategy, capital strategy, market capabilities and resource requirements;
- (vi) To review individual transactions, including potential investments, asset sales, proposed equity and/or debt offerings, or other transactions;
- (vii) To deal with all merger and restructuring proposals in capacity of creditor/ shareholder of the entities participating in merger or restructuring process and the Committee shall make decisions and resolutions and would exercise all powers of the Board for such matters;
- (viii) To discuss with the Senior Management Personnel and General Counsel or outside Counsel any matters that could reasonably be expected to have a material impact on the Company's long term strategies;
- (ix) To review and approve the proposals for acquiring Corporate Debtors undergoing the corporate insolvency resolution process under the provisions of the Insolvency and Bankruptcy Code, 2016 or any other law and to invest funds of the Company not exceeding ₹1000 crores for such acquisition subject to the approval of the Committee of Creditors of the Corporate Debtor, and the Adjudicating Authority, and delegate authority to sign the expression of interest ("EOI"), undertakings and other supporting documents for submission to the Interim Resolution Professional ("IRP") or the Resolution Professional ("RP") in the matter of corporate insolvency resolution process;
- (x) To review and approve the Resolution Plan to be submitted under the provisions of the Insolvency and Bankruptcy Code, 2016 or any other law and delegate authority to execute and submit the Resolution Plan and other requisite documents, and execute all other agreements, deeds, forms, writings, affidavits and power of attorney as may be required in relation to the corporate insolvency resolution process including submission of necessary clarifications or information in relation to the Resolution Plan, negotiate the terms and conditions of the Resolution Plan, with the members of Committee of Creditors of Corporate Debtors

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constituted under the Insolvency and Bankruptcy Code, 2016;

- (xi) To review and approve any modifications to the Resolution Plan already submitted and give effect to any modification by submission of the revised Resolution Plan pursuant to the negotiations with the members of the Committee of Creditors of Corporate Debtors;
- (xii) To deal with any other matter which are incidental to corporate insolvency resolution process of Corporate Debtors under the Insolvency and Bankruptcy Code, 2016 or any other law;
- (xiii) To deal with all such powers as delegated by the Board from time to time;

12. Internal Complaint Committee:

The Company has constituted Internal Complaint Committee in terms of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). The Company has constituted Internal Complaint Committees at its Corporate Office and Plants.

Terms of reference

The terms of reference for the Internal Complaint Committee include the following:

- (i) The Committee shall act in accordance with the provisions of the POSH Act and Rules (including any statutory modifications, alteration or re-enactment thereon for the time being in force) made there under including the service rules, if any made applicable on the employee of the Company;
- (ii) The Committee shall follow the service rules while dealing with the complaints in case the complaints is against the employee of the Company and deal with the matter keeping in view the principal of natural justice;
- (iii) The Committee shall maintain all records relating to Complaints received and their redressal;
- (iv) The Committee shall hold such meetings as may be required from time to time for redressal of the Complaints made under the provisions of the POSH Act;
- (v) The Committee shall ensure to maintain high degree of confidentiality with regards to the aggrieved person as well as the respondent;

- (vi) The Committee shall organise such number of workshops or awareness programme from time to time for educating the employees of the Company in this regard;

- (vii) The Committee shall prepare an Annual Report ending 31 December each year in terms of Section 21 of the POSH Act read with Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013 containing the following details:

- a) Number of complaints of sexual harassment received in the year;
- b) Number of complaints disposed off during the year;
- c) Number of cases pending for more than ninety days;
- d) Number of workshops or awareness programme against sexual harassment carried out;
- e) Nature of action taken by the employer or District Officer.

The Committee has submitted the Annual Report to the Board in terms of Section 21 of the POSH Act. There was no complaint of sexual harassment received by the Committee during the financial year 2025-26.

13. Commodity Committee:

The Company has constituted a Commodity Committee comprising of Mr. Anurag Choudhary - CMD & CEO, Mr. Amit Choudhary – Executive Director, Mr. Kamlesh Kumar Agarwal- Chief Financial Officer, and Mr. Somesh Satnalika – Executive Vice President, Tyre and Strategy.

Terms of reference:

- (i) Determining the extent of corporate exposures through appropriate discussion and analysis that determines these Policy Limits;
- (ii) Oversight of the risk management processes adopted by the Company;
- (iii) Delegation of these Policy Limits to the Team;
- (iv) Ensuring compliance with the terms of this policy;
- (v) Time to time review of Policy Limits;
- (vi) Managing and administering hedging transaction in accordance with this Policy;

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- (vii) Properly recording of transactions in the books of the Company;
- (viii) Supplying regular market information to the Executive Committee;
- (ix) Obtaining advice in relation to commodity price risk management;
- (x) Ensuring competitive pricing for availing hedge products;
- (xi) Carrying on periodic revaluation of open positions;
- (xii) Reviewing raw material supply and prices;
- (xiii) Reviewing such other information as may be advised by the Chief Financial Officer in this regard;
- (xiv) Reconcile Company records with those of the Dealer;
- (xv) The Dealer will provide independent confirmation of market transactions and recording of terms, calculation of settlement amounts, monitor and report on compliance with policy and procedures, financial reporting of risk management activity and documentation.

14. Share Issue & Allotment Committee:

The Company has constituted Share Issue & Allotment Committee comprising of the following members:

Sl. No.	Name of members	Position and Category
1	Mr. Shyam Sundar Choudhary	Chairman, Executive Director
2	Mr. Anurag Choudhary	Member, CMD & CEO
3	Mr. Amitabh Srivastava (w.e.f 21.04.2025)	Member, Independent Director
4	Mr. Gopal Ajay Malpani (upto 21.04.2025)	Member, Independent Director

Terms of reference:

- (i) To make allotment of securities/ warrants on preferential basis upon receipt of the subscription amount;
- (ii) To issue necessary allotment advice to the allottees;
- (iii) To make Corporate Action for the allotment of Securities and crediting in DEMAT account of the allottee;
- (iv) To make necessary application to Stock Exchange(s) for listing of securities;

- (v) To do all other acts, deeds and things which are incidental to the allotment of securities;

During the financial year 2025-26, the Committee met 2 (Two) times.

15. Project Committee:

The Company has constituted Project Committee to look after projects, comprising of the following members:

Sl. No.	Name of members	Category
1	Mr. Anurag Choudhary	Chairman, CMD & CEO
2	Mr. Amit Choudhary	Member, Executive Director
3	Mr. Gopal Ajay Malpani	Member, Independent Director
4	Mr. Kamlesh Kumar Agarwal	Member, CFO
5	Mr. M B Gadgil	Member, Consultant

Terms of reference:

To look after the project of manufacturing Lithium-Ion Battery (Lib) Components and report about the progress of the project.

16. Senior Management:

Particulars of senior management of the Company as on 31 March 2026 are as follows:

Name	Designation
Mr. Kamlesh Kumar Agarwal	Chief Financial Officer
Ms. Monika Saraswat	Company Secretary & Compliance Officer
Dr. Soumen Chakraborty	Business President, Treated Black Division
Mr. Monojit Mukherjee	Business President, Carbon Black Division
Mr. Somesh Satnalika	Executive Vice President, Tyre and Strategy
Mr. Kunal Mukherjee	Vice President, HR
Mr. Soumyodeep Bhattacharya	Business President, CTD & SNF (w.e.f. 15 July 2025)

During the year 2025-26, Mr. Soumyodeep Bhattacharya, Executive Vice President (CTD) has been designated as Key Managerial Personnel (KMP) effective from 15 July 2025. Apart from this there were no changes in the senior management during the year.

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17. General Body Meetings:

- i) **Annual General Meeting (AGM): Details of location, time, and date of the last three AGM and and Special Resolutions passed thereat are as follows:**

Financial Year	Number of the AGM	Date and Time	Venue	Special Resolutions passed
2022-23	35 th AGM	22 June 2023 at 11:00 a.m.	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"). The deemed venue: Ruby House, 8 India Exchange Place, 2 nd Floor, Kolkata – 700 001.	None
2023-24	36 th AGM	20 June 2024 at 11:00 a.m	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"). The deemed venue: Ruby House, 8 India Exchange Place, 2 nd Floor, Kolkata – 700 001.	1. Re-appointment of Mr. Anurag Choudhary (DIN-00173934) as Chairman cum Managing Director and CEO for a period of five (5) years with effect from 14 August 2024 to 13 August 2029; 2. Re-appointment of Mr. Amit Choudhary (DIN- 00152358) as Whole-time Director for a period of five (5) years with effect from 14 August 2024 to 13 August 2029;
2024-25	37 th AGM	12 June 2025 at 11:00 a.m	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"). The deemed venue: Ruby House, 8 India Exchange Place, 2 nd Floor, Kolkata – 700 001.	1. Appointment of Mr. Amitabh Srivastava (DIN: 09704968) as an Independent Director for a period of five (5) years with effect from 21 April 2025 to 20 April 2030; 2. Re-appointment of Mr. Shyam Sundar Choudhary (DIN: 00173732) as Whole-time Director for a period of three (3) years with effect from 01 April 2025 to 31 March 2028; 3. Adoption of the amended Articles of Association; 4. Approval of transactions under Section 185 of Companies Act, 2013 for granting inter-corporate loans to or provide guarantee or security in favour of persons in whom any of the directors are interested;

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and the provisions of Regulation 44 of the SEBI Listing Regulations, the Company has been providing remote e-voting facility to its members to enable them to cast their votes by electronic means on all resolutions. During the last three years, no resolutions have been rejected by the shareholders.

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- ii) **Extraordinary General Meetings (EOGM):** No EOGM of the shareholders of the Company was held during financial year 2025-26. No EOGM was held during the last three financial years.

iii) **Postal Ballot:**

- (a) **During the financial year 2025-26, the Company did not pass any resolution by way of postal ballot.**

- (b) **Special Resolution proposed to be conducted through Postal Ballot:**

As of 31 March 2026, there is no immediate proposal for passing any resolution through postal ballot. However, if required, the same shall be passed in compliance of provisions of the Act, the SEBI Listing Regulations or any other applicable laws.

- (c) **Procedure followed for Postal Ballot:**

In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, Regulation 44 of the SEBI Listing Regulations and the applicable MCA Circulars, Members can vote only through the remote e-voting. Accordingly, the Company provides remote e-voting facility to all its Members to cast their votes electronically and engages the services of depositories for facilitating the e-voting process.

In terms of the applicable MCA Circulars, the Company sends the Postal Ballot Notices in electronic form only to its registered shareholders whose e-mail IDs are registered/available with the Depository Participants (DPs)/Registrars and Share Transfer Agents (RTAs) as on the cut-off date. Voting rights are reckoned on the paid-up value of the shares registered in the names of the Members as on the cut-off date. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last date of e-Voting. The scrutinizer, after the completion of scrutiny, submits scrutinizer report.

The consolidated results of the voting by postal ballot and e-Voting are then announced and the results are also displayed at the Registered Office of the Company and on the Company's website besides being communicated to BSE Limited, National Stock Exchange of India Limited, CDSL and NSDL.

18. Means of communication:

- a. **Quarterly/Annual Financial Results:** The unaudited quarterly financial results are announced within 45 days from the end of each quarter, and the audited annual financial results are announced within 60 days from the end of the last quarter. These financial results, after being taken on record by the Audit Committee and Board of Directors, are communicated to the Stock Exchanges, where the shares of the Company are listed. Any news, updates, or vital/useful information to shareholders are being intimated to Stock Exchange(s) and are being displayed on the Company's website: www.himadri.com
- b. **Newspapers:** During the financial year 2025-26, financial results (Quarterly & Annual) were published in newspapers viz. Financial Express, Jansatta (Hindi) and Ei Samay (Vernacular) in the format prescribed by SEBI.
- c. **Website:** The financial results are also posted on the Company's Website at www.himadri.com. The Company's website provides information about its business and the section on "Investor Relations" serves to inform and service the Shareholders allowing them to access information at their convenience.
- d. **Annual Report:** Annual Report is circulated to all the Members within the required period. In view of the SEBI circular no. SEBI/HO/CFD/CFDPoD-2/P/CIR/2024/133 dated October 3, 2024, the Company has sent Annual Report for the financial year 2024-25 through email to shareholders. The Annual Reports are also available on the Company's website at www.himadri.com. The Company also provides live webcast facility of its AGM in coordination with NSDL. The shareholders have been provided e-voting option for the resolutions passed at the general meeting to vote as per their convenience.
- e. **News releases/Investor Updates and Investor presentations:** The Company regularly uploads general presentation, press release, earning releases of the Company and its business on the website for the benefit of all the stakeholders.
- f. **NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre:** NEAPS and BSE Listing centre are web-based applications designed by NSE and BSE, respectively, for corporates to make submissions. All periodical compliance filings, inter

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alia, shareholding pattern, compliance report on corporate governance, corporate announcements, Integrated Filing (Governance) and Integrated Filing (Financials) amongst others, are filed electronically in accordance with the Listing Regulations. Further, in compliance with the provisions of the Listing Regulations, all the disclosures made to the stock exchanges are in a format that allows users to find relevant information easily through a searching tool

g. E-mail ID of the Registrar & Share Transfer Agent:

All the share related requests/queries/correspondence, if any, are to be forwarded by the investors to the Registrar and Transfer Agent of the Company, M/s S. K. Infosolutions Pvt. Ltd, D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032 or e-mail them at skcdilip@gmail.com.

h. Designated E-mail ID for Complaints/ Redressal:

In compliance with Regulation 46(2) of SEBI Listing Regulations, the Company has designated an e-mail ID investors@himadri.com exclusively for registering complaints/ grievances by investors. Investors whose requests/queries/correspondence remain unresolved can send their complaints to the Company to resolve the grievances to the above referred e-mail ID.

i. SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralized web-based complaints redressal system through SCORES. The Action Taken Reports are uploaded online by the Company for any complaints received on SCORES platform, thereby making it convenient for the investors to view their status online. SEBI has requested the shareholders to approach the Company directly at the first instance for grievance. If the Company does not resolve the grievances of the shareholders within stipulated time, then they may lodge the complaint on the SEBI SCORES Portal for further action. The revised framework for handling and monitoring of investor complaints received through SCORES platform by the Company and designated stock exchanges is provided by SEBI in its Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7th May 2024. The same is available on the website of the Company at www.himadri.com.

j. Dispute Resolution Mechanism (SMART ODR):

In order to strengthen the dispute resolution mechanism for all disputes between a listed company and/or registrars & transfer agents and its shareholder(s)/investor(s), SEBI had issued a Standard Operating Procedure ("SOP") vide Circular dated May 30, 2022. As per this Circular,

shareholder(s)/investor(s) can opt for Stock Exchange Arbitration Mechanism for resolution of their disputes against the Company or its RTA. Further, SEBI vide Circular dated July 31, 2023 (updated as on December 28, 2023), introduced the Online Dispute Resolution (ODR) Portal. After exercising and exhausting all the available options for resolution of the grievance, directly with the Company and through the SEBI Complaint Redress System (SCORES) platform., if the Shareholder is still not satisfied with the outcome, they may initiate dispute resolution through the Online Dispute Resolution Portal ("ODR") at <https://smartodr.in/login>. The process for online resolution of disputes in the securities market has been provided by SEBI in its Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated 28th December 2023. With the said Circular, the existing dispute resolution mechanism in the Indian securities market is being streamlined under the aegis of Stock Exchanges and Depositories by expanding their scope and by establishing a common ODR Portal which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian securities market. The aforesaid Circular issued by SEBI in this regard can be accessed on the website of the Company at www.himadri.com.

Through this ODR portal, the aggrieved party can initiate the mechanism, after exercising the primary options to resolve its issue, directly with the Company and through the SEBI Complaint Redress System (SCORES) platform. The Company has complied with the above circulars and the same are available at the website of the Company at https://www.himadri.com/home/investor_information.

19. General Shareholder Information:

The Shareholders are kept informed by way of mailing of Annual Reports, notices of Annual General Meetings, Extra Ordinary General Meetings, Postal Ballots and other compliances under the Act and SEBI Listing Regulations. The Company also issues press releases and publishes quarterly results and Business Updates.

i. Annual General Meeting (AGM) and Book Closure Dates

The Day, Date, Time of the 38th AGM and Book Closure Dates in relation thereto have been indicated in the Notice convening the AGM.

ii. Financial Year

The financial year of the Company is from 1 April to 31 March every year.

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iii. Tentative Schedule for the Meetings for the financial year 2026-27

Financial Year	2026-27
Board meetings for approval of quarterly results	
- Quarter ended 30 June 2026	Within 2 nd Week of August 2026
- Quarter ended 30 September 2026	Within 2 nd week of November 2026
- Quarter ended 31 December 2026	Within 2 nd week of February 2027
- Audited Financial Results for the year ended 31 March 2027	Within 60 days from the end of the financial year
AGM for the financial year 2025-26	Within 1 st Week of September 2026
Dispatch of Annual Report	21 (clear) days before the meeting or by electronic mode as per circular of MCA and SEBI from time to time.

iv. Dividend payment date

The Company will pay the dividend within a period of 30 days from the date of declaration and the required funds will be transferred to the Dividend Account within 5 days from the date of the AGM.

v. Listing of Securities on Stock Exchange (s)

Equity Shares: The Company's shares are presently listed on the following Stock Exchange(s):

Sl. No.	Stock Exchange	Listing code
1	BSE Limited P. J. Towers, Dalal Street, Fort Mumbai- 400 001	500184
2	National Stock Exchange of India Ltd "Exchange Plaza" Bandra- Kurla Complex, Bandra (E), Mumbai - 400 051	HSCL

The Company has remitted the annual listing fee to the Stock Exchanges for FY 2025-26.

vi. None of the Company's securities have been suspended from trading.

vii. Registrar and Share Transfer Agent

The Company has engaged the services of M/s S. K. Infosolutions Pvt. Ltd at D/42, Katju Nagar

Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032, a SEBI registered Registrar as Registrar and Share Transfer Agent ("RTA") of the Company. All the queries related to shares may be forwarded directly to the Company's RTA.

Shareholders are requested to surrender the old share certificates having Face Value of ₹10/- each to the Registrar and Share Transfer Agent for cancellation and exchange of new certificates of Face Value of ₹1/- each pursuant to stock split approved by the shareholders at the AGM held on 28 September 2010, for which the Record Date was fixed on 9 November 2010.

viii. Share Transfer and Transmission System

Securities of listed companies can be transferred only in dematerialised form effective 1 April 2019. Further, as mandated by SEBI all listed companies to issue securities in dematerialised form only, while processing the service request of 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.

Since the shares are compulsorily required to be traded in dematerialized form, shareholders are requested to get their physical shareholdings converted into DEMAT form through their depository. The Company has made necessary arrangements with Depositories viz NSDL/CDSL for dematerialization of shares. M/s S. K. Infosolutions Pvt. Ltd, RTA has been appointed as the common agency to act as transfer agent for both physical and demat shares.

Issue of duplicate share certificates and all other investors' related activities are attended and processed at the office of the RTA, M/s S. K. Infosolutions Pvt. Ltd, at D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032.

Shareholders are advised to refer the latest SEBI guidelines/ circular(s) issued for all the holder holding securities in listed companies in physical form from time to time and keep their KYC details updated at all times.

In accordance with SEBI circular no. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated 2nd July, 2025, during the financial year 2025-26, a special window has been opened for re-lodgement of transfer deeds which were lodged prior to the

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deadline of April 01, 2019 and rejected/returned/not attended to due to deficiency in the documents/process/or otherwise.

ix. Nomination facilities

Section 72 of the Act read with Rule 19(1) of Companies (Share Capital and Debentures) Rules, 2014, provides for the facility of nomination to security holders of the Company. This facility is mainly useful in the case of those holders who hold their shares in their own name. Investors are advised to avail of this facility to avoid any complication in the process of transmission, in case of death of the holders. Where more than one person holds the securities of a company jointly, the joint holders may together nominate, in the prescribed manner, any person to whom all the rights in the securities shall vest in the event of death of all the joint holders.

In case the shares are held in physical mode, the nomination form may be obtained from the Registrar & Share Transfer Agent. In case of shares held in Demat form, such nomination is to be conveyed to the DP as per the formats prescribed by them.

In this connection, shareholders holding shares in physical form are requested to update their Nomination details, if not provided earlier to S K Infosolutions Private Limited, the RTA of the Company, by submitting the following forms.

- i. Form ISR-3: Declaration to Opt-out of Nomination
- ii. Form SH-13: Nomination Form
- iii. Form SH-14: Change in Nomination
- iv. Form SH-14 and ISR-3: Cancellation of Nomination

The Nomination form is available at the website of the Company at https://www.himadri.com/home/investor_information.

x. Dividend remittance

Dividend on equity shares as recommended by the Board for the year ended 31 March 2026, when declared at the ensuing AGM will be paid within 30 days from the date of declaration.

The dividend would be paid to all the equity shareholders, whose names would appear in the Register of Members / list of Beneficial Owners

on the record date determined for the purpose of dividend.

xi. Electronic Clearing Service – NECS

Members desirous of receiving dividends by direct electronic deposits of dividend vide NECS in their account may authorise the Company with their mandate. Members are requested to provide necessary details of their bank account to Company's Registrar and Share Transfer Agent, M/s S. K Infosolutions Pvt. Ltd, D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032, Ph No: 033-24120027/ 033-24120029.

xii. Bank details of physical shareholding

Shareholders holding shares in physical form are requested to update their PAN, KYC, Nomination details, if not provided earlier to S K Infosolutions Private Limited, the RTA of the Company, by submitting the following forms.

- i. Form ISR-1: Request for Registering PAN/KYC, Bank details or Changes/Updation thereof
- ii. Form ISR-2: Confirmation of Signature of Shareholders by the Banker

The said Form can also be downloaded from our website www.himadri.com under Investor Section.

xiii. Details of Payee

SEBI has mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 1, 2024, upon their furnishing all the aforesaid details in entirety.

The Company has also issued letters of reminder to the security holders to provide such information.

The payment of dividend is made only through electronic mode with effect from 01 April 2024.

xiv. Unclaimed / Unpaid Dividend

The amount of unclaimed dividend lying in credit of separate banking accounts. Members may please note that pursuant to Section 124(5) and Section 125 of the Act the amount lying in credit of any unpaid dividend account if, remained un-claimed for 7 years or more from the date it became unpaid/

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unclaimed shall be transferred to the Investor Education and Protection Fund. As on 31 March 2026, the following amounts are unclaimed and lying credit in separate bank accounts with various banks.

Financial Year	Date of declaration	Amount Unpaid/ unclaimed as on 31.03.2026 (₹)	Due date for transfer to Investor Education and Protection Fund	Banker's name in which the unpaid amount is lying
2018-19	25 September 2019	4,33,312.80	31 October 2026	State Bank of India
2019-20	11 December 2020	5,32,795.57	16 January 2027	Axis Bank Ltd
2020-21	29 September 2021	6,83,466.63	04 November 2028	Axis Bank Ltd
2021-22	28 September 2022	7,09,053.23	03 November 2029	Axis Bank Ltd
2022-23	22 June 2023	4,35,918.37	28 July 2030	Axis Bank Ltd
2023-24	20 June 2024	16,50,445.89	26 July 2031	Axis Bank Ltd
2024-25	12 June 2025	11,26,453.18	18 July 2032	Axis Bank Ltd

Therefore, Members who have so far not encashed their dividend warrants or have not received the dividend warrants / draft may write to the Company or its' Share Transfer Agent for payment of Dividend.

xv. Transfer of Unclaimed Dividend to IEPF

During the financial year 2025-26, pursuant to the provision of Section 124 of the Act, the Company has transferred a sum of ₹3,19,482.50 to the IEPF, the amount of dividend which was unclaimed/unpaid for a period of seven years declared for the financial year 2017-18. The shareholders may re-claim those dividends from the IEPF Authority by complying with prescribed procedure and filing the e-Form- IEPF-5 online with MCA portal.

xvi. Transfer of Unclaimed Shares to IEPF

During the financial year 2025-26, the Company has transferred 64,586 shares of 81 shareholders in respect of which dividend has not been paid or claimed for seven consecutive years or more pursuant to Section 124 (6) of the Act to the credit of IEPF Authority as prescribed in Section 125 of the Act.

However, the shareholders may re-claim those shares from the IEPF Authority by complying with prescribed procedure and filing the e-Form- IEPF-5 online with MCA portal. The shareholder claiming the shares should take a printout of the e-Form (IEPF-5) and forward the same with all documents as mentioned in the e-form to the NODAL Officer of the Company for onward submission to the IEPF Authority along with verification report. The name, address, and contact no of the NODAL Officer of the company is given hereunder:

Name: Ms. Monika Saraswat,

Designation: Company Secretary & Compliance Officer
Himadri Speciality Chemical Ltd

Regd. Off: 23A, Netaji Subhas Road, 8th Floor, Suite No 15, Kolkata- 700 001

Corporate Office: 8, India Exchange Place, 2nd Floor, Kolkata- 700 001

Contact No: 033-22309953/ 22304363.

E-mail: monika@himadri.com

xvii. Credit ratings obtained along with any revisions thereto during the financial year for all debt instruments.

Rating Agency: ICRA Limited vide its' letter dated 10 September 2025, has assigned Credit Rating to Company's various credit facilities and instruments as mentioned below:

Facilities	Amount (In ₹ Crore)	Rating Assigned	Remarks
Fund Based /Non- Fund Based Working Capital	1980.86	[ICRA]AA- (Positive)/ [ICRA]A1+ Outlook: Positive	Reaffirmed/ Assigned for enhanced amount
Commercial Paper	300.00	[ICRA]A1+	Reaffirmed
Commercial Paper	200.00	[ICRA]A1+	Assigned

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Rating by India Ratings and Research Private Limited (Ind-Ra)

India Ratings and Research Private Limited (Ind-Ra), a credit rating agency vide its' letter dated 20 March 2026 has affirmed the Credit Rating to Company's Commercial Paper as follows:

Instrument Type	Amount (In ₹ Crore)	Rating Assigned	Remarks
Commercial Paper	100	IND A1+	Affirmed

Platinum Medal from EcoVadis: The Company has been awarded with the prestigious Platinum Medal for second consecutive year by EcoVadis, the world's most trusted sustainability ratings provider. This achievement places the company in the top 1% of more than 150,000+ companies globally assessed by EcoVadis.

ICRA ESG Ratings Limited, a credit rating Agency vide its' letter dated 13 May 2025 has assigned Environmental, Social, and Governance ("ESG") rating of "[ICRA ESG] Combined Rating 80, Exceptional" to the Company.

xviii. Distribution of Shareholding and Shareholding Pattern as on 31 March 2026

• Distribution of Shareholding as on 31 March 2026

No. of shares	No. of Shareholders	% of total number of shareholders	Number of shares held	% of the total number of shares
UPTO 5000	4,06,306	99.49	5,86,65,156	11.63
5001 to 10000	1,084	0.26	80,18,870	1.59
10001 to 20000	455	0.11	64,38,204	1.28
20001 to 30000	153	0.04	38,71,676	0.77
30001 to 40000	70	0.02	24,26,451	0.48
40001 to 50000	60	0.01	27,29,189	0.54
50001 to 100000	93	0.02	64,50,105	1.28
100001 to 500000	122	0.03	2,55,23,904	5.06
500001 to 1000000	22	0.01	1,63,22,736	3.23
1000001 and Above	43	0.01	37,40,95,308	74.14
Total	4,08,408	100.00	50,45,41,599	100.00

• Shareholding pattern as on 31 March 2026

	Category of shareholders	No. of holders	% of total number of holders	Number of shares held	% of the total number of shares
(A)	Promoter Group				
1	Individual	7	0.00	7,79,67,676	15.45
2	Bodies corporate	2	0.00	18,68,91,626	37.05
	Sub- total (A)	9	0.00	26,48,59,302	52.50
(B)	Non-promoters				
1	Mutual funds	20	0.00	57,28,549	1.14
2	Alternate Investment Funds	3	0.00	10,38,286	0.21
3	Bank & Insurance Companies	6	0.00	93,63,601	1.86
4	NBFCs registered with RBI	3	0.00	57,216	0.01
5	Foreign Portfolio	120	0.03	3,01,57,918	5.98
6	Central Government/ State Government(s)/ President of India.	2	0.00	4,960	0.00
7	KMP	6	0.00	13,06,856	0.26

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	Category of shareholders	No. of holders	% of total number of holders	Number of shares held	% of the total number of shares
8	Bodies Corporate and Others	833	0.20	5,93,36,405	11.76
9	Individuals	3,99,405	97.80	10,50,32,319	20.81
10	IEPF	1	0.00	36,13,837	0.71
11	N. R. I.	4,007	0.98	24,80,835	0.49
12	Clearing Members	3	0.00	464	0.00
13	HUF	3,797	0.94	70,04,689	1.39
14	Trusts	2	0.00	2,700	0.00
15	Market Maker	42	0.01	65,14,784	1.29
16	LLP	103	0.03	63,44,821	1.26
17	CLIENT MARGING TRADING /CLIE COLLATERAL ACCOUNT	46	0.01	16,94,057	0.33
	Sub-total (B)	4,08,399	100.00	23,96,82,297	47.50
	Total (A) + (B)	4,08,408	100.00	50,45,41,599	100.00

xix. Dematerialization of shares and liquidity

The trading in the Company's Equity Shares has been permitted in Demat form and it has joined as a member of the Depository services with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as an Issuer Company for dematerialization of its' shares. Shareholders can get their shares dematerialized with either NSDL or CDSL.

Pursuant to stock split approved by the shareholders at the AGM held on 28 September 2010, each equity shares of face value of ₹10/- each has been sub-divided into ten equity shares of ₹1/- each and the depositories allotted the following new ISIN number to the Company:

ISIN - INE 019C01026

As on 31 March 2026, out of the 50,45,41,599 equity shares of the Company 50,29,54,037 shares were held in electronic form representing 99.69% to the total paid up share capital, whereas balance of 15,87,562 shares were held in physical form representing 0.31% to the total paid up share capital of the Company. Members still holding physical share certificates are requested to dematerialize their shares by approaching any of the Depository Participants registered with the Securities and Exchange Board of India (SEBI).

The Company's 50,45,41,599 equity shares of ₹1 each as on 31 March 2026 are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company has paid the annual listing fees to these stock exchanges.

The summary of the shareholdings of the Company being held is given below:

Held in dematerialised form in CDSL	6,58,88,634	13.06%
Held in dematerialised form in NSDL	43,70,65,403	86.63%
Physical	15,87,562	0.31%
Total No. of shares	50,45,41,599	100.00%

xx. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company, on 14 May 2024 has allotted 1,08,17,000 (One Crore Eight Lakh Seventeen Thousand) warrants, on preferential basis to the Promoters of the Company and certain identified non-promoter persons, at a price of ₹316 each payable in cash ("Warrant Issue Price").

Each warrant, so allotted, is convertible into or exchangeable for one fully paid-up equity share of the Company having face value of ₹1 (Rupee One only) each in accordance with the provisions

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of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, on payment of the balance consideration of ₹237 per warrant ("Warrant Exercise Price"), being 75% of the issue price per warrant from the Allottees pursuant to exercise of conversion option against each such warrant, within 18 months from the date of allotment of warrants.

Subsequently the Company during the financial year 2024-25, upon receipt of balance 75% of the issue price (i.e., ₹237 per warrant) for 1,60,000 warrants, has allotted equal number of fully paid-up equity shares against conversion of said warrants exercised by the warrant holder.

During the financial year 2025-26 the company has allotted 1,06,57,000 fully paid-up equity shares against conversion of equal no. of warrants exercised by the warrant holder upon receipt of balance 75% of the issue price (i.e., ₹237 per warrant).

There are no warrants outstanding as on 31 March 2026.

The Company has not issued any American depository receipts or global depository receipts.

xxi. Commodity price risk/foreign exchange risk and hedging activities

The Company is exposed to foreign exchange risks on export of goods and imports of raw materials/capital item. During the year, the Company has managed foreign exchange risk and hedged foreign exchange to the extent considered necessary. The details of foreign currency transactions are disclosed in the Notes to the Standalone Financial Statements.

In terms of the SEBI Listing Regulations, the Management Discussion and Analysis Report forms part of the Annual Report. Disclosures relating to risks including commodity price risk, foreign exchange risk, hedging activities etc., have been adequately covered under the Management Discussion and Analysis Report.

xxii. Locations of Plants

Sr. No.	Location of Plant
1	Mahistikry, P.S.- Haripal, District-Hooghly (W.B.)
2	Liluah Unit (Howrah), 58, N.S. Road, Liluah, Howrah - 711 204 (W. B.)
3	Liluah Unit (Howrah), 27-B, Gadadhar Bhatt Road, Liluah, Howrah- 711 204 (W.B.)
4	Korba Unit - Vill- Jhagrah, Rajgamar Colliery, Korba- 495683 (Chhattisgarh)
5	Vizag Unit - Plot No. 67, 68 & 69, Ancillary Industrial Estate, Vill: Pedagantyada, PIN- 530 013 (A. P.)
6	Sambalpur Unit, Kenghati. P.O Jayantpur, Sambalpur -768112
7	Falta Special Economic Zone J.L. No 1, Dag No: 49,50,51, Sector- II, Vill- Simulberia, P.O.- Falta, Dist- 24 Pgs (South) West Bengal -743504
8	China Unit, Longkou, Shandong, China. (Step-down Subsidiary)

xxiii. Address for correspondence

All communication may be sent to Ms. Monika Saraswat, Company Secretary and Compliance Officer at the following address:

Himadri Speciality Chemical Ltd

**23A, Netaji Subhas Road, 8th Floor, Suite no 15
Kolkata - 700 001**

Phone number: (033) 2230 9953/ 2230-4363

Fax No 91-33-2230-9051, e-mail: investors@himadri.com

All shares related queries may be sent to the Company's Registrar and Share Transfer Agent, M/s S. K. Infosolutions Pvt. Ltd at D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032, Ph No: 033-24120027 / 033-24120029.

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20. Subsidiary Companies

The Company has 14 (Fourteen) Subsidiary Companies including three foreign subsidiaries as on 31 March 2026:

Sl. No	Indian Subsidiaries	% of holding	Type
1	Himadri Agro Tech Specialities Limited (Formerly known as Combe Projects Limited, Combe Projects Private Limited)	100	Wholly Owned Subsidiary
2	Himadri Clean Energy Limited	100	Wholly Owned Subsidiary
3	Himadri Future Material Technology Limited	100	Step down Wholly Owned Subsidiary in which the Company holds 100% equity through its Wholly Owned Subsidiary Company, Himadri Clean Energy Limited.
4	Himadri Green Technologies Innovation Limited	100	Step down Wholly Owned Subsidiary in which the Company holds 100% equity through its Wholly Owned Subsidiary Company, Himadri Clean Energy Limited.
5	Invati Creations Private Limited*	40	Subsidiary
6.	Birla Tyres Limited	100	Wholly Owned Subsidiary
7	Himadri Birla Tyre Manufacturer Private Limited*	49	Subsidiary
8	Trancemarine and Confreight Logistics Private Limited	60	Subsidiary
9	Sturdy Niketan Private Limited	99	Step down subsidiary in which Trancemarine and Confreight Logistics Private Limited holds 99% shareholding.
10	Himadri Advance New Energy Material Limited (Formerly known as Elixir Carbo Limited, Elixir Carbo Private Limited)	100	Wholly Owned Subsidiary
11	Himadri Integrated Minerals and Resources Limited (Formerly known as Himadri Power Limited)	100	Wholly Owned Subsidiary
	Foreign Subsidiaries		
12	AAT Global Limited (In Hong Kong)	100	Wholly Owned Subsidiary
13	Shandong Dawn Himadri Chemical Industry Limited (In China)	94	Step down Subsidiary in which the Company holds 94% equity through its Wholly Owned Subsidiary Company, AAT Global Limited.
14	Himadri Speciality Inc (In the State of Delaware, United States of America)	100	Wholly Owned Subsidiary

* The Company has acquired 40% and 49% paid-up share capital of Invati Creations Private Limited ("ICPL") and Himadri Birla Tyre Manufacturer Private Limited ("HBTMPL") respectively and this voting right does not qualify ICPL and HBTMPL as a subsidiary under Section 2(87) of the Companies Act, 2013. However, based on contractual rights (including potential voting right), Himadri has the power to make decisions concerning relevant activities and thus has control over ICPL and HBTMPL as per IND AS 110: "Consolidated Financial Statements." Consequently, the management of the Company has decided to consolidate the financial results of ICPL and HBTMPL as subsidiary with effect from 17 May 2024 and 1 April 2025 respectively..

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Material subsidiary

During the financial year 2025-26, AAT Global Limited was material subsidiary pursuant to Section 16 of the SEBI Listing Regulations. Mr. Gopal Ajay Malpani, the Independent Director of the Company, has been appointed as Director of AAT Global Limited.

The Board of Directors of the Company regularly reviews the financial statements of the unlisted subsidiary companies. Further, the Audit Committee reviews the financial statements, in particular, the investments made by the unlisted subsidiary companies. The Company has duly formulated a policy for determining 'Material' Subsidiaries. The main objective of the policy is to ensure governance of material subsidiary companies. The Company has also complied with the other provisions of Regulation 24 of the SEBI Listing Regulations with regard to Corporate Governance requirements for subsidiary Company.

The web link for Policy for determining Material Subsidiaries is placed on the website of the Company at https://www.himadri.com/home/uploads/govnce_report/code_policy/1776950634_Policy_for_determining_Material_Subsidiaries_23.04.2026_AMENDED.pdf

21. Other Disclosures

- i. **Materially significant related party transactions (i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc) that may have potential conflict with the interests of the Company at large;**

The Company has not entered into any materially significant related party transaction during the year with any of the related parties which may have potential conflict with the interest of the Company. The related party transactions constitute contracts or arrangements, made by the Company from time to time, with Companies in which Directors are interested. The Audit Committee reviews periodically the related party transactions and the Committee provided omnibus approval for related party transactions which are in ordinary course of business (repetitive in nature) and are on Arm's Length basis. All transactions covered under the related party transactions are regularly approved by the Board. There were no material

transactions during the financial year 2025-26 that were prejudicial to the Company's interest. There are no materially significant related party transactions i.e., transactions of the Company of a material nature that may have potential conflict with Company's interest at a large. Related party transactions as per requirements of Indian Accounting Standard (Ind- AS 24) "Related Party Disclosures" are disclosed in the Notes to the Financial Statements of the Company for the year ended 31 March 2026.

- ii. **Reconciliation of Share Capital Audit Report;**

A Practising Company Secretary has carried out exercise of Reconciliation of Share Capital to the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital as on the close of the financial year 2025-26. The Reconciliation of Share Capital confirms that the total issued / paid up capital is in line with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

- iii. **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority, on any matter related to the capital markets, during the last three years;**

The Company has complied with the requirements of the stock exchange(s)/ SEBI and statutory authorities on all matters related to capital markets during the last three years. There were no penalties or strictures imposed on the Company by the stock exchange(s), SEBI or any statutory authority in any matter related to capital markets.

- iv. **Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no person has been denied access to the Audit Committee;**

The Company has adopted a Vigil Mechanism and Whistle Blower Policy and the same is uploaded on the website of the Company at www.himadri.com. The Board appointed Ms. Monika Saraswat, Company Secretary, as Vigilance Officer for this purpose. The whistle

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blowers may also lodge their complaints/concern with the Chairman of the Audit Committee, whose contact details are provided in the Whistle Blower Policy of the Company. The Policy also offers appropriate protection to the whistleblowers from victimization, harassment, or disciplinary proceedings.

Further, during the financial year ended 31 March 2026, no personnel have been denied access to the Audit Committee, in this regard.

v. Details of compliance with Mandatory and Non-mandatory requirements;

The Company has complied with the mandatory requirements of Regulation 34(3) read with Schedule V of the Listing Regulations and has adopted a few non-mandatory requirements as specified under Regulations of SEBI Listing Regulations, which are reviewed by the management from time to time.

vi. Details of adoption of Non-mandatory (discretionary) requirements;

The Company has duly fulfilled the following discretionary requirements as prescribed in Regulation 27(1) Part E of Schedule II of the SEBI Listing Regulations as follows:

Independent Women Director

Ms. Rita Bhattacharya is an Independent Women Director on the Board of the Company.

Unmodified Audit Opinion

During the year under review, there is no audit qualification in your Company's financial statements. Your Company continues to adopt best practices to ensure a regime of financial statements with unmodified audit qualifications.

Reporting of Internal Auditor

Internal Auditors of the Company make presentations to the Audit Committee on their Reports and have direct access and functionally reports to the Audit Committee.

Meeting of Independent Directors

During the financial year ended 31 March 2026, the Company held two meetings without the presence of non-independent directors and members of the management.

Risk Management

The Company has a duly constituted Risk Management Committee

Other Items

The rest of the Non-Mandatory Requirements will be implemented by the Company as and when required and/ or deemed necessary by the Board.

vii. Proceeds from Public Issues, Rights Issue, Preferential Issue, Qualified Institutional Placement etc.;

The Company has not raised any money through issue of Securities by means of Public issue, Rights Issue, Qualified Institutional Placement etc. during the financial year ended 31 March 2026.

Pursuant to the approval of the Board at its meeting held on 20 March 2024 and approval of the members of the Company obtained via special resolution passed through Postal Ballot on 19 April 2024, upon receipt of 25% of the issue price per warrant (i.e. ₹79 per warrant) as upfront payment ("Warrant Subscription Price"), the Company, on 14 May 2024 had allotted 1,08,17,000 (One Crore Eight Lakh Seventeen Thousand) warrants, on preferential basis to the Promoter/Promoter Group of the Company and certain identified non-promoter persons, at a price of ₹316 each payable in cash ("Warrant Issue Price").

Each warrant, so allotted, is convertible into or exchangeable for one fully paid-up equity share of the Company having face value of ₹1 (Rupee One only) each in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, on payment of the balance consideration of ₹237 per warrant ("Warrant Exercise Price"), being 75% of the issue price per warrant from the Allottees pursuant to exercise of conversion option against each such warrant, within 18 months from the date of allotment of warrants.

The Company had allotted 1,60,000 equity shares during the financial year 2024-25 and remaining 1,06,57,000 equity shares during the Financial Year 2025-26 upon receipt of 75% of the issue price (i.e., ₹237 per warrant) and upon conversion of Warrants exercised by the warrant holders.

There are no warrants outstanding as on 31 March 2026.

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viii. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations

The details of utilization of funds raised during the financial year 2025-26 against conversion of warrants are given hereunder:

Sl No.	Particulars	Amount in ₹ Lakhs
1	Funds raised through allotment of 1,08,17,000 warrants on 14 May 2024	8,545.43
2	Funds raised through allotment of 1,60,000 fully paid-up equity shares against conversion of equal number of warrants during financial year 2024-25	379.2
3	Funds raised through allotment of 1,06,57,000 fully paid-up equity shares against conversion of equal number of warrants during financial year 2025-26	25,257.09
4	Total Funds raised and available for utilization till 31 March 2026 (1+2+3)	34,181.72
5	Funds utilized during the year ended 31 March 2025	8,924.63
6	Funds utilized during the year ended 31 March 2026	14,019.05
7	Total Funds utilized till 31 March 2026 (5+6)	22,943.68
8	Funds remaining to be utilized as on 31 March 2026 (4-7)	11,238.04

There is no deviation or variation in the use of proceeds from the preferential issue of warrants, from the objects as stated in the Explanatory Statement to the Notice of the Postal Ballot dated 19 April 2024. Further, there is no category wise variation between projected utilisation of funds and the actual utilisation of funds.

ix. Web link where policy on determining 'material' subsidiaries is disclosed;

The Company has formulated a policy pursuant to provisions of Chapter IV of SEBI Listing Regulations to determine material subsidiaries. The policy is posted on the website of the Company and the web link for the same is: https://www.himadri.com/home/uploads/govnce_report/code_policy/1776950634_Policy_for_determining_Material_Subsidiaries_23.04.2026_AMENDED.pdf

x. Web link where policy on dealing with related party transactions;

The Company has duly formulated a Policy on dealing with Related Party transactions. The Company recognizes that certain transactions present a heightened risk of conflicts of interest or the perception thereof and therefore has adopted this Policy to ensure that all Related Party Transactions with Related Parties shall be subject to this policy and approval or ratification in accordance with Applicable Law. This Policy contains the policies and procedures governing

the review, determination of materiality, approval and reporting of such Related Party Transactions. The link for the same as placed on the website of the Company is https://www.himadri.com/home/uploads/govnce_report/code_policy/1776950455_RPT_Policy_HSCL_-_23.04.2026_AMENDED.pdf

xi. Disclosure of commodity price risks and commodity hedging activities;

Disclosure of commodity price risks and commodity hedging activities has been adequately covered under the Management Discussion and Analysis Report.

xii. Declaration of non-disqualification or debarment for appointment / continuing as the Director in companies for the financial year 2025-26;

There is no such director on the Board of the Company who has been disqualified by virtue of any provisions of the Act and any other laws or debarred by any regulatory authority to be appointed or continue to act as Director.

A Certificate from a Company Secretary in Practice that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to this report as **Annexure II**.

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xiii. Recommendation from the Committees to the Board;

There were no such instances where the Board has not accepted the recommendations of / submissions by the Committee, which were required for the approval of the Board of Directors during the financial year under review.

xiv. Details of fees paid to statutory auditor;

Total fees paid by the Company and its subsidiaries to the statutory auditor's for all the services provided by them are as follows:

Payment towards-	Amount ₹ in Lakhs	
	2025-26	
	Company	Subsidiaries
Statutory Audit Fee	60.00	37.81
Limited Review Reports	30.00	11.43
Certification fees	10.20	-
Re-imbursement of Expenses	2.96	-
Total	103.16	49.24

xv. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

The Company has constituted Internal Complaint Committee pursuant to Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. During the financial year 2025-26, the Committee submitted its Annual Report as prescribed in the said Act and there was no complaint as regards sexual harassment received by the Committee during the financial year.

Details of Complaints received and redressed during the financial year 2025-26 are as follows:

- Number of complaints outstanding at the beginning of financial year - Nil
- Number of complaints filed during the financial year - Nil
- Number of complaints disposed of during the financial year - Nil
- Number of complaints pending as on end of the financial year - Nil

xvi. Disclosures with respect to demat suspense account/ unclaimed suspense account;

There are no shares in demat suspense account.

- aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year- NIL
- number of shareholders who approached listed entity for transfer of shares from suspense account during the year- NIL
- number of shareholders to whom shares were transferred from suspense account during the year- NIL
- aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year- NIL
- that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares- NIL

xvii. Disclosure of discretionary requirements as specified in Part E of Schedule II have been adopted;

As mentioned above in point no 21(vi)

xviii. Disclosure of Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of para C of Schedule V of SEBI (LODR) Regulation, 2015, with reasons thereof shall be disclosed;

There Company has complied with all the requirements of Corporate Governance report as stated under sub-paras (2) to (10) of para C of Schedule -V of SEBI Listing Regulations.

xix. Disclosure of the Compliance of the Corporate Governance;

The Company is in compliance with the Corporate Governance requirements as specified in Regulation 17 to 27 of the SEBI Listing Regulations and the Company is also in compliance with the requirements of dissemination of the information of as required in terms of clause (b) to (i) of Regulation 46 (2) of the SEBI Listing Regulations.

Annexure VIII

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xx. Details of corporate policies;

Sl. No	Policy	Link
1	Corporate Social Responsibility Policy	https://www.himadri.com/home/uploads/govnce_report/code_policy/1777370619_CSR_Policy.pdf
2	Composition of Committee	https://www.himadri.com/home/uploads/govnce_report/others/1768308138_List_of_Committee_of_Directors_17.10.2025.pdf
3	Profile of the Board of Directors	https://www.himadri.com/home/uploads/govnce_report/others/1777374092_Directorship_31.03.2026.pdf
4	Terms and Conditions of appointment of Independent Directors	https://www.himadri.com/home/corporate_governance_report
5	Familiarization Programme for Independent Directors	https://www.himadri.com/home/corporate_governance_report
6	Remuneration policy of Directors, KMPs & other Employees	https://www.himadri.com/home/uploads/govnce_report/code_policy/nomination-and-remuneration-policy-10.02.2023.pdf
7	Code of Conduct	https://www.himadri.com/home/uploads/govnce_report/code_policy/code-of-conduct-for-all-directors-and-senior-management_10.02.2023.pdf
8	Criteria for making payments to Non-Executive Directors	https://www.himadri.com/home/uploads/govnce_report/others/1775716344_Criteria_of_making_payments_to_non-executive_directors.pdf
9	Code of Conduct for Non-Executive Independent Directors	https://www.himadri.com/home/uploads/govnce_report/code_policy/code-of-conduct-for-independent-directors-HSCL.pdf
10	Policy on Related Party Transactions	https://www.himadri.com/home/uploads/govnce_report/code_policy/1776950455_RPT_Policy_HSCL_-_23.04.2026_AMENDED.pdf
11	Policy on determining Material Subsidiaries	https://www.himadri.com/home/uploads/govnce_report/code_policy/1776950634_Policy_for_determining_Material_Subsidiaries_23.04.2026_AMENDED.pdf
12	Whistle Blower Policy	https://www.himadri.com/home/uploads/govnce_report/code_policy/1744099263_Policy_on_Vigil_Mechanism.pdf
13	Policy on determination of Materiality for Disclosure(s)	https://www.himadri.com/home/uploads/govnce_report/code_policy/1746594818_Policy_on_determination_of_Materiality_of_Events_21.04.2025.pdf
14	Dividend Distribution Policy	https://www.himadri.com/home/uploads/govnce_report/code_policy/dividend-distribution-policy-10.02.2023.pdf

xxi. Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results. [Para A (2A) of Schedule V]

All transactions with related parties have been disclosed in Financial Statements.

Annexure VIII

of the Board's Report (Contd.)

xxii. Disclosure by the Company and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested;

During the year under review, no loans and advances was granted to firm/companies in which directors are interested, other than its subsidiaries. Loans granted to subsidiaries are given in Notes to the Standalone Financial Statements.

xxiii. Details of material subsidiaries of the Company, including the date and place of incorporation and name and date of appointment of statutory auditors of such subsidiaries;

Name of material subsidiary	AAT Global Limited
Date of incorporation	21-05-2005
Place of incorporation	Hong Kong
Name of appointment of statutory auditors	Sky Best CPA Limited,
Date of appointment of statutory auditors	13 April 2015

xxiv. Other items which are not mentioned in this Report are mentioned in the Board's Report and those items which are not applicable to the Company have not been separately commented upon.

xxv. Disclosure of certain types of agreements binding listed entities: During the year under review, the Company has not disclosed any information under clause 5A of paragraph A of Part A of Schedule III of SEBI Listing Regulations. Accordingly, there was no requirement for disclosing the same.

For and on behalf of the Board

Sd/-

Anurag Choudhary

Chairman Cum Managing Director &
Chief Executive Officer
(DIN: 00173934)

Sd/-

Shyam Sundar Choudhary

Executive Director
(DIN: 00173732)

Place: Kolkata

Date: 23 April 2026

Annexure VIII

of the Board's Report (Contd.)

Annexure I

Declaration by the Chief Executive Officer

[Pursuant to Regulation 34 (3) {Schedule V Paragraph D} of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members of
Himadri Speciality Chemical Ltd

I, Anurag Choudhary, Chairman Cum Managing Director & Chief Executive Officer of the Company declare that to the best of my knowledge and belief, all the Members of the Board and the designated personnel in the Senior Management Personnel of the Company have affirmed their respective compliance with the applicable Code of Conduct for the financial year ended 31 March 2026.

Place: Kolkata
Date: 23 April 2026

Sd/-
Anurag Choudhary
Chairman Cum Managing Director &
Chief Executive Officer
(DIN: 00173934)

Annexure VIII

of the Board's Report (Contd.)

Annexure II

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,
Himadri Speciality Chemical Ltd
23A, Netaji Subhas Road, 8th Floor, Suite No. 15
Kolkata – 700 001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Himadri Speciality Chemical Limited having CIN: L27106WB1987PLC042756, and having registered office at 23A, Netaji Subhas Road, 8th Floor, Suite No. 15, Kolkata – 700 001 (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 by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No	Name of the Director	Designation	DIN	Date of Appointment in Company
1	Mr. Anurag Choudhary	Chairman cum Managing Director and CEO	00173934	14/08/2019
2	Mr. Shyam Sundar Choudhary	Whole time Director	00173732	28/07/1987
3	Mr. Amit Choudhary	Whole time Director	00152358	14/08/2019
4	Mr. Girish Paman Vanvari	Independent Director	07376482	22/06/2021
5	Mr. Gopal Ajay Malpani	Independent Director	02043728	13/08/2021
6	Ms. Rita Bhattacharya	Independent Director	03157199	11/08/2022
7	Mr. Amitabh Srivastava	Independent Director	09704968	21/04/2025

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. 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 Arun Kumar Maitra & Co.
Practicing Company Secretaries

Sd/

A.K. Maitra

Partner

Place: Kolkata
Date: 13.04.2026

Membership No. A-3010 C.P. No. 14490
UDIN: A003010H000076261

Annexure VIII

of the Board's Report (Contd.)

Certificate on Corporate Governance

To,
The Members
Himadri Speciality Chemical Ltd
Ruby House
8, India Exchange Place
Kolkata-700001

We have examined the compliance of conditions of Corporate Governance by **Himadri Speciality Chemical Limited** (CIN: L27106WB1987PLC042756) (hereinafter called "the Company") for the financial year ended March 31, 2026 ("Period under Review"), as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination has been limited to review the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clauses and/or Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the Directors, the management and the Company's officers, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations during the Period under Review.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted its affairs of the Company.

For SP & SA Associates

Sd/
Stuti Pithisaria
Partner
Membership No. A24680
C.P. No.26447
UDIN: A024680H000179868
Peer Review Certificate No. 6972/2025
Date: 23 April 2026

Annexure VIII

of the Board's Report (Contd.)

CEO & CFO Certification

To,
The Members of
Himadri Speciality Chemical Ltd
23A, Netaji Subhas Road, 8th Floor, Suite No 15,
Kolkata - 700 001

Sub: CEO & CFO certification in terms of Regulation 17(8) of the SEBI (LODR) Regulations, 2015

We,

- 1) Anurag Choudhary, Chairman Cum Managing Director & Chief Executive Officer and
- 2) Kamlesh Kumar Agarwal, Chief Financial Officer

Certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended 31 March 2026 and that to the best of our knowledge and belief:
 - 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) 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 violative of the Company's code of conduct.
- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we 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 control, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee:
 - i) Significant changes in internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board

Sd/-

Anurag Choudhary

Chairman Cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-

Kamlesh Kumar Agarwal

Chief Financial Officer
PAN: *****0960H

Place: Kolkata
Date: 23 April 2026

Annexure IX

of the Board's Report

A New World. Responsible Growth. Resilient Future.

At Himadri, we recognize that we stand at a defining juncture in the global industrial transformation. For us, sustainability, innovation and resilience have transitioned from institutional goals to the very bedrock of our existence, essential for driving long-term value creation.

The global landscape is evolving rapidly, creating new opportunities for businesses to drive sustainable growth and long-term value creation. In this dynamic environment, organizations are increasingly embracing purpose-driven leadership, responsible practices and innovation to build resilient and future-ready businesses.

At Himadri, we see this transition as an opportunity to **innovate responsibly**, to **grow sustainably** and to create enduring value for all stakeholders.

Since our inception in 1990, Himadri has evolved into a globally recognised speciality chemicals company with a strong presence across the Speciality Chemical value chain. Today, our role extends beyond manufacturing; we are enabling transformation across critical sectors such as mobility, energy storage, infrastructure and advanced materials, supporting their transition toward a low-carbon and resource-efficient future.

Innovation with Purpose: Driving Sustainable Transformation

Innovation remains the cornerstone of our growth strategy. Our investments in next-generation materials, including Lithium Iron Phosphate cathode material and silicon-carbon anode material position us at the forefront of **emerging clean energy ecosystems**.

We are simultaneously embedding circular economy principles into our operations—transforming waste into value, enhancing resource efficiency and reducing environmental footprint across the value chain. Through a strong R&D ecosystem and technology-led approach, we are creating solutions that are not only high-performing but also sustainable by design.

Environmental Stewardship: Structured and Accountable

Our environmental strategy is anchored in a robust and systematic framework supported by our **ISO 14001:2015 Environmental Management System**, ensuring continuous

improvement, regulatory compliance and proactive risk management.

We are driving measurable impact across key areas:

- Energy efficiency through digital monitoring and optimisation
- Water stewardship through 100% Zero Liquid Discharge (ZLD)
- Advanced air emission control systems
- Structured GHG management aligned with Net Zero 2050
- Circular economy initiatives focused on waste-to-value

Through this integrated approach, we are effectively decoupling growth from environmental impact.

People at the Core: Growth with Responsibility

Our people remain central to our success. Guided by our Vision Zero philosophy, we have strengthened occupational health and safety systems, achieving Zero Lost Time Injury Frequency Rate (LTIFR).

We continue to foster a safe, inclusive and high-performance workplace through:

- Structured learning and leadership development programmes
- Diversity, equity and inclusion initiatives
- Our members' well-being and engagement programmes

Our commitment extends beyond employees to our value chain, ensuring respect for human rights and ethical labour practices.

Inclusive Growth and Responsible Ecosystem

We believe that sustainable growth must be inclusive. Through our CSR initiatives, we focus on education, healthcare, livelihood development and environmental sustainability, creating meaningful impact in the communities we serve.

We are also strengthening our responsible value chain by integrating ESG considerations into supplier engagement, risk assessment and performance evaluation—ensuring sustainability extends beyond our operations.

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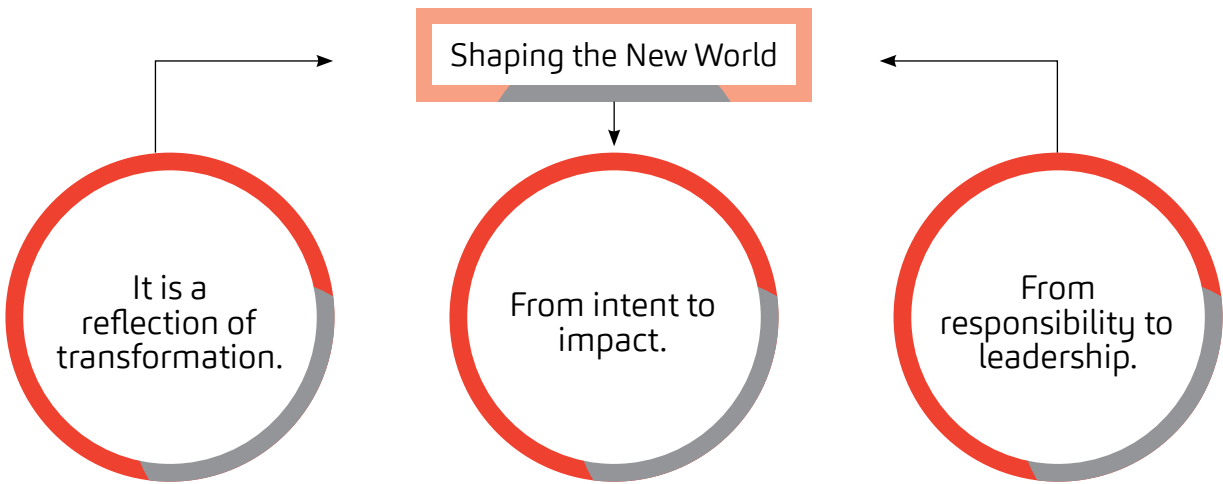
of the Board's Report (Contd.)

Governance and Global Alignment

Strong governance remains the foundation of our sustainability journey. Our ESG governance is anchored at the Board level, ensuring accountability, transparency and alignment with long-term strategic objectives.

Our sustainability approach is aligned with leading global frameworks, including SDGs, UNGC, TCFD and SBTi, reinforcing our commitment to responsible and transparent business practices.

Ready to lead. Ready to transform. Ready to build the New World.



As we look ahead, we remain committed to driving innovation, strengthening sustainability performance and creating long-term value.

At Himadri, we are actively shaping change and setting new directions.

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Environment, Social and Governance (ESG)

Sustainability (ESG) at Himadri

Sustainability at Himadri is embedded into the Company's strategy, operations and long-term value creation framework. Guided by the philosophy **"Together Towards Tomorrow"**, Himadri integrates environmental stewardship, social responsibility and ethical governance into every aspect of its business. This integrated ESG approach enables the Company to balance sustainable growth with accountability towards stakeholders, communities and the environment.

Himadri's sustainability framework is aligned with leading global standards and regulatory expectations, including the Business Responsibility and Sustainability Report (BRSR), Global Reporting Initiative (GRI), United Nations Global Compact (UNGC), Sustainable Development Goals (SDGs), Task Force on Climate-related Financial Disclosures (TCFD) and the Science Based Targets initiative (SBTi). The Company has committed to achieving **Net Zero carbon emissions by 2050**, reinforcing its role as a responsible and future-ready speciality chemicals organisation.



TOGETHER TOWARDS TOMORROW

Himadri is a leading speciality chemicals company with a strong focus on responsible growth and long-term value creation. As a global player in speciality chemical and advanced chemical solutions, Himadri integrates sustainability into its business strategy, operations and stakeholder engagement. Guided by a holistic ESG framework encompassing **Planet, People, Communities and Governance**, the Company is committed to balancing economic performance with environmental stewardship, social responsibility and ethical governance. Through innovation, disciplined execution and transparent practices, Himadri continues to strengthen resilience, enhance stakeholder trust and contribute meaningfully to a sustainable future.



Together Towards a Sustainable Tomorrow.

"At Himadri, sustainability is embedded at the core of our strategy, guided by our philosophy of 'Together Towards Tomorrow'. We are committed to creating long-term value by balancing economic growth with environmental stewardship, social responsibility and strong governance. Our integrated ESG approach enables us to respond proactively to global challenges while building resilience and delivering sustainable growth for all stakeholders."

Avijit Sasmal - Chief Sustainability Officer

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ESG Governance and Oversight

Himadri's ESG governance is anchored at the Board level, ensuring robust oversight, accountability and integration with enterprise-wide risk management. The Board, supported by senior management, provides strategic direction on sustainability priorities, monitors ESG performance and ensures compliance with regulatory and ethical standards.

Dedicated management-led ESG structures oversee implementation across business units, enabling consistent

execution of sustainability initiatives and timely reporting. ESG considerations are embedded into risk assessment, capital allocation, operational controls and performance monitoring, ensuring sustainability is treated as a strategic imperative rather than a standalone function. Independent external assurance further strengthens transparency and credibility of disclosures. These initiatives ensure a culture of integrity, compliance and responsible decision-making across the organization.

Sustainability governance



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ENVIRONMENT (E)

Balancing Growth with Environmental Stewardship

Himadri's environmental strategy focuses on decoupling business growth from environmental impact through energy efficiency, clean energy adoption, circular economy integration and long-term climate action.

Energy Management

Energy management is a strategic priority at Himadri, underpinning operational efficiency, cost competitiveness and the Company's long-term decarbonisation roadmap. Himadri follows a structured, enterprise-wide energy management framework aligned with **ISO 50001:2018**, integrating governance, digital monitoring, engineered interventions and workforce engagement to drive measurable outcomes.

Energy performance is overseen by a dedicated **Energy Optimisation Task Force**, comprising senior leaders from operations, utilities, maintenance, procurement and sustainability. Operating under the Energy Efficiency and GHG Emission Management Policy, the Task Force sets energy intensity reduction targets, identifies **Significant Energy Uses (SEUs)**, approves investments based on financial and carbon abatement potential and ensures robust monitoring, measurement and verification. This governance framework embeds energy efficiency into routine decision-making and statutory compliance under the Energy Conservation Act.

During the year, Himadri strengthened energy transparency through the deployment of a **digital energy management system** at its Carbon Black Division. The SmartComm-enabled platform integrates 140 smart meters, enabling real-time monitoring, process-level energy analysis, anomaly detection and predictive maintenance. This digital backbone has shifted energy management from reactive control to proactive optimisation.

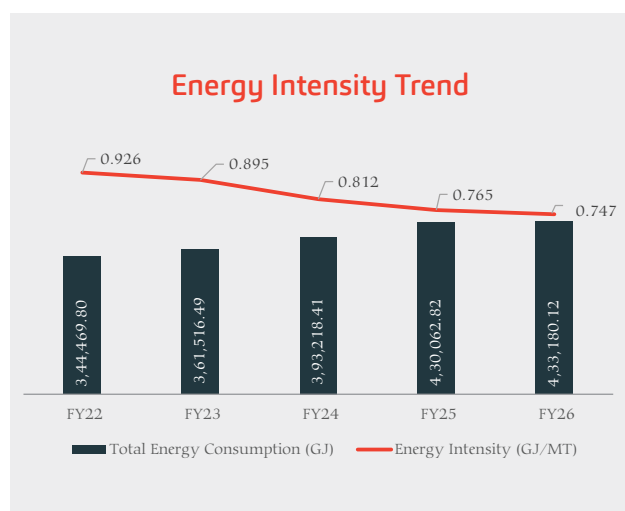
Operational excellence initiatives included cold-air line insulation to reduce thermal losses, SIMOCODE-based motor control upgrades, deployment of IE3 high-efficiency motors, power factor correction systems and variable frequency drives for pump optimisation. In parallel, Himadri continued to scale **waste heat recovery systems**, including air and oil preheaters, waste heat recovery boilers, boiler blowdown recovery and micro-turbine deployment, maximising reuse of process heat and reducing fuel consumption.

Overall energy intensity reduced by **19.31%** against the baseline, demonstrating effective decoupling of energy use from growth.

Going forward, Himadri targets further reduction in electricity intensity supported by expanded digitalisation, advanced process optimisation, workforce-led conservation and increased integration of low-carbon energy sources, reinforcing progress toward its **Net Zero 2050** commitment.

19.31%

Energy Intensity Reduction from baseline year



Powering Efficiency. Advancing Decarbonisation.

"Our energy management strategy is driven by efficiency, digitalisation and disciplined execution. During the year, we strengthened performance through advanced monitoring systems, waste heat recovery and process optimisation initiatives. These efforts have enabled a significant reduction in energy intensity, reinforcing our commitment to decarbonisation and our Net Zero 2050 ambition. We will continue to drive innovation-led efficiency improvements to support sustainable and resilient growth."

Somesh Satnalika - Executive Vice President – Tyres and Strategy

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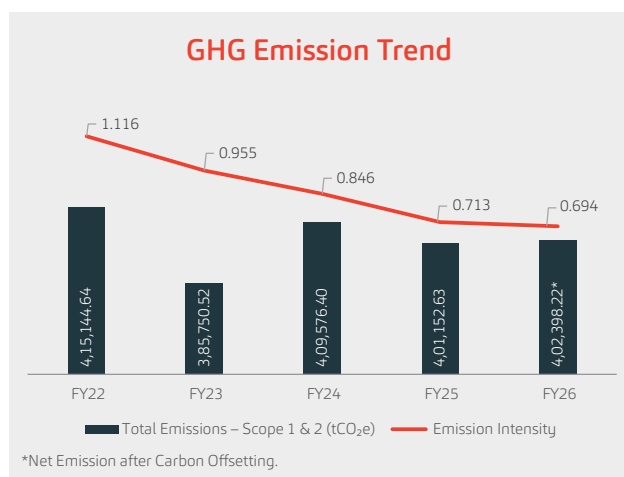
Climate and Air Pollution Management

Himadri places strong emphasis on controlling air emissions and reducing greenhouse gas (GHG) emissions as part of its commitment to environmental stewardship, regulatory compliance and climate action. Operating in energy- and process-intensive manufacturing environments, the Company adopts a prevention-first and technology-driven approach to minimise atmospheric emissions while supporting sustainable growth.

Air pollution control at Himadri is governed through robust environmental management systems aligned with statutory requirements and global best practices. Advanced emission control technologies, including high-efficiency

scrubbers, bag filters, cyclones and suction-based dust capture systems, are deployed across production units to control particulate matter and process emissions. Special attention is given to emission-prone activities such as reactor operations, material handling and shutdown processes, ensuring that fugitive and point-source emissions are effectively managed.

Captured carbonaceous dust and process by-products are filtered and reintegrated into production wherever feasible, reinforcing Himadri's circular economy approach while reducing waste and air emissions. Continuous and periodic monitoring of ambient air quality and stack emissions ensures compliance with regulatory limits and enables early identification of deviations for timely corrective action.



GHG management is integrated with the Company's broader energy optimisation and decarbonisation strategy. Himadri monitors Scope 1 and Scope 2 emissions through structured carbon accounting systems, supported by internal reviews and third-party verification. Emission reduction initiatives focus on energy efficiency, fuel optimisation, waste heat recovery and increased reliance on cleaner and captive energy sources.

In alignment with global climate frameworks, Himadri participates in platforms such as CDP and aligns its climate strategy with TCFD and Science Based Targets initiative (SBTi) guidance. The Company has articulated a clear Net Zero by 2050 roadmap, supported by short, medium and long-term actions to progressively lower its carbon footprint.

Through disciplined governance, technological investment and continuous improvement, Himadri continues to strengthen air pollution control and GHG mitigation, safeguarding environmental quality, enhancing regulatory confidence and supporting a resilient transition to a low-carbon future.

38.18%

Emission Intensity Reduction from baseline year

Driving Decarbonisation Through Control and Innovation.

"Our approach to air emissions and GHG management is anchored in robust systems, advanced technologies and continuous monitoring. We have strengthened emission control measures across operations, ensuring compliance while achieving meaningful reductions in our carbon footprint. With a clear roadmap aligned to Net Zero 2050, we remain focused on accelerating our decarbonisation journey through innovation and accountability."

Kingshuk Bose - Senior Vice President, Operations, Carbon Black Division

Key Initiatives:

Energy Management & Climate Action

- Implementation of ISO 50001:2018 Energy Management System across all plants
- Formation of Energy Optimization Task Force at BU level
- Heat recovery systems (spiral heat exchanger in distillation unit)
- Utilization of process waste gas for captive power generation
- Boiler optimization for improved fuel efficiency
- AC system upgrades reducing auxiliary power consumption

Water Stewardship

Water stewardship is a strategic priority for Himadri, reflecting the Company's commitment to responsible resource management, operational resilience and long-term environmental sustainability. Operating in water-intensive manufacturing processes, Himadri adopts a risk-based and

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conservation-led approach to water management, aligned with regulatory requirements, global best practices and stakeholder expectations.

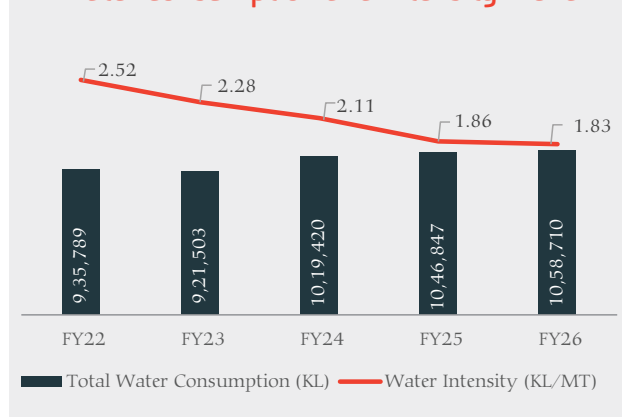
All Himadri manufacturing facilities operate on a **Zero Liquid Discharge (ZLD)** model, ensuring that no untreated effluent is released into the environment. Water is systematically treated, recycled and reused across operations, significantly reducing dependence on freshwater sources and mitigating risks associated with water scarcity. This approach strengthens compliance while safeguarding local water ecosystems.

Water governance is embedded within Himadri's environmental management systems, with defined policies,

site-level water management plans and periodic reviews. Regular water audits and monitoring mechanisms enable the identification of high-consumption areas and opportunities for efficiency improvement. Performance is tracked through water intensity metrics, ensuring continuous improvement and transparency.

To enhance water security, Himadri has implemented **rainwater harvesting, stormwater management and groundwater recharge initiatives** across its locations. Process-level optimisation, reuse of treated wastewater and improvements in cooling and utility systems further support reduction in freshwater withdrawal per unit of production. These measures enable the Company to decouple production growth from water consumption over the long term.

Water Consumption and Intensity Trend



Himadri also integrates water risk assessment into its enterprise risk management framework, considering site-specific water stress, regulatory exposure and climate-related risks. This enables proactive mitigation planning and strengthens business continuity.

Looking ahead, Himadri will continue to strengthen water stewardship by enhancing recycling ratios, deploying advanced treatment technologies and embedding water efficiency considerations into new projects and expansions. Through disciplined governance and continuous innovation, the Company remains committed to responsible water use, contributing to environmental protection, community well-being and sustainable value creation.

Every Drop Matters: Driving Water Stewardship.

"Water stewardship remains a critical priority for Himadri. Through Zero Liquid Discharge systems, enhanced recycling and conservation initiatives, we have significantly improved water use efficiency across our operations. Our structured approach to water risk assessment ensures responsible utilisation of this vital resource while supporting sustainable development.

Dr. Soumen Chakraborty - Business President, Treated Black Division

Key initiatives

- Implementation of Zero Liquid Discharge (ZLD) across operations
- Venturi installation in quench system to optimize water consumption
- RO system optimization through CIP process saving ~100 KL/month
- Steam condensate recovery improvements
- Use of WRI Aqueduct tool for water risk assessment

27.41%

Water Intensity Reduction from baseline year

Circular Economy and Resource Efficiency

Himadri's circular economy strategy is central to its sustainability agenda, enabling the Company to decouple growth from resource consumption while creating long-term environmental and economic value. Anchored in the principles of **reduce, reuse, recover and regenerate**, Himadri integrates circularity across product design, manufacturing processes, waste management and value chain engagement.

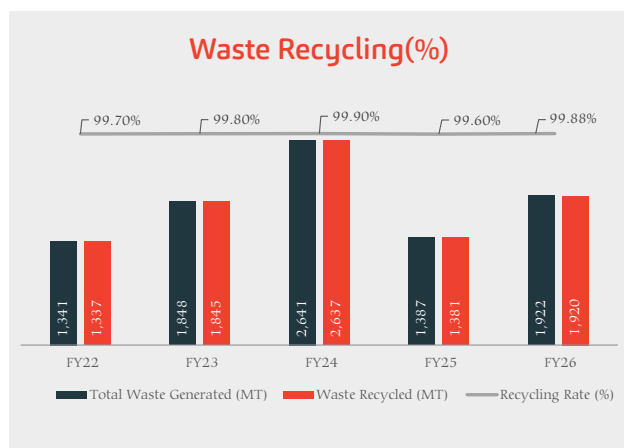
A dedicated **Circular Economy Task Force**, reporting to the ESG governance structure, provides strategic oversight and drives implementation across business units. The Task Force approves material substitutions, validates supplier compliance with recycled content standards and monitors performance through defined metrics and periodic reviews. This structured governance ensures traceability, audit readiness and alignment with regulatory and customer expectations.

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Himadri actively converts waste and by-products into high-value resources, reinforcing its leadership in sustainable carbon chemistry. Key initiatives include the usage of **used oils** and other secondary feedstocks to produce **carbon black**, and speciality carbon-based materials. These

initiatives reduce reliance on virgin raw materials, lower lifecycle emissions and support the transition to circular value chains.



Transforming Waste into Sustainable Value.

"Circular economy principles are central to our growth strategy. Through innovations such as recovered carbon black and value-added products from by-products, we are transforming waste into valuable resources. Our focus on circularity reduces environmental impact while creating sustainable value, positioning Himadri as a leader in next-generation materials."

Monojit Mukherjee - Business President, Carbon Black Division

Resource efficiency is further strengthened through waste minimisation at source, process optimisation, precision dosing and automation. Hazardous and non-hazardous wastes are segregated, tracked and disposed of exclusively through authorised vendors, with statutory manifests and third-party verifications ensuring compliance. At the same time, recyclable materials are systematically diverted to approved processors, supporting the Company's ambition of **zero waste to landfill**.

Himadri has also advanced circularity in packaging and logistics by increasing the use of recycled and reusable materials, reducing virgin plastic consumption and standardising packaging for recyclability. Supplier engagement and customer collaboration play a critical role in scaling these initiatives beyond the factory gate.

Looking ahead, Himadri will continue to expand circular feedstock integration, scale waste-to-value technologies and embed circular economy principles into new products and projects. Through disciplined execution and innovation, circularity will remain a key enabler of sustainable growth, resilience and stakeholder value creation.

Key Initiatives:

- Upcycling of industrial by-products into value-added products
- Nanotechnology integration for advanced material development
- Pilot reactors and distillation units for process optimization
- Yield improvement initiatives (e.g., process efficiency enhancements)



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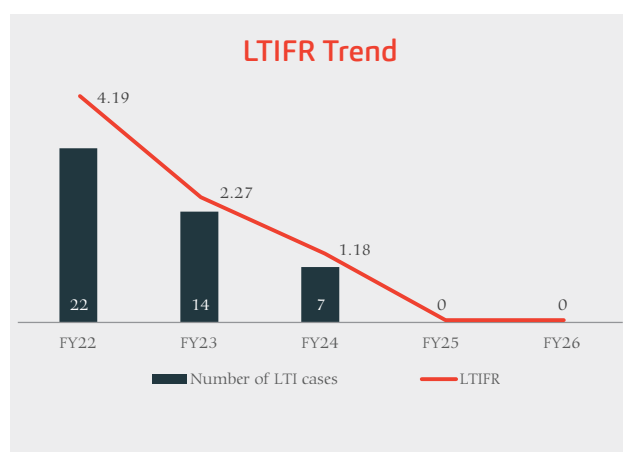
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SOCIAL (S)

People, Safety and Communities

Occupational Health and Safety

Occupational Health and Safety (OHS) is a fundamental pillar of Himadri's sustainability framework and a core organisational value. The Company is committed to providing a safe, healthy and secure workplace for employees, contractors and business partners, guided by its **Vision Zero Accident** philosophy. Safety at Himadri is treated not merely as a compliance requirement, but as a strategic enabler of operational excellence and workforce well-being.



During the year, Himadri strengthened its safety performance through a combination of engineering controls, behavioural interventions and digitalisation. Focus areas included process safety, machine safety, contractor safety management and emergency preparedness. The Company expanded the use of risk assessments, permit-to-work systems, lockout-tagout protocols and preventive maintenance to reduce incident potential across operations.

Occupational health received equal emphasis, with regular health surveillance, exposure monitoring and ergonomics assessments to manage risks related to noise, dust, heat stress and hazardous substances. Targeted initiatives in industrial noise management, including acoustic enclosures and source-level controls, helped reduce worker exposure while ensuring regulatory compliance and community protection.

Capability building remains a cornerstone of Himadri's safety culture. Comprehensive training programmes, safety leadership initiatives and workforce engagement activities were conducted to reinforce safe behaviours and hazard awareness. Technology-enabled tools and analytics are progressively being adopted to enhance incident reporting, monitoring and predictive safety management.

Himadri operates a robust OHS management system aligned with **ISO 45001:2018** supported by clearly defined policies, procedures and governance mechanisms. Safety oversight is embedded at multiple levels through structured committees and task forces, ensuring leadership accountability, systematic risk identification and effective control implementation. Occupational health and safety risks are integrated into the enterprise risk register, enabling proactive mitigation and continuous improvement.

Safety First. Safety Always.

"Safety is a core value at Himadri and our commitment to 'Vision Zero' drives all occupational health and safety initiatives. Through structured systems, continuous training and proactive risk management, we have strengthened safety performance across operations. We remain focused on building a resilient safety culture that ensures the well-being of our workforce."

Azizul Haque - Vice President Operations, Coal Tar division

Zero

LTIFR in FY 2025-26

As a result of these sustained efforts, Himadri continued to improve key safety performance indicators, including an **achievement of Zero Lost Time Injury Frequency Rate (LTIFR) in FY25-26**. Looking ahead, the Company will further advance its journey toward zero harm by leveraging automation, IoT-enabled safety systems and data-driven insights, reinforcing its commitment to safeguarding people while supporting sustainable business growth.



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Key Initiatives:

Health, Safety & Well-being

- Achievement of Zero LTIFR (Lost Time Injury Frequency Rate)
- 100% health and accident insurance coverage for workforce
- Implementation of comprehensive OHS management system (ISO 45001:2018)
- Structured Compensatory Off (C-Off) policy to manage fatigue
- Ergonomic workplace design and safety systems
- Regular risk assessments and safety audits

Human Capital and Workplace Culture

Himadri recognises its people as the foundation of long-term value creation and competitive advantage. The Company's human capital strategy is centred on attracting, developing and retaining talent while fostering a safe, inclusive and performance-driven workplace culture aligned with its values of integrity, safety, excellence and sustainability.

Himadri maintains structured human resource policies and systems that support fair employment practices, equal opportunity and respect for human rights. Workforce planning, recruitment, performance management and succession planning are aligned with business strategy to ensure organisational resilience and leadership continuity. Regular engagement initiatives and feedback mechanisms help strengthen trust, transparency and collaboration across the organisation.

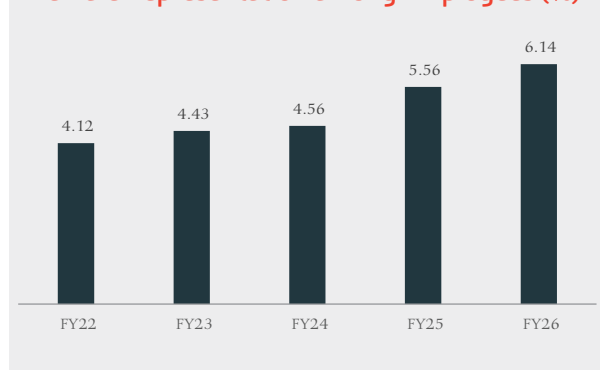
Capability development is a key priority. Himadri invests consistently in training and skill enhancement programmes covering functional, technical, safety, leadership and behavioural competencies. Structured learning interventions, on-the-job training and leadership development initiatives enable employees to adapt to evolving technologies, operational requirements and sustainability expectations. Emphasis is placed on building future-ready skills, particularly in advanced manufacturing, digitalisation and ESG-related domains.

The Company is committed to fostering a diverse, equitable and inclusive workplace. Initiatives aimed at improving gender diversity, encouraging women's participation in leadership roles and providing equal growth opportunities are progressively embedded across functions. Policies related to prevention of harassment, employee well-being and work-life balance reinforce a respectful and supportive work environment.

Our members' health, well-being and engagement are integral to Himadri's workplace culture. Beyond statutory requirements, the Company promotes physical and mental well-being through health programmes, awareness sessions and welfare initiatives. Ethical conduct, open communication and shared accountability underpin day-to-day operations.

Looking ahead, Himadri will continue to strengthen its people-centric culture by deepening leadership capability, advancing diversity and inclusion, enhancing employee engagement and aligning talent development with its long-term growth and sustainability strategy—ensuring that its workforce remains motivated, skilled and future-ready.

Female Representation among Employees (%)



Empowering People. Enabling Performance.

"Our people are at the heart of our success. We are committed to fostering an inclusive, diverse and high-performance workplace that supports employee well-being, engagement and growth. Through our DEI initiatives and capability development programs, we are building a resilient workforce aligned with our long-term sustainability journey."

Kunal Mukherjee - Human Resource Head

Key Initiatives:

Employee Well-being Programs

- Mental health initiatives including "Mind Detox" programme
- Flexible working arrangements and work-life balance policies
- Counselling services and stress management workshops
- Provision of nutritious meals and wellness programs

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Diversity, Equity and Inclusion

Himadri is committed to fostering a diverse, equitable and inclusive workplace that respects individual dignity, enables equal opportunity and leverages diverse perspectives to drive innovation and sustainable growth. Diversity, Equity and Inclusion (DEI) are integral to the Company's people strategy and workplace culture, reinforcing fairness, collaboration and long-term organisational resilience.

Himadri's DEI framework is supported by clearly articulated human resource policies that promote non-discrimination, equal opportunity and merit-based advancement across all levels of the organisation. Recruitment, performance management, learning and development and career progression processes are designed to ensure fairness, transparency and consistency, irrespective of gender, background, or personal characteristics.

Gender diversity remains a key focus area within Himadri's inclusion agenda. The Company continues to take steps to enhance women's participation across functions and leadership levels by creating enabling work environments, promoting inclusive leadership practices and supporting career development opportunities. Policies related to maternity benefits, workplace safety and prevention of sexual harassment reinforce a respectful and supportive ecosystem for all employees.

Equity and inclusion are further strengthened through structured training and awareness programmes that promote sensitivity, ethical behaviour and mutual respect in the workplace. Grievance redressal mechanisms and internal committees ensure that employee concerns are addressed promptly and fairly, fostering trust and psychological safety.

Himadri also emphasises inclusion beyond demographic diversity by creating opportunities for continuous learning, skill development and employee engagement across roles and locations. By encouraging participation, collaboration and open communication, the Company nurtures a sense of belonging and shared purpose among its workforce.

Looking ahead, Himadri will continue to deepen its DEI efforts by strengthening gender diversity initiatives, embedding inclusive leadership capabilities and enhancing measurement and monitoring of DEI outcomes. Through sustained commitment and cultural integration, the Company aims to build a workplace where diversity is valued, equity is ensured and inclusion becomes a driver of employee engagement, performance and sustainable value creation.

10%

Increase in female employees from previous year

Key Initiatives:

Learning & Development

- 100% training coverage through UTKARSH LMS
- Leadership development and skill enhancement programs
- ESG and human rights training across workforce and value chain

Human Rights & Inclusion

- Alignment with SA8000:2014 and UN Guiding Principles
- Zero discrimination policy across all employment practices
- Wage compliance and regular wage audits
- Promotion of diversity, equity and inclusion (DEI)

Community Development and CSR

Himadri's approach to Community Development and Corporate Social Responsibility (CSR) is guided by the belief that inclusive growth and shared value creation are integral to long-term business sustainability. The Company's CSR strategy focuses on addressing local community needs while contributing to national development priorities, particularly in regions surrounding its manufacturing operations.

CSR governance at Himadri is anchored through a structured framework comprising a Board-level CSR Committee and defined implementation mechanisms. Programmes are identified based on community needs assessments, stakeholder consultations and alignment with Schedule VII of the Companies Act, 2013. This ensures that CSR initiatives are targeted, relevant and outcome oriented.

During the reporting period, Himadri's CSR interventions were primarily focused on **education, healthcare, water and sanitation, skill development and livelihood enhancement**. In the area of education, initiatives supported access to quality learning infrastructure, digital education and scholarships for underprivileged students, contributing to improved educational outcomes. Healthcare programmes addressed preventive and primary healthcare needs through medical camps, health awareness drives and access to essential services in underserved communities.

Water stewardship and sanitation initiatives complemented Himadri's environmental commitments, with projects aimed at improving access to safe drinking water, strengthening sanitation facilities and promoting hygiene awareness. Livelihood and skill development programmes focused

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on enhancing employability and income-generation opportunities, particularly for youth and vulnerable groups, supporting long-term socio-economic resilience.

Himadri follows an **impact-focused CSR approach**, moving beyond activity-based implementation to outcome measurement wherever feasible. Partnerships with credible implementation agencies, local institutions and non-governmental organisations enhance programme effectiveness, transparency and scalability.

Looking ahead, Himadri will continue to strengthen its CSR strategy by deepening community engagement, enhancing impact assessment and aligning CSR initiatives with the Company's broader sustainability goals and the United Nations Sustainable Development Goals (SDGs). Through sustained and responsible community investments, Himadri

remains committed to contributing positively to societal well-being and inclusive development.

Key Initiatives:

Community Development (CSR)

- Initiatives in education, healthcare, rural development and women empowerment
- Focus on STEM education for girl child
- Local employment generation and livelihood support
- Structured CSR governance through Board-level CSR Committee

18,152

Number of beneficiaries in FY 2025-26

Creating Impact Beyond Business.

"At Himadri, we believe that sustainable business growth must go hand in hand with community development and social progress. Our CSR initiatives are focused on creating meaningful and long-term impact through healthcare, education, livelihood enhancement, environmental stewardship and women empowerment programs. Through a structured and responsible approach, we continue to invest in initiatives that strengthen communities, improve quality of life and contribute towards inclusive and sustainable development."

Kamlesh Agarwal- Chief Financial Officer



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GOVERNANCE (G)

Ethics, Integrity and Responsible Business

Business Ethics and Integrity

Business ethics and integrity form the foundation of Himadri's governance framework and guide all aspects of decision-making and conduct. The Company is committed to upholding the highest standards of ethical behaviour, transparency and accountability across its operations, relationships and value chain, recognising that trust is essential for sustainable value creation.

Himadri has established a comprehensive **Code of Conduct** applicable to employees, directors and business partners, setting clear expectations on ethical behaviour, conflict of interest management, fair competition, data privacy

and responsible business practices. This is supported by well-defined policies on **anti-bribery and anti-corruption**, prevention of fraud, gifts and hospitality, insider trading and compliance with applicable laws and regulations.

Governance oversight of ethics and integrity is exercised at the Board and senior management levels, ensuring tone-from-the-top leadership and effective implementation. Ethical risks are integrated into the Company's enterprise risk management framework, enabling proactive identification, mitigation and monitoring of potential compliance and reputational risks. Periodic internal audits and compliance reviews further strengthen assurance and control mechanisms.

Zero Governance Incidents Reported (FY26)

"Zero cases of corruption, bribery, or ethical violations reported during the year."

Integrity at the Core of Everything We Do.

"Strong governance and ethical business practices form the foundation of our operations. We have established robust systems to ensure transparency, accountability and compliance across all levels. With zero tolerance for ethical violations, we continue to strengthen our governance framework, reinforcing stakeholder trust and long-term value creation."

Monika Saraswat - Company Secretary and Compliance Officer

Himadri maintains a robust and confidential **whistle-blower mechanism**, providing employees and stakeholders with secure channels to report unethical behaviour or violations without fear of retaliation. All reported concerns are investigated in a fair, timely and transparent manner, with appropriate corrective and disciplinary actions taken where required. This mechanism reinforces a culture of openness, accountability and ethical responsibility.

Training and awareness play a critical role in embedding ethical values across the organisation. Regular training programmes, policy communications and leadership engagement initiatives ensure that employees understand their ethical responsibilities and apply them consistently in day-to-day operations.

Extending beyond internal operations, Himadri promotes ethical conduct across its value chain through supplier codes of conduct, contractual obligations and engagement initiatives. By fostering a culture rooted in integrity and compliance, Himadri continues to strengthen stakeholder confidence, protect its reputation and support long-term, responsible growth.

Key Initiatives:

- Implementation of Code of Conduct and Anti-Bribery & Anti-Corruption Policy
- Establishment of a Speak-Up / Whistle-blower mechanism for ethical reporting
- Zero penalty and zero non-compliance track record over the last three years

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- 100% ESG, compliance and ethics training coverage across Board, KMPs, employees and workers
- Integration of ESG risks into enterprise risk management framework
- Active Board-level oversight on sustainability and CSR matters
- Alignment with ISO 37001:2016 (Anti-Bribery Management System)

Responsible Business Value Chain

Himadri recognises that a resilient and responsible supply chain is critical to sustainable growth, risk management and long-term stakeholder value creation. The Company's responsible business value chain framework integrates environmental, social and ethical considerations into procurement and vendor management processes, extending sustainability principles beyond its own operations.

Supply chain governance is anchored through defined policies, codes and oversight mechanisms. Himadri's **Supplier Code of Conduct** outlines clear expectations on ethical business practices, legal compliance, human rights, occupational health and safety, environmental protection and responsible sourcing. These requirements

are embedded into supplier onboarding, contractual arrangements and periodic evaluations, ensuring alignment with Himadri's ESG standards.

Sustainability risk assessment forms a core component of supply chain management. Himadri progressively conducts ESG assessments of key upstream and downstream partners, focusing on high-risk categories such as safety performance, labour practices, environmental compliance and regulatory exposure. Findings from these assessments inform supplier engagement, corrective action plans and capability-building initiatives, strengthening overall supply chain resilience.

Environmental responsibility within the supply chain is reinforced through initiatives promoting resource efficiency, waste reduction and lower-carbon sourcing. Himadri collaborates with suppliers to encourage responsible material use, recycled content adoption and improved environmental performance, supporting its broader circular economy and climate objectives.

Human rights and social responsibility are integral to the responsible supply chain approach. The Company emphasises fair labour practices, prohibition of child and forced labour, non-discrimination and safe working conditions across its supplier base. Compliance is monitored through audits, declarations and ongoing engagement, reinforcing ethical conduct throughout the value chain.

Himadri's responsible supply chain efforts have received external recognition, including strong performance in supplier engagement under global ESG assessments. Going forward, the Company will continue to expand ESG coverage across its supply chain, enhance digital tracking and disclosures and deepen collaboration with partners to jointly address sustainability risks and opportunities.

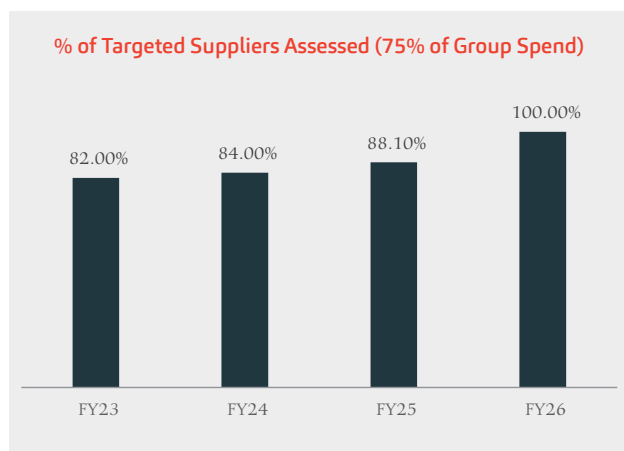
Through disciplined governance and continuous engagement, Himadri aims to build a transparent, ethical and future-ready supply chain that supports sustainable business growth and stakeholder trust.



100% Assessment of Value Chain Partners
(75% of Groups spent & sales)

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Building Responsible and Resilient Value Chains.

"Our commitment to sustainability extends beyond our operations to our entire value chain. We actively engage with partners to promote responsible sourcing, ethical practices and environmental stewardship. By integrating ESG principles into our supplier ecosystem, we are building a resilient and future-ready value chain."

MB Gadgil - Business President, New Energy Material

Sustainability Objectives and FY25–26 Outlook:

Himadri's sustainability objectives for FY 2025–26 are aligned with the Company's strategic priorities of operational excellence, responsible growth and long-term value creation. During the year, these objectives have been translated into measurable actions that support business expansion while strengthening environmental stewardship, social responsibility and governance maturity.

During FY 2025–26, Himadri has continued to prioritise workplace safety and people well-being, with a sustained focus on achieving Vision Zero Accident and maintaining the lost time injury frequency rate within targeted thresholds. Investments in safety systems, digital monitoring and capability building have further strengthened a culture of prevention and accountability across operations.

Environmental performance during the year has been driven by focused initiatives in energy efficiency, climate action and circularity. The Company has continued its efforts to reduce energy intensity and greenhouse gas emission intensity across Scope 1, Scope 2 and Scope 3 emissions, building on the progress achieved in previous years. Key initiatives undertaken include the integration of digital energy management systems, enhancement of waste heat recovery, optimisation of fuel utilisation and advancement of circular economy practices aimed at minimising waste to landfill and increasing the use of recycled and non-virgin materials. The implementation of 100% Zero Liquid Discharge (ZLD) across operations continues to support water stewardship and operational resilience.

From a value chain and community perspective, Himadri has strengthened its focus on responsible supply chain management and customer-centric sustainability initiatives. Sustainability assessments of value chain partners have been expanded to cover a larger proportion of procurement spend, while collaborative engagements with customers have been enhanced to support decarbonisation through low-carbon and sustainable product offerings.

Governance and ethical conduct have remained foundational throughout the year. The Company has continued to strengthen compliance systems, enhance ethics and ESG training and maintain transparent disclosures aligned with BRSR requirements, global ESG frameworks and evolving investor expectations.

Through disciplined execution and periodic Board-level review, Himadri's sustainability initiatives during FY 2025–26 have supported resilient growth, enhanced stakeholder confidence and advanced progress towards its long-term commitments, including its Net Zero ambition by 2050.

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Himadri's sustainability objectives are supported by a structured set of cross-functional KPIs that translate strategic intent into measurable, on-ground action.

Himadri follows a structured sustainability management approach wherein clearly defined sustainability objectives are supported by a comprehensive set of enabling Key Performance Indicators (KPIs).

Each sustainability objective represents a strategic intent, while the associated KPIs translate this intent into actionable, measurable and monitorable performance parameters across functions and locations.

Rather than relying on single metrics, Himadri adopts a cluster-based KPI approach, ensuring that environmental, social, governance and value chain dimensions collectively contribute to the achievement of each objective.

This cascading framework strengthens accountability, enables early identification of risks, supports continuous improvement and ensures that sustainability commitments are effectively implemented on the ground.

Progress against these KPIs is periodically reviewed by senior management and the Board, reinforcing disciplined execution and alignment with FY25–26 priorities and long-term sustainability goals.

From Strategy to Measurable Impact.

"At Himadri, sustainability objectives are closely integrated with operational KPIs, ensuring measurable outcomes and disciplined execution. Our structured ESG framework translates strategy into action, driving accountability across functions and enabling consistent performance aligned with our long-term commitments."

Soumyodeep Bhattacharya - Business President, CTD & SNF

ESG Ratings and Recognitions

Himadri's ESG performance has received strong external validation. During the reporting period, the Company achieved:



EcoVadis Platinum Medal, placing it among the top 1% of companies globally



CDP B rating for Climate and Water Security



CDP A rating for Supplier Engagement



ICRA ESG Combined Rating of 80 (Exceptional)

These recognitions reflect Himadri's disciplined ESG execution, transparency and continuous improvement.

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Business Responsibility & Sustainability Reporting



Section A

GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN)	L27106WB1987PLC042756
2.	Name of the Listed Entity	Himadri Speciality Chemical Ltd
3.	Year of incorporation	1987
4.	Registered office address	Fortuna Tower, 23-A, Netaji Subhas Road, 8 th Floor, Suite No. 15, Kolkata – 700001
5.	Corporate address	Ruby House 8, India Exchange Place, 2 nd Floor, Kolkata-700001
6.	E-mail	info@himadri.com
7.	Telephone	(033) 2230 4363/ 9953
8.	Website	www.himadri.com
9.	Financial year for which reporting is being done	2025-2026
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Ltd. (NSE) BSE Limited (BSE)
11.	Paid-up Capital	₹5,045.42 in Lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Avijit Sasmal Chief Sustainability Officer avijit.sasmal@himadri.com (033) 2230 9953
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone Basis
14.	Name of assurance provider	TUV SUD South Asia Pvt Ltd.
15.	Type of assurance obtained.	Reasonable assurance

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Carbon Materials & Chemicals	Himadri's revenue is primarily derived from the sale of carbon materials and chemicals.	99.56

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17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl. No.	Product/ Service	NIC Code	% of total Turnover contributed
1.	Carbon Materials & Chemicals	23999	99.56

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Locations	Number of plants	Number of offices	Total
National	7	7	14
International	1	1	2

Himadri's expanding footprint in international markets reflects the Company's strategic focus on innovation, quality and customer-centric solutions across key end-use industries, including lithium-ion batteries, tyres, plastics and other industrial segments. This capability strengthens Himadri's global competitiveness, reinforces its leadership in speciality chemicals and positions the Company to drive sustainable value creation over the long term

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	25
International (No. of Countries)	61

b. What is the contribution of exports as a percentage of the total turnover of the entity?

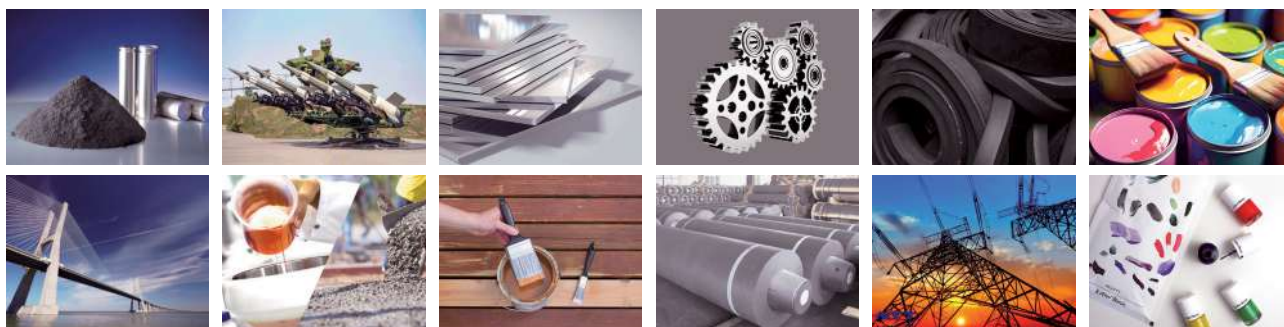
Revenue from operations (₹in Lakhs): ₹4,40,510.57

Contributions of exports: 31.54%

c. A brief on types of customers

Established in 1990, Himadri has emerged as a market leader and a key player in the speciality carbon industry, backed by a diversified portfolio that includes Coal Tar Pitch, Carbon Black, Naphthalene, Refined Naphthalene, SNF and Speciality Oils. The Company is globally recognised as one of the few integrated manufacturers of speciality carbon products, enabling it to deliver value across the entire value chain. With a strategic emphasis on innovation, quality and sustainable growth, Himadri has progressively strengthened its global presence and built a strong position across diverse end-use sectors such as steel, aluminium, graphite, energy storage, tyres, automotive components, plastics, paints, fibres, printing inks and infrastructure. Anchored in a strong legacy and an integrated manufacturing ecosystem, Himadri remains focused on deepening its presence in high-growth and future-oriented sectors through continuous innovation, product diversification and strategic market expansion. Its commitment to technological advancement, operational excellence and sustainability enhances its ability to meet evolving industry needs while delivering long-term stakeholder value. With a robust portfolio and expanding global reach, the Company is well-positioned to unlock new opportunities and sustain resilient growth in an increasingly dynamic business environment

Industries we serve



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IV. Employees

20. Details as at the end of Financial Year:

At Himadri, our people are our most valuable asset and we remain committed to creating a meaningful and lasting impact for the communities connected to our operations. We believe that sustainable success extends beyond financial performance and is reflected in the value we create for our employees, partners and society at large. Diversity and Inclusion are integral to our organizational philosophy and we strive to foster a workplace where every individual feels respected, valued and empowered. Our hiring practices are designed to attract the best talent, bringing together diverse perspectives, experiences, cultures, genders, ages and expertise, thereby strengthening innovation and driving sustainable growth. The Company follows a strict zero-tolerance approach towards any form of discrimination across all aspects of employment, including hiring, training, promotion, evaluation and remuneration, irrespective of nationality, race, colour, religion, creed, sexual orientation, gender identity, age, or disability. We recognize that gender diversity enhances our competitive strength and we remain focused on improving gender balance, increasing women's representation in leadership roles and promoting inclusivity across all levels of the organization.

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1	Permanent (D)	1107	1039	93.86	68	6.14
2	Other than Permanent (E)	288	287	99.65	1	0.35
3	Total employees (D + E)	1395	1326	95.05	69	4.95
WORKERS						
4	Permanent (F)	54	54	100	-	-
5	Other than Permanent (G)	1744	1724	98.85	20	1.15
6	Total workers (F + G)	1798	1778	98.88	20	1.12

Note: The total number of permanent employees excludes the Executive Board of Directors.

b. Differently abled employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	1	1	100	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	Total differently abled employees (D+ E)	1	1	100	-	-
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	-	-	-	-	-
5	Other than permanent (G)	-	-	-	-	-
6	Total differently abled workers (F+G)	-	-	-	-	-

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21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors*	7	1	14.29
Key Management Personnel	7	1	14.29

*Includes CMD & CEO, Executive Directors and independent directors

In a significant strategy to engage more women in leadership roles, several sponsorship programmes are in place to enhance their skills and empowerment with comprehensive training, mentorship opportunities and professional courses to equip women with the necessary skills for leadership positions. We believe in empowering women to contribute significantly to the organisation's success and sustainability.

By 2030, Himadri aims for 25% representation of women and underrepresented groups across the Board of Directors, management and the workforce.

Himadri's commitment to advancing diversity extends beyond the workplace and into the communities where the Company operates. Therefore, Himadri actively identifies and collaborates with **women-led businesses and enterprises owned by marginalised or vulnerable groups** for the procurement of consumables, services and operational needs.

Himadri's commitment to diversity and inclusion extends beyond its internal workforce to the communities in which it operates. In this regard, the Company actively identifies and partners with women-led enterprises as well as businesses owned by marginalized and vulnerable groups for the procurement of consumables, services and other operational requirements.

Compared to FY 2024-25, the organisation has witnessed a noticeable increase in the hiring of women employees, reflecting its continued commitment to building a more diverse and inclusive workforce. This positive shift has been further supported by "Vihaan", our GET onboarding programme, which has played a key role in attracting and integrating more women professionals into the organisation. Through such focused initiatives, the organisation continues to strengthen gender diversity across its talent pool.

22. Turnover rate for permanent employees and workers

	FY 25-26 (Turnover rate in current FY)			FY 24-25 (Turnover rate in previous FY)			FY 23-24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	4.43	0.47	4.91	3.79	0.52	4.31	7.90	0.36	8.26
Permanent Workers	0.47	0.09	0.57	3.12	0.00	3.12	1.30	0.04	1.34

Himadri successfully reduced the turnover rate of team members through a series of strategic initiatives aimed at enhancing employee satisfaction, fostering a positive workplace culture and implementing efficient retention programs. We initiated regular feedback sessions and open communication channels between employees and management which helped to address issues before they escalated.

Himadri has effectively lowered its team members' turnover rate through a range of targeted initiatives focused on improving employee satisfaction, nurturing a positive workplace environment and strengthening retention practices. The Company introduced regular feedback mechanisms and encouraged open communication between employees and management, enabling timely resolution of concerns before they escalated.

Himadri has instituted a series of leadership development programmes, along with coaching, mentorship and customized career development initiatives aimed at nurturing employee potential and building future-ready leaders. A key programme under this effort is **PRAGATI**, through which identified high-potential employees undergo structured learning interventions. Moreover, our **IGNITE** portal serves as a platform to recognize and reward employees for their valuable contributions through various SPOT Awards. This initiative acknowledges individual efforts and also fosters a strong sense of appreciation and belonging among employees, thereby reinforcing a positive and engaging work environment.

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Additionally, we ensured employees can balance their professional and personal lives, reducing burnout and enhancing job satisfaction by offering flexible work schedules, remote work options etc. We regularly review and adjust compensation packages to ensure they are competitive with industry standards.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

Sl. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Himadri Clean Energy Limited	Subsidiary	100	No
2	Himadri Future Material Technology Limited	Subsidiary	100	No
3	Himadri Green Technologies Innovation Limited	Subsidiary	100	No
4	AAT Global Ltd	Subsidiary	100	No
5	Shandong Dawn Himadri Chemical Industry Limited	Subsidiary	94	No
6	Invati Creation Private Limited*	Subsidiary	40	No
7	Himadri Speciality Inc	Subsidiary	100	No
8	Himadri Agro Tech Specialities Limited (Formerly known as Combe Projects Limited, Combe Projects Private Limited)	Subsidiary	100	No
9	Birla Tyres Limited	Subsidiary	100	No
10	Himadri Birla Tyre Manufacturer Private Limited	Subsidiary	49	No
11	Trancemarine and Confreight Logistics Private Limited	Subsidiary	60	No
12	Sturdy Niketan Private Limited	Subsidiary	99	No
13	Himadri Advance New Energy Material Limited (Formerly known as Elixir Carbo Limited, Elixir Carbo Private Limited)	Subsidiary	100	No
14	Himadri Integrated Minerals and Resources Limited (Formerly known as Himadri Power Limited)	Subsidiary	100	No

* Note: Himadri Speciality Chemical Ltd holds 40% paid-up equity share capital of Invati Creations Private Limited. (ICPL), this voting right does not qualify ICPL as a subsidiary under Section 2(87) of the Companies Act, 2013. However, based on contractual rights (including potential voting right combined with 40% voting right), the Company has the power to make decisions concerning relevant activities and thus has control over ICPL as per the requirements of Indian Accounting Standards. Consequently, the management of the Company has considered the investment in ICPL as investment in subsidiary Company.

"Business Responsibility initiatives are currently implemented at the standalone level of Himadri Speciality Chemical Ltd and are being progressively extended to subsidiaries in a phased manner based on operational materiality."

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VI. CSR Details

At Himadri, social responsibility is deeply embedded in the Company's philosophy of inclusive and sustainable development. Driven by a commitment to empower underserved communities and promote self-reliance, the Company implements focused CSR interventions across priority areas such as women's empowerment, healthcare and education. These programmes are designed with a context-specific approach to address local development needs and generate lasting positive impact.

Governance of the Company's CSR initiatives is anchored at the Board level through the CSR Committee, which provides strategic oversight and ensures alignment with Himadri's values and business ethos. The corporate CSR team drives overall programme coordination, while plant-level CSR teams play an important role in community interface, implementation support and timely issue resolution. The Company actively engages with local communities through direct interactions as well as through trusted implementation partners, enabling it to remain responsive to stakeholder needs and expectations. Any concerns or grievances raised are addressed with due sensitivity and promptness through a structured mechanism led by the plant-level teams under the guidance of the CSR Committee. Through this collaborative and responsible approach, Himadri continues to advance inclusive growth and contribute meaningfully to community resilience and social well-being

24. i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

ii) Turnover (₹ in Lakhs) - ₹ 4,40,510.57

iii) Net worth (₹ in Lakhs) - ₹ 4,62,261.12

VII. Transparency and Disclosures Compliances

Transparency and accountability are integral to Himadri's approach to responsible business conduct. For the Company, transparency entails the open and timely sharing of relevant information, decisions, processes and policies with key stakeholders, including employees, customers, shareholders and communities. This approach reinforces trust, strengthens stakeholder relationships and reflects the Company's commitment to ethical and responsible operations.

To support this commitment, Himadri has established a structured Grievance Redressal Policy that provides a

formal framework for receiving, addressing and resolving stakeholder concerns in a fair, timely and transparent manner. The mechanism is designed to ensure accessibility, responsiveness and accountability across all levels of the organisation.

1. **Established a formal Grievance Redressal Policy** to ensure timely, fair and transparent resolution of stakeholder concerns.
2. **Created multiple channels for grievance reporting and feedback**, enabling employees, customers, shareholders and community members to raise concerns through accessible mechanisms.
3. **Designated responsible teams at appropriate levels** to manage, review and address grievances in a structured and accountable manner.
4. **Institutionalised a process for recording and tracking grievances**, including documentation of the nature of issues raised, status of resolution and closure.
5. **Adopted a systematic approach to analyse grievances** in order to identify recurring issues, underlying causes and areas requiring corrective action.
6. **Prioritised grievances based on severity and stakeholder impact** to ensure prompt resolution of critical concerns and prevent escalation.
7. **Strengthened transparent communication practices** by providing updates, clarifications and resolution status to relevant stakeholders wherever applicable.
8. **Encouraged stakeholder engagement and participation** in the grievance resolution process to support fair and context-specific outcomes.
9. **Implemented corrective and preventive actions** to address concerns effectively and reduce the likelihood of recurrence.
10. **Undertaken regular follow-up and monitoring** to assess the effectiveness of grievance resolution and ensure stakeholder concerns have been adequately addressed.
11. **Focused on continuous improvement of the grievance redressal mechanism** by incorporating learnings, stakeholder feedback and evolving best practices.
12. **Reinforced a culture of openness, accountability and responsiveness** as part of Himadri's broader commitment to ethical and transparent business conduct.

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25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If Yes, then provide web link for grievance redress policy)	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending for resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending for resolution at the close of the year	Remarks
Communities	Yes	Nil	Nil	NA	Nil	Nil	NA
Investors (Other than shareholders)	Yes	Nil	Nil	NA	Nil	Nil	NA
Shareholders	Yes	Nil	Nil	NA	Nil	Nil	NA
Employees and workers	Yes	Nil	Nil	NA	Nil	Nil	NA
Customers	Yes	Nil	Nil	NA	Nil	Nil	NA
Value Chain Partners	Yes	Nil	Nil	NA	Nil	Nil	NA
Other (please specify)	Yes	Nil	Nil	NA	Nil	Nil	NA

Himadri continues to uphold a strong track record of zero complaints from stakeholders regarding unethical conduct, reflecting its structured and proactive governance approach. The Company has established a transparent and secure grievance redressal framework that enables all stakeholders to report concerns related to business practices through a toll-free number and a dedicated email channel. These reporting mechanisms ensure confidentiality, with each case reviewed by a designated committee for timely investigation and resolution. Guided by the Chief Sustainability Officer, Company Secretary and Chief Human Resources Officer, the framework is designed to deliver prompt and appropriate responses based on the nature and severity of concerns. Going forward, Himadri remains committed to strengthening this system through regular audits, robust monitoring processes and continuous stakeholder engagement, including open communication and feedback sessions. The Whistle Blower Policy and grievance redressal mechanism link are also made available to provide further clarity and accessibility.

https://www.himadri.com/pdf/Vigil_Mechanism_and_Whistle_Blower_policy.pdf

26. Overview of the entity's material responsible business conduct issues

Himadri's sustainability strategy is anchored in its commitment to addressing the most significant environmental, social and governance issues that shape both stakeholder expectations and long-term business resilience. In line with this approach, the Company has refined its materiality framework by restructuring its material topics and adopting the principles of double materiality as outlined under the Corporate Sustainability Reporting Directive (CSRD). This framework enables Himadri to identify and prioritise issues based on their impact on society and the environment, as well as their potential to create financial risks and opportunities for the business.

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By applying a double materiality lens, the Company evaluates sustainability from two interconnected dimensions — the impact of its operations on people and the environment ('inside-out') and the effect of sustainability-related developments on business performance and value creation ('outside-in'). This comprehensive approach ensures that sustainability reporting remains focused, decision-useful and aligned with the interests of both the Company and its stakeholders. The resulting material topics form the foundation of Himadri's sustainability roadmap and are embedded within its enterprise risk management framework, supporting informed decision-making across both near-term priorities and long-term structural trends

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk or opportunity, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Health & Safety	Opportunity	Aligned with our core business values, beliefs and practices, ensuring the safety and well-being of our employees is paramount. We dedicate significant efforts to uphold high standards of Health, Safety and Environment (HSE) in the workplace, recognizing that any lapses in these areas could have serious consequences.	At Himadri, we maintain strict adherence to health and safety protocols across all our plants and office locations. Our commitment to safety is demonstrated by our ISO 45001:2018 certification. We regularly conduct health and safety training for workforce, supplemented by risk assessment, periodic audits and surprise checks to ensure full compliance with all protocols.	While an accident may cause damage to reputation and incite potential legal actions by local authority, practicing / delivering best in class HSE performance has created positive differences to all direct and indirect stakeholders of the company as well as it has enhanced the brand value significantly.
2	Human Rights	Opportunity	A socially responsible corporation recognizes the importance of nurturing strong relationships with all stakeholders, including regulators, investors, suppliers and customers. At Himadri by placing a high priority on respecting human rights, we show our dedication to building lasting partnerships with stakeholders and safeguarding their rights.	Himadri is dedicated to sustainable development principles, which encompass protecting human rights, respecting individuals' dignity and well-being and ensuring equal rights for all. As part of this commitment, the Human Rights Policy applies to all employees and investors, while the Supplier Code of Conduct and Sustainable Procurement Policy clearly outlines the expectations for our suppliers.	At Himadri, we place a strong emphasis on the value of our people as crucial assets to our business. As a result, we prioritize our commitments to all human rights elements. We believe that this focus enables us to establish our brand as a leader in its class.

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Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk or opportunity, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	GHG Emissions	Opportunity	Recognizing the adverse impact of GHG emissions on the global climate, we acknowledge this as a shared risk. As a corporate entity, we are fully committed to making a positive contribution in this regard.	Himadri diligently monitors its Scope 1 and 2 emissions, striving to enhance energy efficiency. The company is actively evaluating its emissions and has established short-term and long-term plans with defined objectives to improve energy intensity and reduce its carbon footprint. Additionally, we have initiated evaluating our Scope 3 or value chain emissions which impacts our business activities. Subsequently, we will engage with relevant stakeholders to mitigate Scope 3 emission.	There is an immense positive impact of reducing GHG emissions, improving energy efficiency and air quality, eventually contributing to climate control initiatives.
4	Water Management	Opportunity	Several processes in our operations require water. Recognizing the significance of this finite resource, we are committed to reducing freshwater usage and optimizing our operations.	Himadri has strategically implemented Zero Liquid Discharge (ZLD) to effectively manage water consumption, treatment and recycling for internal use. This initiative aims to continuously improve our water consumption intensity. Going beyond commitments, we are currently expanding our ZLD plant's capacity to increase water recyclability and reusability.	There are many positive financial / non-financial implications from reduction in freshwater consumption considering quality water as a scarce resource.
5	Labour Practices	Opportunity	Our people are vital contributors to value creation and are our most valuable assets. We strive to attract qualified employees with relevant experience, provide them with best-in-class training and develop their skills to propel Himadri to greater heights.	To foster a positive working culture at Himadri, we have implemented progressive people practices aimed at retaining and attracting top talent. Our leadership regularly assesses our practices in this regard and adopts appropriate measures to enhance our workforce capabilities.	Enhancing the experience of our employees directly contributes to the Company's productivity and enables us to attain our objectives and business performance over time.

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6	Transparency	Opportunity	Himadri upholds a commitment to transparency and openness across all aspects of its operations. Comprehensive communication to the stakeholders are being done towards achieving transparency to the best possible extent.	Policies are in place to ensure Himadri's objectives in operating as a transparent organization. Appropriate procedures and actions are in place in case any deviation is observed.	There are many positive financial / non-financial implications of being a transparent company, which improves the brand image.
7	Community Relations	Opportunity	Building strong Community relations allow Himadri to foster trust and support between a company and local stakeholders. Positive community engagement can enhance corporate reputation, operational smoothness and build a strong social license to operate. They address community concerns, support local development and lead to mutually beneficial partnerships that strengthen long-term sustainability.	Himadri's CSR initiatives are driven by a structured, impactful approach under the guidance of its CSR Committee, a dedicated Board-level body committed to delivering positive change. This governance framework ensures that all CSR projects align with Himadri's core values and sustainability objectives, with a strong focus on initiatives that provide long-term benefits to communities. Himadri's CSR efforts are also aligned with the United Nations Sustainable Development Goals (UNSDGs), which reinforces the Company's dedication to global sustainability standards. By leveraging this structured approach and expert-led execution, Himadri continues to strengthen its role as a socially responsible organisation, dedicated to empowering communities and contributing to sustainable development.	With strong community relation, Himadri expects to operate for the overall well-being of society enhancing the possibilities of higher economic returns for the company as well as the communities where we operate.

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8	Code of conduct	Opportunity	A well-defined Code of Conduct presents a valuable opportunity for Himadri by establishing ethical standards and behavioral expectations of stakeholders. It promotes a positive work environment and governance practices. It fosters accountability and ethical behavior.	Himadri's Code of Business Conduct (CoBC) outlines key principles and standards applicable across its operations. As an integral part of employment contracts, it ensures all employees understand their responsibilities. Violations of the CoBC are taken seriously, with potential consequences for both the individual and the organisation. A Supplier Code of Conduct further extends these standards to business partners, establishing binding requirements to ensure alignment with Himadri's ethical practices.	The self-declared supplier code of conduct mandates compliance with Himadri's sustainability standards, including environmental protection, labor rights, business ethics and health and safety. By adhering to this code, suppliers contribute directly to our broader sustainability objectives, fostering a shared commitment to responsible business conduct. By adhering to our robust code of business conduct, we ensure economic prosperity and societal well-being for all. Fair competition in accordance with free market rules lay down equal opportunities for all our suppliers enabling them to develop product quality and transition to a low carbon economy.

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9	Data Security and Privacy	Opportunity	By prioritizing data security Himadri emerges as trusted and reliable company gaining confidence of stakeholders. Effective data protection safeguards sensitive information from breaches, ensuring customer and stakeholder confidence. Compliance with data privacy laws avoids legal penalties and reputational damage. Robust data security protects financial integrity and workflows.	Digital data safety is paramount. Himadri's data protection and security framework is aligned with national data privacy regulations, such as the Digital Personal Data Protection Act 2023 (DPDPA), ensuring that personal and Company data are protected against unauthorised access, breaches, or misuse. We ensure Advanced technological measures protect sensitive data from breaches or unauthorised access. Additionally, The Company's robust data governance policy ensures a compliance with national data protection and privacy standards (including Digital Personal Data Protection Act 2023).	Himadri ensures responsible and secure handling of customer data, minimizing the risk of breaches and protecting the company from legal liabilities and business losses. By strengthening data security, Himadri enhances customer trust, regulatory compliance and brand reputation, leading to stronger business relationships, reduced financial risks and long-term profitability.
10	Supplier Relationship Management	Opportunity	Optimizing supply chain, enhancing operational efficiency and building long-term strategic partnership. Effective management strengthens collaboration, improves supply chain reliability and drives innovation. By fostering strong relationships, companies mitigate risks, enhance transparency and achieve cost efficiency. It supports sustainability goals by aligning suppliers with ethical and environmental standards, contributing to business resilience and competitive advantage.	Himadri has constituted The value chain partner engagement task force which strengthens relationships with suppliers, ensuring an alignment with sustainability goals (particularly in reducing Scope 3 emissions). By training and assessing partners' ESG performance, the task force drives responsible sourcing practices, enhances efficiency and promotes sustainability progress across the value chain.	Effective Supplier Relationship Management (SRM) strengthens Himadri's supply chain resilience, ensuring cost efficiency, consistent quality and timely delivery. By fostering long-term partnerships, we secure better pricing, reduced procurement costs and lower risks of disruptions. Collaboration with suppliers on sustainability and innovation also enhances operational efficiency, improves ESG performance and drives financial growth through competitive advantage and market differentiation.

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11	Bribery and corruption	Opportunity	A firm stance against bribery and corruption positions Himadri as a leader in corporate responsibility, transparency and integrity. Addressing these issues helps maintain stakeholder trust, avoid legal penalties and ensure fair practices. Effective anti-bribery measures protect corporate reputation and stability	Tools such as audits and due diligence were employed to mitigate potential compliance risks related to sustainability topics including anti-bribery, corruption. In this regard, the Company considers group-wide business activities across all locations. To identify potential risks early, each business unit and function is required to conduct regular risk analyses. Based on analysis results, the ESG Council issues binding standards following deliberations. Himadri's anti-bribery and corruption framework cultivates integrity across business operations. This framework provides guidelines for employees, contractors and third-party stakeholders to prevent unethical practices (bribery, facilitation payments and gifts) that could influence business decisions.	The ABC framework protects Himadri from legal penalties, financial losses and reputational damage. By ensuring transparent business practices, it enhances investor confidence, regulatory compliance and stakeholder trust. This leads to stronger partnerships, improved credit ratings and greater access to capital, ultimately driving long-term financial stability and sustainable growth.
12	Waste Management	Opportunity	Effective waste management minimizes environmental pollution, reduces landfill use and conserves resources through recycling and reuse. It helps companies address legal requirements, mitigate operational risks and reduce disposal costs. Responsible waste management enhances corporate reputation and supports broader sustainability goals.	Waste management is a key activity which Himadri diligently carries out from the inception. Our entire value chain is based on the by-products of other industrial sectors. Through innovative technologies and constant research and development, we extract values out these otherwise waste materials. Additionally, our operational standards clearly outline the 'Dos and Don'ts' of waste management. Our constant effort is currently being employed to recover and reuse our operational wastes as well.	As our legacy is based on recovering values out of by-products of other industrial sectors responsible waste management is very crucial for us. Effective waste management helps Himadri reduce disposal costs, optimize resource use and enhance regulatory compliance, avoiding fines and legal risks. By implementing waste recycling and circular economy initiatives, we recover valuable materials,

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					lower raw material expenses and create new revenue streams. Additionally, improved waste management strengthens ESG performance, attracting sustainability-focused investors and customers, ultimately driving cost savings and long-term profitability.
13	Responsible Procurement	Opportunity	By prioritizing ethical sourcing and making environmentally and socially responsible procurement decisions, Himadri builds strong, long-term relationships with suppliers who share its value. It reduces risks associated with unethical labor practices, environmental degradation and supply chain disruptions. By prioritizing suppliers who adhere to sustainability and ethical standards, organizations enhance reputation, regulatory compliance and social cum environmental outcomes leading to long-term value creation.	By working closely with our value chain partners, we aim to prevent breaches of human rights and environmental violations. We strive to enhance transparency and adequate traceability in our value chain entirely. In line with the commitment, we have embedded 'Together Towards Tomorrow' in corporate philosophy to underline our collaborative approach related to sustainability endeavors. Value chain is a function where although risks exist but they are not entirely under Himadri's control. Therefore, we have taken a bottom-up approach of identifying value chain risks and opportunities not only decentralizing the process but also encouraging value chain partners to seek collaboration. Therefore, we have formed a cross functional team. The value chain partner engagement task force which strengthens relationships with suppliers, ensuring an alignment with sustainability goals (particularly in reducing Scope 3 emissions). By training and assessing partners' ESG performance, the task force drives responsible sourcing practices, enhances efficiency and promotes	Sustainable procurement helps Himadri reduce costs, mitigate supply chain risks and enhance operational efficiency by sourcing from environmentally responsible and ethical suppliers. It ensures resource efficiency, lower raw material costs and waste reduction, leading to long-term financial savings. Additionally, strong ESG-aligned procurement attracts investors, enhances brand reputation and secures premium market opportunities, driving profitability and business resilience.

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				sustainability progress across the value chain. To ensure that sustainability is ingrained throughout our supply chain, Himadri employs a multi-stage process for selecting and evaluating Supply Chain Partners. This process includes: ▪ Non-disclosure agreement ▪ Self-assessment surveys ▪ Composite performance index ▪ On-site and online audits ▪ Collaborative mitigation approach	
14	Policy Influence	Opportunity	Policy influence aid to shape the regulatory and legislative environment in which a company operates. By engaging in policy discussions and advocating favorable regulation, companies can align public policies with objectives, mitigate regulatory risks and enhance efficiency. Effective policy influence enables companies to contribute to broader social and environmental goals.	Capitalizing on policy influence involves actively engaging with regulatory bodies, industry associations and sustainability initiatives to shape policies that align with Himadri's business goals. By advocating for favorable environmental and industry regulations, Himadri can gain early compliance advantages, access incentives and influence market standards.	Strategic policy influence enhances profitability, strengthens market positioning and ensures long-term financial stability. The major benefits are given below: ▪ Regulatory Foresight – Reduces compliance costs and minimizes financial risks. ▪ Incentives & Subsidies – Unlocks government benefits, tax breaks and grants. ▪ Market Leadership – Positions Himadri as an industry leader, attracting ESG-conscious investors and customers. ▪ Competitive Edge – Ensures early adoption of policies, avoiding costly last-minute adjustments.

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15	Human Capital Development	Opportunity	By focusing on the development of employees skills, knowledge and leadership potential Himadri ensures its workforce is equipped to meet challenges of an evolving market. Investing in employee skills and development drives efficiency, talent retention and a positive culture. It supports growth through workforce skills, organizational resilience, competitive advantage and strategic achievements	Our social responsibility efforts focus on creating lasting, positive impacts across multiple dimensions — improving livelihoods, fostering diversity, equity and inclusivity. We prioritise the health, safety and development of our employees, ensuring that they work in an environment that promotes their wellbeing and professional growth. Through ongoing training and development programmes, we empower our workforce to reach their full potential and contribute meaningfully to our collective success. Learning and development are essential success factors for promoting a strong and future-oriented company culture. The skills and competencies of employees are critical for profitable growth and long-term success. For this reason, Himadri is committed to modernising its learning culture and enhancing efforts to promote continuous, self-directed learning and learning from others. Employee development at Himadri is built on the principle that development opportunities and support are available to all employees. At Himadri, development is viewed as continuous learning through building individual experience and skills In lieu with the commitment Training and Development Committee works to identify skill gaps, training needs and career advancement opportunities, supporting the professional growth of Himadri employees.	Human capital development—through skill enhancement, leadership training and employee well-being initiatives—directly strengthens Himadri's productivity, innovation and operational efficiency. Potential benefits are as below: ▪ Higher Productivity – Skilled employees improve efficiency, reducing operational costs. ▪ Lower Turnover Costs – Investing in employee growth enhances retention, saving on hiring and training expenses. ▪ Innovation & Competitiveness – A well-trained workforce drives process improvements and new product development, leading to revenue growth. ▪ Stronger ESG Performance – A positive work environment attracts top talent and investors focused on social responsibility, boosting long-term profitability.

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16	Fair Competition	Opportunity	Promotes a level playing field where Himadri can showcase its strengths, drive innovation and improve operational efficiency. It prevents monopolistic behaviors and unfair advantages, fostering innovation and market efficiency. Upholding fair competition helps maintain legal compliance, protects the Company's reputation and supports long term sustainability.	Himadri's fair competition policy ensures a compliance with anti-trust laws and promotes fair trade practices. The measures prevent anti-competitive behaviour, safeguard market integrity and provide a level playing field for all participants. Employees are trained to recognise and avoid practices like price fixing or monopolistic behaviour. Additionally, Himadri has established a fair competition framework to monitor and mitigate potential breaches. Value chain partners are expected to abide by the framework.	Fair competition strengthens Himadri's market position by fostering transparency, ethical business practices and trust among stakeholders. Potential benefits are as follows: ▪ Enhanced Reputation – Builds credibility, attracting investors and premium customers. ▪ Market Access & Growth – Compliance with fair trade laws prevents legal fines and ensures smooth global operations. ▪ Operational Efficiency – Encourages innovation and cost-effective strategies rather than reliance on unethical shortcuts. ▪ Stronger Partnerships – Ethical business practices foster long-term relationships with customers, suppliers and regulators, ensuring stable revenue streams.

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17	Circular Economy	Opportunity	Adopting circular economy strategies Himadri showcases its potential to transform waste management, resource efficiency and sustainability. By focusing on recycling, reusing and waste reduction, a circular economy helps moderate costs and environmental impact. It drives innovation in product design and business models; it enhances resource security and enhances revenue streams, reputation and regulatory compliance.	To further our efforts to integrate circular economy principles in every facets of our organization, Himadri has constituted BU level task force. This task force drives Himadri's efforts to embed circular economy principles throughout the business. By minimizing waste, promoting recycling and optimizing product lifecycles, this task force ensures that resources are used efficiently and sustainably. Through collaboration across departments and initiatives (take-back programmes), the task force creates innovation and reduces environmental impact, contributing to a closed-loop system.	Embracing the circular economy allows Himadri to maximize resource efficiency, reduce waste and create new revenue streams by repurposing byproducts and extending product life cycles. ▪ Cost Savings – Minimizes raw material expenses through recycling and waste reduction. ▪ Revenue Growth – Unlocks new business opportunities by converting waste into valuable products. ▪ Regulatory Compliance – Avoids fines and benefits from government incentives for sustainable practices. ▪ Brand & Market Advantage – Enhances reputation, attracting ESG-focused investors and customers willing to pay a premium. ▪ Supply Chain Resilience – Reduces dependence on finite resources, ensuring long-term cost stability.

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18	Risk Management	Opportunity	Effective risk management identifies, assesses and mitigates potential threats from financial uncertainties to operational disruptions. It ensures regulatory compliance, strengthens decision-making and protects against unforeseen events. By proactively addressing risks, organizations can prevent losses, seize opportunities and deepen stakeholder trust.	Himadri has conducted a comprehensive risk identification process (as directed by the Board). Although the Risk Management Committee is expected to take the lead in this effort, cross-committee and common risks are being addressed in collaboration with other committees mandated by the Board. Besides, Himadri incorporated sustainability related risks, including responses to non-conformities, reputational risks and actions that could affect the Company's brand. Himadri's governance risk management employs decentralised controls to capture granular risks (including physical and transition risks). Executives are appointed at the operating business and group levels to ensure comprehensive risk management. At the group level, risk registers are aggregated to identify material risks across three factors: frequency, potential magnitude and impact. The established risk management system monitors quantifiable and non-quantifiable risks for the prevailing year and the mid-term period. Risk reporting serves as the starting point and outcome of Himadri's continuous risk management. Additionally, we have established a separate risk management committee. This Committee oversees risk identification, assessment and mitigation that could impact the Company. This Committee (Board members and senior executives) ensures a robust risk management framework aligned with industry best practices and regulatory requirements. The Committee's	Effective risk management strengthens Himadri's financial stability by proactively identifying, assessing and mitigating potential threats across operations, compliance and market dynamics. Reduced Financial Losses – Minimizes disruptions from market volatility, regulatory fines and operational failures. Lower Insurance & Compliance Costs – Ensures adherence to laws, reducing penalties and insurance premiums. Business Continuity & Resilience – Protects revenue streams by preparing for economic shifts, supply chain risks and climate impacts. Stronger Investor Confidence – A well-managed risk framework attracts long-term investors and enhances credit ratings. Competitive Advantage – Enables proactive decision-making, ensuring sustained profitability and market leadership.

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				responsibilities include monitoring the Company's risk profile, reviewing risk management policies and ensuring the implementation of effective risk mitigation strategies. By conducting periodic risk assessments and stress tests, the Risk Management Committee ensures that threats are proactively addressed and goals achieved.	
19	Energy Management	Opportunity	Energy management helps reduce operational costs, energy consumption, waste and greenhouse gas emissions. Effective energy management enhances corporate reputation, attracting Eco conscious investors and customers. Besides, it enhances resilience against energy price volatility and supply disruptions, strengthening long-term sustainability and moderated environmental impact. It ensures resilience against energy price volatility and supply disruptions. Overall, energy management is key to long-term business sustainability, minimizing environmental impact and supporting the transition to a low-carbon economy.	Energy management will remain a focus, as Himadri continues to optimise energy use through the implementation of ISO 50001:2018 standards and advanced monitoring technologies. This initiative will be supported by digital solutions, allowing for real-time tracking and optimisation of energy consumption to meet energy reduction targets while maintaining operational efficiency. Additionally, energy optimisation task force drives Himadri's commitment to energy efficiency and sustainability. Focused on energy-saving opportunities and implementing cutting-edge technologies, this task force ensures the Company minimises energy consumption while maintaining operational excellence. Regular audits and employee awareness campaigns enhances energy conservation, reducing costs and contributing to a greener future for Himadri.	Effective energy management helps Himadri reduce costs, improve efficiency and enhance sustainability, leading to significant financial gains. The benefits are as follows: ▪ Lower Operational Costs – Optimizing energy use reduces electricity and fuel expenses. ▪ Regulatory Compliance & Incentives – Avoids penalties and unlocks government subsidies for energy-efficient practices. ▪ Increased Productivity – Energy-efficient systems enhance operational performance and reduce downtime. ▪ Enhanced ESG Performance – Attracts sustainability-focused investors and customers, boosting revenue and market value.

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Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk or opportunity, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
20	Product Stewardship	Opportunity	Product stewardship ensures responsible product lifecycle management. This comprises products designed for durability, recyclability and safe disposal, reducing waste and resource consumption. Effective product stewardship enhances brand reputation and compliance with meeting the growing demand for sustainable products. It fosters innovation in creating eco-friendly solutions, long-term business sustainability and environmental protection.	Product stewardship involves taking responsibility for a product's environmental and social impact throughout its life cycle. Himadri can leverage this approach to enhance sustainability, reduce costs and strengthen market positioning. Our key strategies to further product stewardship are as follows: Eco-Design & Sustainable Innovation – Develop low-carbon, recyclable, or biodegradable products to meet growing ESG demands. Circular Economy Integration – Implement closed-loop systems, ensuring product materials are recovered, reused, or repurposed. Extended Producer Responsibility (EPR) Compliance – Align with regulatory requirements by managing end-of-life product disposal efficiently. Downstream Engagement – Collaborate with customers and recyclers to ensure responsible product use, disposal and recycling. Transparency & Certifications – Obtain eco-labels and third-party sustainability certifications to differentiate products in the market.	Product stewardship not only enhances environmental responsibility but also delivers significant financial advantages by optimizing resource use, reducing risks and creating new market opportunities. Key Financial Benefits: ▪ Long-Term Cost Stability – Reduces dependence on volatile energy prices, ensuring predictable financial planning. ▪ Cost Savings – Using recyclable materials and improving product efficiency lowers raw material and waste disposal costs. ▪ Regulatory Compliance & Avoided Penalties – Proactively managing end-of-life product impacts ensures compliance with Extended Producer Responsibility (EPR) laws, avoiding fines and legal risks. ▪ New Revenue Streams – Circular economy initiatives, such as recycling and product repurposing, create additional income from recovered materials.

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Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk or opportunity, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				Customer & Market Advantage – Position sustainable products as premium offerings, attracting environmentally conscious buyers and investors. By embracing product stewardship, Himadri can enhance brand value, reduce regulatory risks, drive innovation and capture new revenue streams, ensuring long-term financial and environmental sustainability.	▪ Market Differentiation & Premium Pricing – Eco-friendly and low-carbon products attract sustainability-conscious consumers, allowing premium pricing and a competitive edge. ▪ Investor & Customer Appeal – Strong stewardship enhances ESG performance, attracting green investors and corporate buyers looking for responsible supply chain partners. ▪ Supply Chain Stability – Sustainable material sourcing reduces reliance on volatile raw material markets, ensuring cost predictability and long-term savings.
21	Climate Change	Opportunity	By addressing climate change proactively, Himadri capitalizes on emerging markets and technologies focused on environmental solutions. Climate change affects regulatory compliance, operational costs and supply chain. Companies need to address climate risks to mitigate	As a forward-thinking organisation, Himadri addresses climate change, marked by extreme weather events. The Company's comprehensive risk register includes climate change risks that cover physical and transition risks cum opportunities. This holistic approach empowers Himadri to proactively manage the diverse risks associated with climate change. As Himadri looks to the future, its commitment to	At Himadri, addressing climate risks is one thing; it is imperative to seize opportunities through strategic policies and actions as well. Himadri deployed policies addressing key environmental factors pertinent to the speciality chemicals sector, aligning global and national goals.

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Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk or opportunity, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			financial losses and avoid reputational damage. The proactive management of climate change is aligned with global sustainability goals that could unlock innovation and leadership opportunities leading to long-term stability and environmental stewardship	addressing climate change will be driven by a multi-faceted approach that blends innovation with sustainability. The Company believes that achieving Net-Zero is not merely the end goal; instead, it strives to foster a carbon-negative economy, creating a better planet for future generations. In short term perspective, The Company aims to achieve climate change resilience by incorporating diverse fuels and minimizing energy consumption.	Key financial benefits are: ▪ Reduced Financial Risks – Minimizes disruptions from extreme weather, regulatory changes and resource scarcity, ensuring business continuity. ▪ Lower Operational Costs – Investing in energy efficiency, water conservation and sustainable infrastructure reduces long-term expenses. ▪ Regulatory Compliance & Incentives – Proactive adaptation to climate policies helps avoid fines and access government subsidies and green financing. ▪ Supply Chain Stability – Strengthening climate resilience ensures uninterrupted raw material sourcing, preventing costly production delays. ▪ New Market Opportunities – Developing low-carbon and climate-friendly products attracts sustainability-focused customers and investors. ▪ Enhanced Brand Reputation & Competitive Edge – A strong climate strategy boosts ESG performance, leading to higher investor confidence and premium market positioning.

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Section B

MANAGEMENT AND PROCESS DISCLOSURES

At Himadri, the principles of the National Guidelines on Responsible Business Conduct (NGRBC) are embedded into the Company's governance architecture, policy framework and operational processes to ensure that stakeholder interests remain integral to business decision-making. This governance-led approach strengthens accountability, supports ethical business conduct and enables the Company to contribute towards wider developmental priorities in a responsible and sustainable manner.

Himadri's policy framework reflects its commitment to maintaining robust environmental and social standards across both its own operations and its value chain. Through policies that promote transparency, compliance and responsible business conduct, the Company fosters an open and accountable work environment. Oversight by the Board ensures that these principles are effectively translated into business practices and remain aligned with the Company's strategic direction and governance priorities.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes	Y	Y	Y	Y	Y	Y	Y	Y	Y
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board?	https://www.himadri.com/policies_new.php								
c. Web Link of the Policies, if available (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
2. Whether the entity has translated the policy into procedures? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000:2014, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	P1-QMS (ISO 9001:2015), IATF (16949:2016) ISO-37001:2016	P2-ISO 17025:2017, QMS (ISO 9001:2015), IATF (16949:2016) ISO-20400:2017	P3-ISO 45001:2018, QMS (ISO 9001:2015), IATF (16949:2016), SA 8000:2014	P4-QMS (ISO 9001:2015), IATF (16949:2016) SA8000:2014 ISO 28000:2022	P5-SA8000:2014, ISO:45001:2018	P6-ISO 14001:2015, ISO 50001:2018, ISO 22301:2019	P7-ISO-37001:2016	P8-ISO-20400:2017	P9-ISO 27001:2013, ISO22301:2019
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Y	Y	Y	Y	Y	Y	Y	Y	Y
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	All have been met								

Himadri's ISO certifications continue to reflect its strong commitment to globally recognized management standards and operational excellence. These certifications reinforce stakeholder confidence including banks, investors and customers by positioning the Company as a structured, dependable and future-ready organization. Adherence to ISO standards requires stringent compliance with international

benchmarks, demonstrating that our processes align with best-in-class practices in quality and governance.

During the current reporting year, the Company has successfully sustained all its ISO certifications and remains focused on further strengthening these standards in the years ahead. The details are provided below-

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ISO 9001:2015 certification (Quality)

Himadri operates through a robust ISO 9001:2015 certified Quality Management System (QMS), reinforcing its commitment to consistently meeting customer expectations and evolving regulatory requirements. The QMS framework is built on principles of continuous improvement, risk-based thinking and enhanced customer satisfaction, forming a strong foundation for sustained operational excellence and responsible product stewardship.

Through structured quality audits, advanced process control systems and ongoing performance monitoring, the Company is strengthening oversight across the entire value chain from raw material sourcing to final product delivery ensuring adherence to rigorous quality standards. The ISO 9001:2015 certification, validated through periodic external assessments, continues to demonstrate Himadri's focus on delivering safe, reliable and future-ready products aligned with global benchmarks.

ISO 14001:2015 certification (Environment)

The ISO 14001:2015 certification, focused on Environmental Management Systems (EMS), continues to play a vital role for Himadri in advancing sustainable practices, strengthening compliance with environmental regulations and enhancing overall operational efficiency. ISO 14001:2015 provides a structured framework for managing and progressively reducing environmental impact. By proactively identifying and controlling environmental risks such as emissions, waste, water usage and resource consumption. Himadri is continuously improving its environmental performance. This approach supports reduction in pollution and minimization of the ecological footprint of operations, which remains especially critical in the chemicals industry where processes may involve hazardous materials.

ISO 27001: 2013 certification (Information Security)

ISO 27001:2013, the internationally recognized standard for Information Security Management Systems (ISMS), continues to strengthen Himadri's commitment to safeguarding sensitive information. This certification reflects the presence of robust security frameworks to protect critical data, including intellectual property, financial information, customer data and employee records. In an increasingly digital landscape, such measures are essential to prevent potential financial and reputational risks associated with data breaches. ISO 27001:2013 enables Himadri to proactively identify security risks, vulnerabilities and emerging threats to information systems. Through the implementation of comprehensive controls and policies, the Company is continuously enhancing its ability to mitigate risks and minimize the likelihood of cyber incidents or data leaks, ensuring a systematic and forward-looking approach to information security management.

ISO-37001: 2016 (Anti-bribery)

The ISO 37001:2016 certification, focused on Anti-Bribery Management Systems (ABMS), continues to strengthen Himadri's commitment to corporate integrity, ethical business conduct and compliance with evolving anti-corruption regulations. This certification provides a structured framework for proactively preventing, detecting and addressing bribery risks across operations. In an industry such as chemicals, where engagements with suppliers, contractors and government bodies are integral, such a framework plays a critical role in mitigating potential risks associated with unethical practices. ISO 37001:2016 supports the establishment of clear policies, controls and procedures to prevent bribery, reinforcing a culture of integrity across the organization. It also enhances Himadri's governance framework by promoting greater transparency, accountability and responsible decision-making in all business activities.

ISO 45001: 2018 certification (Health & Safety)

The ISO 45001:2018 certification, the international standard for Occupational Health and Safety (OHS) management systems, continues to play a vital role in strengthening Himadri's commitment to employee well-being, advanced safety practices and regulatory compliance. ISO 45001:2018 offers a structured framework for proactively identifying, managing and minimizing health and safety risks across the workplace. For Himadri, this translates into continuously enhancing a safe and resilient working environment, particularly significant in the chemicals industry where operations may involve exposure to hazardous materials and processes. By implementing ISO 45001:2018 Himadri ensures that its systems and processes are designed to safeguard the health and well-being of its workforce. One of the key strengths of ISO 45001:2018 lies in its preventive approach toward accidents and occupational illnesses. Through systematic hazard identification and robust risk control measures, Himadri is steadily reducing workplace incidents, injuries and health risks. This contributes to smoother operations, optimized costs and improved workforce attendance, fostering a more productive and healthier organization. A safe and supportive work environment also continues to enhance employee morale, engagement and overall confidence.

ISO 50001: 2018 certification (Energy management)

The ISO 50001:2018 certification, focused on Energy Management Systems (EnMS), continues to strengthen Himadri's approach toward improving energy efficiency, optimizing costs and reinforcing environmental responsibility. ISO 50001:2018 provides a structured framework for systematically monitoring, measuring and enhancing energy performance. By adopting this standard, Himadri is continuously identifying opportunities to reduce

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energy consumption without impacting productivity, enabling more efficient use of energy across its operations.

Energy expenditure remains a significant component of operational costs, particularly in energy-intensive sectors such as chemicals and manufacturing. ISO 50001:2018 supports Himadri in implementing forward-looking energy optimization measures, including improved equipment efficiency, enhanced operational practices and reduction of energy losses. These initiatives are expected to drive sustained cost efficiencies while strengthening overall operational performance and long-term profitability.

IATF 16949: 2016 QMS for Automotive industry:

The IATF 16949:2016 certification continues to be highly significant for Himadri, particularly as the Company strengthens its presence in the automotive value chain. As a manufacturer and supplier of specialty chemicals and materials used in automotive applications such as lubricants, additives and coatings- this certification plays a critical role in ensuring alignment with industry-specific quality standards. IATF 16949:2016 is designed exclusively for the automotive sector, enabling consistent adherence to stringent requirements related to safety, performance and environmental compliance. For Himadri, this certification reinforces the capability to meet precise specifications demanded by automotive manufacturers.

Automotive OEMs (Original Equipment Manufacturers) and Tier 1 suppliers increasingly expect their partners to comply with IATF 16949:2016 to ensure consistency with global quality benchmarks. By sustaining this certification, Himadri is well-positioned to meet evolving industry expectations, strengthen its manufacturing processes and enhance product reliability. This not only supports the continuity of existing partnerships but also enables the Company to expand opportunities and deepen its engagement within the automotive sector.

SA8000:2014 (Social accountability)

Achieving this certification continues to reinforce Himadri's commitment to ethical practices, including respect for labour rights, provision of a safe working environment and promotion of fair wages. This strengthens the Company's reputation and is expected to build deeper trust among customers, investors and stakeholders. It also ensures alignment with globally recognized ethical standards, as the SA8000 framework requires adherence to international labour laws and human rights principles. For Himadri, this enables a proactive approach to managing social risks, ensuring that operations consistently meet evolving expectations related to labour practices, including the prevention of child labour, forced labour, discrimination and unsafe working conditions.

ISO 22301:2019 (Business Continuity Management Systems)

Himadri has been awarded the ISO 22301:2019 certification for its Business Continuity Management System (BCMS), underscoring its strong commitment to operational resilience and continuity planning. The certification validates the Company's structured approach to identifying, managing and mitigating potential business disruptions through robust policies, processes and preparedness mechanisms. By strengthening its business continuity framework, Himadri is better positioned to ensure continuity of critical functions, minimise disruption-related risks and sustain business performance in an increasingly dynamic operating environment.

ISO 20400:2017 (Sustainable procurement practices)

Himadri continues to align its procurement practices with the principles of ISO 20400:2017- Sustainable Procurement Guidelines, embedding environmental, social and ethical considerations into its sourcing strategy. The Company's procurement framework is evolving to ensure that suppliers consistently align with its values on human rights, fair labour practices, ethical conduct and environmental stewardship. This approach is strengthening a resilient, inclusive and transparent value chain, supporting Himadri's long-term commitments toward Net Zero ambitions and human rights priorities.

ISO 28000:2022 (Supply Chain Security Management)

Himadri has been awarded the ISO 28000:2022 certification, underscoring its commitment to operational resilience, supply chain security and robust risk management practices. The certification validates the Company's structured approach to establishing and maintaining a security management system designed to safeguard business continuity and strengthen the integrity of its operational ecosystem. Through this achievement, Himadri has further enhanced its ability to anticipate and manage security-related risks, reinforce supply chain reliability and support sustainable long-term value creation.

ISCC PLUS (International Sustainability and Carbon Certification PLUS)

Himadri has received the ISCC PLUS certification, reinforcing the Company's commitment to sustainability, traceability and responsible sourcing across its value chain. ISCC PLUS is a globally recognised voluntary certification system designed to support the circular economy and bioeconomy by validating the sustainability characteristics of alternative feedstocks, including recycled and bio-based materials. It also enables robust traceability of such materials through

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recognised chain-of-custody approaches such as mass balance, physical segregation and controlled blending. This certification reflects Himadri's efforts to strengthen sustainable material management and align its operations with evolving market expectations for responsible production and supply chain transparency. By obtaining ISCC PLUS certification, the Company has further enhanced its ability to support circularity, improve traceability across material flows and reinforce stakeholder confidence in the sustainability attributes of its products. The certification also complements Himadri's broader sustainability strategy by supporting responsible growth, value chain resilience and long-term value creation.

ISO 45003:2021(Psychological Health and Safety at Work)

Himadri is currently in the process of pursuing enrolment under ISO 45003:2021 reflecting the Company's continued

commitment to strengthening psychological health, safety and employee well-being as part of its broader occupational health and safety framework. Recognising the growing importance of psychosocial risk management in the workplace, the Company is taking structured steps to align its systems and practices with internationally recognised standards for psychological health and safety. This initiative is aimed at further enhancing Himadri's ability to identify, assess and manage psychosocial risks that may arise from workplace factors, while fostering a safe, supportive, inclusive and respectful work environment for employees. The adoption of ISO 45003:2021 is expected to strengthen the Company's people-centric approach by promoting employee well-being, improving workplace engagement and reinforcing a culture of care and trust across the organisation. Through this ongoing effort, Himadri seeks to build greater organisational resilience and further embed employee welfare into its long-term sustainability and governance priorities.

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	I am pleased to present Himadri's Business Responsibility and Sustainability Report (BRSR), prepared in alignment with SEBI requirements and guided by our ESG vision, "Together Towards Tomorrow." Our sustainability approach is structured around clearly defined objectives, ensuring measurable progress across environmental, social and governance priorities. Safety and People Well-being remain our foremost priority. Under our Zero-Accident Vision, we targeted a Lost Time Injury Frequency Rate (LTIFR) of less than 1 and are proud to report the achievement of zero LTIFR during the reporting period, reflecting strong systems, leadership commitment and workforce engagement. In line with our energy efficiency objective, we targeted a 20% reduction in energy intensity and achieved a 19.31% reduction, driven by operational optimization and improved energy management practices. Our climate action agenda focuses on reducing greenhouse gas emissions across Scopes 1, 2 and 3. Against a target of 30% reduction in Scope 1 and Scope 2 emission intensity, we achieved a 38.18% reduction, exceeding expectations. For Scope 3 emissions, against a target of 8% reduction, we achieved a 17.17% reduction, demonstrating progress in value chain decarbonization initiatives. Himadri continues to maintain strong performance in water and effluent management, achieving 100% Zero Liquid Discharge (ZLD) compliance across all operating units. In waste management, we have significantly minimized landfill disposal to 0.01%, far exceeding our target of less than 1%, while strengthening circularity through over 95% recycling and reuse of materials. From a social perspective, we are steadily progressing towards enhancing diversity, with 6.14% gender diversity in management roles against a target of 6.5%. We have also achieved 99% coverage in compliance and ethics training, reinforcing our governance framework and ethical culture. Our commitment to responsible value chain management is reflected in achieving 100% sustainability assessment coverage of both upstream and downstream partners representing 75% of procurement and sales value, respectively. We are also advancing our low-carbon product portfolio and customer decarbonization initiatives, aligning innovation with sustainability outcomes and supporting customers in reducing their carbon footprint.

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	While we continue to navigate challenges such as decarbonization of hard-to-abate processes, Scope 3 emission management and evolving regulatory expectations, our performance demonstrates strong alignment between our sustainability objectives, targets and achievements. Himadri remains committed to strengthening its ESG performance through innovation, accountability and transparency, as we progress towards a resilient, inclusive and low-carbon future.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	At the highest level, Himadri's Board of Directors, under the leadership of the Chairman cum Managing Director & CEO, provides strategic oversight and direction to the Company, with a continued focus on safeguarding and enhancing long-term shareholder value. The Board plays a central role in guiding the Company's business strategy, governance practices and sustainability agenda, ensuring that decisions are aligned with Himadri's vision, mission and the long-term interests of all stakeholders. The Board also provides oversight across the Company's operations to support effective resource utilisation, robust governance and responsible business conduct. Independent Directors chair key Board Committees, which play an important role in reviewing strategic matters, monitoring implementation of Board-approved policies and procedures and ensuring effective governance oversight across critical areas of the business. Himadri's ESG governance framework is designed to provide structured oversight, accountability and execution across sustainability-related matters. At the apex, the Board is responsible for overseeing ESG-related priorities, including the associated risks, opportunities and long-term strategic implications for the business. The Board-level ESG Committee provides focused oversight on sustainability matters and supports the integration of ESG considerations into the Company's broader strategic and governance framework. The ESG Council, chaired by the CMD & CEO, periodically reviews and oversees the implementation of the Company's Sustainability Policies. Under the leadership of the Chief Sustainability Officer, the committee tracks progress, provides updates to the board and monitors key sustainability KPIs. The ESG Steering Committee, serving as the highest authority at the unit level, is tasked with the implementation of ESG initiatives. This team collaborates with functional teams, external partners and industry stakeholders to develop roadmaps for sustainability endeavours.
9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes, As part of Himadri's governance framework, the ESG Committee functions as a Board-level Committee responsible for providing strategic oversight on key environmental, social and governance matters. The Committee plays a critical role in reviewing ESG-related priorities, identifying associated risks and opportunities and guiding the development of appropriate mitigation and management strategies. Through its oversight, the Committee supports the integration of ESG considerations into the Company's broader governance and decision-making processes. In addition, the ESG Council plays an important role at the management level by reviewing the Company's Business Responsibility and Sustainability Report (BRSR) and recommending it to the Board for adoption. The Council also reviews and approves the Company's Sustainability Report, while monitoring the implementation of sustainability initiatives and key ESG performance indicators. Chaired by the Chief Sustainability Officer, the Council is responsible for tracking progress against the Company's sustainability priorities and providing periodic updates to the Board and relevant governance forums

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Committee of the Board/ESG Council									Annually								
Compliance with statutory requirements of relevance to the principles and rectification of any non- compliances	Committee of the Board/ ESG Council									Annually								

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11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Yes. As part of ISO systems implementation policy review is part of the audit or assessment during financial year we have engaged external parties for surveillance of ISO management systems. We have engaged below external agencies to carry out our assessment of the working of its policies. DNV, BV, TUV SUD, SGS.								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable as all principles are covered by respective policies								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/ No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

At Himadri, we continue to align our operations with the principles of the National Guidelines on Responsible Business Conduct (NGRBC), reinforcing our commitment to ethical, transparent and sustainable business practices. These guidelines serve as a strong foundation for integrating our core values with responsible corporate conduct and long-term value creation. Our policies are embedded across key areas of ethical and responsible business practices, ensuring consistency in implementation. Himadri has developed and continues to strengthen comprehensive policies and frameworks that promote ethical conduct, ensure legal compliance and protect organizational reputation. These frameworks address critical aspects such as anti-bribery and corruption, fair competition, environmental stewardship, occupational health and safety and whistle-blower mechanisms. The key policies supporting the organization are outlined below:

Principle no	Principle details	Policy as per principle
Principle 1:	Businesses should conduct and govern themselves with ethics, transparency and accountability	1. Anti-Bribery & corruption Policy 2. Anti-corruption due diligence program 3. Specific approval procedure for sensitive transactions 4. Information security due diligence program 5. Implementation of record retention Schedule policy 6. Incident response procedure 7. Measure of gaining stakeholder consent 8. Information Security risk assessment 9. Policy on prevention and detection of bribery, fraud and other corruptions 10. Stakeholder engagement policy 11. Prevention of documents & archival policy 12. Vigil mechanism /whistle blower policy 13. Audit of control procedure to prevent information security breaches

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Principle no	Principle details	Policy as per principle
		14. Code of Conduct 15. Data management and information security policy 16. Health and safety policy 17. Extortion, fraud and money laundering policy 18. Code of Conduct for all Director and senior Management 19. Conflict of interest policy
Principle 2:	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	1. Sustainable procurement Policy 2. Promotion of sustainable consumption 3. Risk Management Policy 4. Responsible Consumption policy
Principle 3:	Businesses should promote the wellbeing of all employees	1. Canteen Policy 2. Employee Health & Safety policy 3. Drug & Alcohol Policy 4. Long service Award Policy 5. Onboarding Policy 6. Loan & advance Policy 7. Fair competition Policy 8. Recruitment Policy 9. POSH 10. Career Progression Policy 11. Diversity, Equity and Inclusion Policy 12. Vigil mechanism /whistle blower policy 13. Prevention of sexual harassment policy 14. Risk management policy
Principle 4:	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	1. CSR policy 2. Sustainable Procurement Policy 3. Stakeholder Engagement Policy
Principle 5:	Businesses should respect and promote human rights	1. Child & Forced Labour Policy 2. Human Rights Policy 3. Sustainable Procurement Policy 4. Supplier Code of Conduct 5. Gift Hospitality & Entertainment Policy 6. Prevention of sexual harassment policy 7. Vigil mechanism /whistle blower policy 8. Risk management policy 9. Human Rights Policy 10. Child Labour Policy 11. DEI Policy 12. Anti-Harassment 13. Stakeholder Human Rights Policy 14. Human Rights Charter

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Principle no	Principle details	Policy as per principle
Principle 6:	Businesses should respect, protect and make efforts to restore the environment	1. Environment Policy 2. Bio Diversity 3. Water management 4. Air Pollution 5. Energy & GHG emission 6. Product End of Life 7. Customer health & safety 8. Responsible Consumption Policy 9. Environment Services and advocacy
Principle 7:	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	1. Code of Conduct of all directors & senior management 2. Fair Competition Policy
Principle 8:	Businesses should support inclusive growth and equitable development	1. Recruitment Policy 2. Fair Competition Policy 3. Sustainable Procurement Policy 4. Diversity, Equity and Inclusion Policy 5. CSR Policy
Principle 9:	Businesses should engage with and provide value to their customers and consumers in a responsible manner	1. Customer health & safety 2. Product End-of-Life 3. Information Security risk assessment 4. Vigil mechanism /whistle blower policy 5. Data management and information security policy 6. Code of conduct for business partners

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Section C

Principle 1

Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable.

While business activities play a critical role in advancing human well-being and economic development, they can also have significant environmental and social implications. Responsible business conduct is therefore essential to anticipate, prevent and mitigate potential adverse impacts arising from operations across the value chain. Organizations must strive to balance economic growth with the needs of people and the protection of the planet, ensuring that prosperity is achieved in a manner that is inclusive, sustainable and resilient. This requires businesses to operate with a high degree of transparency, adhere strictly to applicable laws and regulations and remain accountable to all stakeholders.

Ethical conduct is deeply embedded in Himadri's core business principles and forms the foundation of its sustainable value creation model. The Company's unwavering commitment to integrity and ethical governance is reinforced through a comprehensive framework of well-defined policies and practices, including its Code of Conduct, Anti-Bribery and Anti-Corruption Policy and a robust governance architecture. Together, these mechanisms promote responsible decision-making, foster a culture of accountability and ensure that ethical standards are consistently upheld across all levels of the organization.

SDGs Impacted



100%

Training Coverage
of Employees

NIL

Penalty

NIL

Number of
Complaints

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	13	ESG Awareness Skills, Functional Skills, Compliance	100
Key Managerial Personnel	13	HSES, Awareness, Functional Skills, Compliance	100
Employees other than BoD and KMPs	300	HSES, Awareness, Functional Skills, Compliance	100
Workers	132	HSES, Awareness, Functional Skills, Compliance	100

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Recognizing the importance of individual preparedness, Himadri makes sustained investments in structured training programmes. To foster a diverse, equitable and well informed organizational culture, equal access to learning opportunities is provided across all levels, including external stakeholders where relevant. The Company achieved the milestone of **100% training coverage** across the workforce from senior leadership to frontline workers through its inclusive and systematic training framework. Training programmes are delivered via the Company's online Learning Management System, **Utkarsh**, through customized virtual modules, supplemented by in person workshops and role based interactive webinars. To enhance training effectiveness, Himadri conducts periodic assessments to evaluate employee understanding and engagement.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGBRC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an Appeal been preferred (Yes/No)
Penalty/ Fine			Nil		
Settlement			Nil		
Compounding fees			Nil		

Non-Monetary				
	NGBRC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an Appeal been preferred (Yes/No)
Imprisonment			Nil	
Punishment			Nil	

Himadri remains unwaveringly committed to full compliance with the Companies Act, 2013 and SEBI enabling the Company to maintain a consistent record of zero fines and penalties over the past three years. The Company conducts its operations with the highest standards of integrity, ensuring strict adherence to all applicable legal and regulatory requirements. This reflects Himadri's robust and well defined governance framework, supported by a dedicated legal and compliance function. Clearly articulated policies on ethical conduct, complemented by regular internal and external audits, ensure ongoing compliance across business operations. Continuous and mandatory training programmes delivered through the **Utkarsh** portal on regulatory compliance, ethical decision making and business responsibility are extended to all internal stakeholders. A well established **Speak Up** whistle blower mechanism, supported by transparent and secure grievance redressal processes, stakeholder engagement initiatives and embedded ESG principles, ensures that all grievances are reviewed by a designated ethics committee and addressed through timely investigation and resolution.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Nil

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, Himadri is firmly committed to upholding the highest standards of ethics and integrity across all aspects of its operations. The Company's comprehensive Anti Bribery and Corruption (ABC) Policy reflects this commitment and is fully aligned with applicable national anti corruption laws. The policy applies uniformly to all employees, including the Board of Directors, Key Managerial Personnel, as well as suppliers, contractors, third party vendors and other associated stakeholders.

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The ABC Policy clearly defines prohibited practices, establishes robust due diligence mechanisms for business partners and prescribes strong financial and operational controls to prevent fraud and unethical conduct. It reinforces Himadri's zero tolerance approach to bribery and corruption, thereby fostering a culture of transparency, accountability and responsible business conduct.

To promote open and secure communication, the Company has instituted a confidential Speak Up / **Whistleblower** mechanism. Employees and external stakeholders are encouraged to report concerns or suspected misconduct without fear of retaliation through designated channels, including hotlines, email and web based platforms.

Himadri places strong emphasis on awareness and capacity building. Regular training programmes are conducted for employees, business partners and relevant stakeholders, with mandatory anti bribery and anti corruption training forming part of the induction process for all new employees.

Audit of Control Procedures:

To ensure ongoing effectiveness, the ABC framework is subject to periodic internal audits and independent third party assessments. These reviews ensure continued alignment with national and international anti corruption standards and support continuous improvement.

During FY 2025-26, an independent Anti Bribery Due Diligence Assessment was conducted by TÜV SÜD, covering policy implementation, risk assessment, third party management, whistleblower safeguards and employee awareness across multiple locations. The assessment confirmed the presence of a certified ABC policy, regular training coverage, active anonymous reporting mechanisms and operational risk based due diligence processes. Opportunities identified for strengthening third party training, contract compliance and targeted risk mitigation are being addressed to further embed ethical governance across the organisation.

Risk Overview:

Bribery and corruption present potential risks to the organisation, including legal and financial exposure, reputational impact, operational and regulatory disruption, misallocation of resources, internal ethical breaches and exposure to coercion or undue influence.

Mitigation Measures by Himadri:

Area	Initiatives/Controls
Policy Framework	Himadri has adopted a formal Anti-Bribery and Corruption Policy aligned with ISO 37001:2016. This is supported by a Code of Conduct binding on all employees.
Governance Mechanism	A dedicated Vigilance Officer oversees the grievance mechanism. Multiple confidential reporting channels are available (email, hotline, drop-boxes).
Training & Awareness	- Annual training for employees and managers on anti-bribery practices. - Onboarding sessions for new hires. - Third-party training is underway with plans for universal coverage.
Risk Assessment	- Periodic risk-based due diligence of third parties including suppliers, agents and contractors. - Identification of high-risk functions (Sales, Procurement).
Contractual Controls	Anti-bribery clauses included in all contracts with third parties; work in progress to ensure 100% clause coverage.
Monitoring & Audits	- Internal audits evaluate reporting channel efficiency and policy compliance. - External assessments are conducted every three years or as required.
Incident Management	- Investigations completed within 90 days (extendable if needed). - Whistle-blower reports, investigations and outcomes are documented and reviewed.

Through ongoing evaluations, capacity-building and transparent stakeholder engagement, Himadri reinforces its stance of zero tolerance for bribery and corruption as a cornerstone of sustainable and responsible business conduct.

By integrating these proactive measures, Himadri proudly upholds its commitment to ethical governance and sets a strong example of integrity in the industry.

https://www.himadri.com/pdf/Anti_Bribery_and_Corruption_Policy.pdf

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5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

Himadri's Code of Conduct, supported by well structured policies and an effective governance framework, has ensured **zero reported instances of bribery or corruption involving internal stakeholders** over the past three years, including FY 2025-26. The Company's Anti Bribery and Anti Corruption Policy, aligned with the Prevention of Corruption Act, 1988 (as amended in 2018), establishes clear standards prohibiting bribery, kickbacks and unethical business practices, while encouraging it's workforce and stakeholders to report concerns without fear of retaliation. The robustness of Himadri's bribery and corruption risk management and due diligence processes is further reinforced through independent assurance conducted by TÜV SÜD and other external verification bodies.

Mandatory training and awareness programmes extended to all stakeholders, including the Board of Directors and Key Managerial Personnel, reinforce a strong culture of compliance and ethical conduct. In addition, robust financial controls, coupled with regular internal and external audits, ensure transparency in transactions and help prevent unauthorised or suspicious activities. Continuous monitoring, a well established **Speak Up** whistle blower mechanism, secure grievance redressal processes and proportionate enforcement and disciplinary measures serve as effective deterrents against unethical behaviour.

Himadri's Perspective on Corporate Compliance and Disciplinary Action

Disciplinary action is viewed as a critical mechanism to uphold the integrity of the Company's corporate governance framework and is guided by the following principles:

- The primary objective is to ensure that all Himadrians understand and comply with the Company's Code of Conduct, internal policies and applicable regulatory requirements.
- Disciplinary measures are applied as corrective and educational actions rather than punitive, with the intent of fostering accountability and ethical behaviour.
- Upon identification of non-compliance, a structured process involving investigation, documentation and consultation with Human Resources and Legal functions is initiated.
- The severity of action is proportionate to the nature and frequency of the breach, ranging from counselling or warnings to termination in serious cases.
- Disciplinary procedures are applied consistently to avoid any perception of bias or preferential treatment.
- Clear communication is maintained to ensure employees understand the nature of the violation, expected standards of conduct and consequences of repeated non compliance.
- A comprehensive audit trail of all actions is maintained to ensure transparency, traceability and protection of the interests of both the Company and the individuals involved.
- Post incident training and awareness initiatives are undertaken to address gaps and prevent recurrence.

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6. Details of complaints with regard to conflict of interest:

	FY 2025-26 (Current Financial Year)		FY 2024-25 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors.	0	No complaints received	0	No complaints received
Number of complaints received in relation to issues of Conflict of Interest of the KMPs.	0	No complaints received	0	No complaints received

Himadri's robust governance framework ensures that all business dealings are reviewed and approved through transparent, well documented processes, in strict adherence to the Company's Code of Conduct. The Code of Conduct clearly defines acceptable business practices and mandates that members of the Board of Directors and Key Managerial Personnel act in the best interests of the Company, without allowing personal or financial considerations to influence professional judgment. Regular training programmes conducted for all stakeholders have been instrumental in enhancing awareness around identifying, disclosing and managing potential conflicts of interest.

Himadri's Fair Competition Policy strictly prohibits cartel like behaviour and ensures compliance with applicable anti trust laws, thereby promoting fair trade practices in alignment with the guidelines of the Competition Commission of India.

The Company's Gift, Hospitality and Entertainment Policy requires timely disclosure of potential conflicts and outlines clear procedures for their management, thereby preventing bias and preserving trust and transparency.

Further, Himadri's Related Party Transactions Policy ensures transparency and fairness in dealings with related entities by prescribing a structured approval framework. All such transactions are conducted at arm's length and in the best interests of the Company and its stakeholders, thereby mitigating conflicts of interest and reinforcing sound governance practices.

7. Details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

There are no reported issues pertaining to corruption and conflicts of interest.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured):

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payable	37	47

Himadri follows ethical and responsible payment practices, avoids delays that may adversely affect vendors and suppliers and upholds sound financial management standards. The reduction in accounts payable days was achieved through a combination of process optimisation, improved supplier relationship management and effective cash flow planning. The procurement to payment cycle was streamlined through the implementation of semi automated invoice processing within SAP, accelerating approval workflows and enabling timely payments. These measures reduced outstanding payables and enhanced payment efficiency. In addition, internal financial controls were strengthened to enable regular monitoring and tracking of accounts payable performance.

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9. Open-ness of business

Details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties:

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	13.49%	26.42%
	b. Number of trading houses where purchases are made from	638	608
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	85.49%	95.01%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	6.88%	8.47%
	b. Number of dealers / distributors to whom sales are made	18	19
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	83.15%	84.97%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	9.59%	15.62%
	b. Sales (Sales to related parties / Total Sales)	3.79%	0.00%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	41.85%	16.30%
	d. Investments (Investments in related parties / Total Investments made)	33.66%	60.96%

At Himadri, all related party transactions are conducted strictly at arm's length and in compliance with applicable legal and regulatory requirements. A structured governance framework, supported by periodic audits and Board level approvals, is in place to oversee and regulate related party dealings. The Company further ensures that all loans and advances adhere to prescribed legal and financial guidelines, thereby avoiding any preferential treatment. Robust monitoring mechanisms are implemented to track repayment schedules and outstanding balances, ensuring sustained financial integrity and control.

Inclusiveness remains a core tenet of Himadri's business philosophy and extends across its value chain. The Company is committed to supporting women led enterprises, businesses led by marginalised and vulnerable groups, Micro, Small and Medium Enterprises (MSMEs) and local communities as part of its inclusive growth agenda. While the specialised nature of Himadri's core raw materials by products of large scale industries such as steel and oil & gas limits direct sourcing from these groups, procurement strategies have been proactively aligned to prioritise sourcing of consumables and services from such enterprises wherever feasible. This approach enables Himadri to balance operational effectiveness with its commitment to equitable and sustainable economic development.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
132	Health & Safety Environmental Compliance & Regulations Human Rights Supply chain management ESG & Sustainability, Expectations Chemical Handling & SDGs	100 (service value chain partner)

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At Himadri, the Company recognises and values the critical role played by its value chain partners in creating sustained business and societal value. As part of its sustainability journey, Himadri seeks to collaborate with value chain partners who are aligned with its vision and long term sustainability objectives. To foster a knowledge driven and responsible value chain ecosystem, the Company facilitates targeted capacity building workshops for key partners, aimed at enhancing awareness and environmental compliance & regulations across core areas such as health and safety, human rights, labour practices, ESG & Sustainability Expectations and other relevant sustainability considerations.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, Himadri has established robust governance mechanisms to effectively prevent and manage conflicts of interest involving members of the Board, thereby ensuring transparency, accountability and ethical decision making. All members of the Board, including Independent Directors and Senior Management, are governed by a comprehensive Code of Conduct, approved and periodically reviewed by the Board. The Code provides clear guidance on ethical standards, fiduciary responsibilities and procedures for identifying and disclosing actual or potential conflicts of interest.

Key Processes and Safeguards:

1. Disclosure Obligations:

- Directors are required to avoid situations where personal or financial interests may conflict with those of the company.
- In cases where such conflicts are unavoidable, Directors must formally disclose the matter:
 - For Executives: to their immediate superior.
 - For Directors: directly to the Board.

2. Board-Level Oversight:

- Disclosed conflicts are addressed and recorded in Board meetings.
- Independent Directors play a critical role in moderating and arbitrating any potential

conflict between management and stakeholder interests.

3. Professional Integrity Standards:

- Directors are required to act objectively, ethically and in the company's best interest, refraining from actions that could bring personal gain at the company's expense.
- Abuse of position, exploitation of opportunities arising from their role and any form of undue influence are strictly prohibited.

4. Independent Directors' Code:

- Independent Directors are required to uphold probity, safeguard stakeholder interests and report any concerns regarding unethical behavior or potential conflicts.
- They are expected to remain independent in judgment and report loss of independence, if any, to the Board.

5. Governance Meetings and Evaluations:

- At least one exclusive meeting of Independent Directors is held annually to evaluate:
 - The performance of the Board and Chairperson.
 - Flow of information from management.
- Directors' performance evaluations are used as a basis for re-appointment decisions.

6. Training and Awareness:

- Directors are encouraged to undertake regular updates on governance, compliance and emerging risks, including conflict-of-interest management.

7. Confidentiality and Transparency:

- Directors must maintain confidentiality of internal deliberations and corporate information, disclosing data only under lawful obligation or with proper authorization.

Through these structured measures, Himadri ensures that Board level decisions remain impartial, integrity driven and aligned with the principles of responsible corporate governance, thereby safeguarding operational resilience and reinforcing stakeholder confidence.

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Section C

Principle 2

Businesses should provide goods and services in a manner that is sustainable and safe

Sustainable industrial growth requires organizations to integrate safe, resource-efficient and low-carbon technologies throughout their operations and supply chains. By adopting responsible production and consumption practices, businesses can support improved quality of life while ensuring the conservation of natural resources for future generations.

In alignment with these principles, Himadri focuses on continuously improving operational efficiency through the adoption of advanced technologies, optimized processes and responsible resource utilization. The organization remains committed to delivering high-quality products and services while minimizing environmental impact

and supporting broader sustainability objectives.

Himadri's sustainability approach is guided by the **Responsible Care** framework, which emphasizes environmental stewardship, operational safety and social responsibility. This commitment is reinforced through a strong governance structure supported by key policies and frameworks, including the **Code of Conduct**, **Corporate Social Responsibility Policy**, **Health, Safety & Environment (HSE) Policy** and the **Business Partner Code of Conduct**, ensuring that sustainability principles are embedded across the organization and its value chain relationships.

SDGs Impacted



100% R&D Expenditure towards improving environmental and social impacts

>95% Sustainable Sourcing

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year (2025-26)	Previous Financial Year (2024-25)	Details of improvements in environmental and social impacts
R&D	100%	100%	A significant portion of the entity's capital expenditure during both financial years was invested in environmental protection, safety enhancement and social well-being initiatives. These investments included: Environmental technologies such as energy-efficient equipment, air pre-heaters, pollution control systems (bag filters, scrubbers), continuous emission monitoring systems, water recovery and conservation projects, fuel-efficiency improvements and process modifications leading to reduced greenhouse gas and particulate emissions. Safety-oriented investments including fire protection systems, fall-arrest solutions, electrical safety upgrades, automation and DCS systems to reduce human intervention, noise reduction measures and strengthened process isolation and control systems. Social well-being initiatives covering automation of material handling, improved workplace infrastructure (laboratories, control rooms, illumination), reduction of manual handling risks, training facilities, surveillance systems and employee welfare infrastructure. These investments reflect the entity's continued commitment to integrating sustainability, safety and social responsibility into capital planning and operational decision-making, while supporting long-term environmental performance and employee well-being.
Capex	35.21%	32.43%	

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At Himadri, innovation forms a central pillar of the organization's growth and competitiveness. A strong focus on research and technological advancement enables the development of specialized products and solutions that address evolving industry requirements. Through continuous investment in advanced technologies and research capabilities, Himadri empowers its scientists and engineers to explore new ideas, refine processes and deliver value-driven innovations.

Himadri operates advanced laboratories accredited by the **National Accreditation Board for Testing and Calibration Laboratories (NABL)**, supporting high standards of testing, analysis and product development. Himadri's R&D team comprises experienced experts from diverse national and international backgrounds who collaborate to bring multidisciplinary perspectives to complex industrial challenges.

Sustainability remains an important dimension of Himadri's research efforts. The organization actively focuses on developing processes and operational improvements that enhance efficiency while reducing environmental and social impacts. By integrating sustainability considerations into product design and process optimization, Himadri aims to create solutions that are both technologically advanced and environmentally responsible.

Research and Development continues to play a critical role in shaping Himadri's long-term vision. Himadri has undertaken initiatives such as the upcycling of industrial by-products through advanced processing technologies and the integration of nanotechnology into next-generation materials. These innovations help strengthen Himadri's product portfolio while improving resource efficiency and operational performance.

Continuous innovation has also contributed to improvements in product quality, yield optimization and overall production efficiency. Himadri is expanding its capabilities in emerging sectors such as **lithium-ion battery materials**, supporting the growing demand from industries including electric vehicles, energy storage and fast-charging technologies. Through ongoing research, Himadri is working to enhance energy density, improve material performance and reduce the carbon footprint associated with advanced materials.

Himadri's R&D infrastructure includes specialized pilot reactors and distillation units that support experimentation and scale-up of new technologies. Over the years, indigenous research has enabled Himadri to expand its value chain and develop specialized product profiles tailored to diverse industrial applications.

As part of its product innovation efforts, Himadri has introduced **15 grades of specialty carbon black**, catering to applications across tyres, fibres, powders, coatings and polymer-based industries. These innovations reflect Himadri's commitment to supporting industrial advancement while contributing to **Sustainable Development Goal (SDG) 9**, which promotes industry innovation, resilient infrastructure and sustainable industrialization.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, Responsible sourcing plays a vital role in strengthening sustainable business practices and supporting the transition toward a low-carbon economy. At Himadri, procurement is approached strategically, with a strong focus on transparency, responsible resource use and long-term value creation across the supply chain.

Himadri's procurement philosophy extends beyond traditional purchasing functions to incorporate environmental stewardship, social responsibility and ethical business conduct. This integrated approach ensures that operational requirements are fulfilled while minimizing environmental impacts and creating positive value for society. In alignment with these principles, Himadri has established a comprehensive **Sustainable Procurement Policy** that encourages suppliers to adhere to high standards of environmental, social and governance (ESG) performance, thereby strengthening alignment with Himadri's sustainability objectives.

To operationalize this commitment, Himadri has introduced two key frameworks designed to improve supplier accountability and sustainability performance:

1. **Supplier Code of Conduct** – requiring all suppliers to provide mandatory self-declarations confirming compliance with ethical, environmental and social standards.
2. **Sustainable Supply Chain Framework** – which incorporates a set of carefully designed **Key Performance Indicators (KPIs)** to assess supplier sustainability performance through both quantitative and qualitative parameters.

To further strengthen risk governance across the supply chain, Himadri integrates upstream procurement risks into its enterprise risk management framework. Procurement activities are strategically categorized into **raw materials**,

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consumables and services, enabling better monitoring and control of supply chain risks.

These categories are mapped and managed in alignment with the **ISO 20400:2017 Sustainable Procurement Framework**, which provides guidance on responsible sourcing practices, risk identification, performance evaluation and continuous improvement. Through this structured approach, Himadri aims to enhance supplier performance, mitigate supply chain risks and drive sustainability improvements across the entire procurement ecosystem.

https://www.himadri.com/pdf/Sustainable_Procurement_Policy.pdf

b. If yes, what percentage of inputs were sourced sustainably?

Yes, more than 95% of total input procurement value was sourced from suppliers aligned with Himadri's sustainable sourcing principles.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

As Himadri primarily supplies its products as intermediary raw materials to industrial customers for further manufacturing processes, the products are incorporated into downstream applications and therefore cannot be reclaimed once delivered to customers. However, as part of its circular economy initiatives, Himadri has undertaken a pilot project focused on recovering carbon black from end-of-life

tyres and reintegrating the recovered material into its value chain.

In addition, Himadri continues to explore opportunities to improve sustainability across its product lifecycle. Himadri is actively evaluating and developing environmentally responsible packaging solutions that are compatible with its products, with the objective of reducing environmental impact while supporting broader sustainability goals.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, Extended Producer Responsibility (EPR) is applicable to Himadri Speciality Chemical Ltd.

The Company has obtained EPR authorization from the Central Pollution Control Board (CPCB) under Registration No. IM-16-000-01-AAA CH7475H-24.

Himadri has established a structured waste collection and disposal mechanism in line with the applicable EPR regulations. The Company engages CPCB-authorized recyclers and ensures environmentally sound management of waste arising from its products.

Adequate systems are in place for traceability, documentation and submission of periodic returns to regulatory authorities. The Company continuously monitors compliance status to ensure adherence to evolving regulatory requirements under the EPR framework.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details.

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency? (Yes/No)	Results communicated in public domain? (Yes/No) If yes, provide the web-link.
23999	Carbon Materials & Chemicals	99.56	Cradle to gate including downstream transport & distribution	Yes	Yes

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Yes, Himadri has undertaken Life Cycle Assessments (LCA) for several of its key products as part of its commitment to understanding and reducing the environmental impacts associated with its operations and product portfolio. The assessments were conducted in accordance with ISO 14044:2018, which provides a globally recognized framework covering goal definition, life cycle inventory analysis, impact assessment and interpretation of results. This standardized methodology ensures consistency, transparency and reliability in evaluating environmental performance.

The LCA studies considered the entire lifecycle of the products, including upstream transportation of raw materials, manufacturing processes and downstream distribution to customers. By adopting this cradle-to-delivery perspective, Himadri was able to map the environmental footprint across different stages of the value chain and identify areas with higher environmental impact.

During the reporting year, Life Cycle Assessments were conducted for key products including Carbon Black, Coal Tar Pitch, Naphthalene, Sulphonated Naphthalene Formaldehyde (SNF) and Polycarboxylate Ether (PCE). The results of these assessments provide valuable insights that support data-driven decision-making related to raw material sourcing, process optimization and logistics efficiency.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk/concern	Action Taken
Carbon Materials & Chemicals	No detrimental risk found	Not Applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate Input Material	Recycled or re-used input material to total material	
	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Pyrolysis Oil	0.20%	0.10%
Hydrocarbon Derivates	15.02%	13.44%

Process optimization remains a key focus area for Himadri in driving resource efficiency and strengthening circularity within its operations. Himadri has also launched a pilot initiative to evaluate reusable packaging solutions, with the long-term objective of reducing and potentially eliminating conventional plastic and wooden packaging materials. This initiative reflects Himadri's commitment to minimizing packaging waste while promoting sustainable alternatives.

Himadri further benefits from its integrated production infrastructure, which enables systematic management of by-products and process streams. Several by-products generated during manufacturing are effectively repurposed as raw materials for other products within the facility, thereby extending the value chain and improving resource utilization.

In addition, Himadri utilizes sectoral by-products such as coal tar and carbon black feedstock as key raw materials, resulting in a significant proportion of non-virgin inputs being used within its operations. This approach supports circular resource use, reduces reliance on primary raw materials and contributes to more sustainable production practices.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled and safely disposed:

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	Nil	Nil	Nil	Nil	Nil
E-waste	Nil	Nil	Nil	Nil	Nil	Nil
Hazardous waste	Nil	Nil	Nil	Nil	Nil	Nil
Other waste	Nil	Nil	Nil	Nil	Nil	Nil

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Himadri remains committed to strengthening its environmental stewardship through initiatives that promote resource efficiency and responsible consumption. As part of this commitment, Himadri has initiated a pilot project to develop reusable packaging solutions, with the objective of gradually eliminating conventional plastic and wooden packaging materials used in its operations.

Guided by the United Nations Sustainable Development Goals (UNSDGs), particularly those related to responsible consumption and production, Himadri continues to integrate circular economy principles across its operations and value chain. In line with this approach, Himadri is actively evaluating alternative packaging materials that can replace traditional plastic packaging while maintaining product safety and operational efficiency.

Furthermore, as part of its net-zero roadmap, Himadri is working towards progressively reducing and ultimately eliminating the use of virgin plastics within its operations. These efforts aim to minimize environmental impact, encourage sustainable material use and support the transition towards more circular and environmentally responsible packaging practices.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Nil	Nil

Circularity at Himadri is driven by both environmental responsibility and ethical business practices, with active participation from its value chain partners. Himadri continuously works to strengthen circular resource use across operations by improving material efficiency, reducing waste and promoting responsible consumption across the supply chain.

As part of these efforts, Himadri has initiated a pilot project to introduce reusable packaging solutions, with the long-term objective of eliminating conventional plastic and wooden packaging materials wherever feasible. Himadri also continues to work towards its long-term target of zero waste to landfill, reinforcing its commitment to sustainable waste management practices.

Himadri benefits from its integrated production infrastructure, which enables systematic reuse of by-products and process streams. Materials generated from one production process are often repurposed as inputs for other processes, thereby extending the internal value chain and improving overall resource efficiency. In addition, several raw materials used by Himadri are themselves derived from sectoral by-products such

as coal tar and carbon black feedstock, resulting in a significant proportion of non-virgin inputs within the production system.

Circularity initiatives also extend to packaging and logistics practices. Himadri is registered under India's Extended Producer Responsibility (EPR) framework and ensures that packaging waste is managed through CPCB-approved recyclers in accordance with regulatory requirements. Although Himadri does not manufacture plastics directly, certain packaging materials such as HDPE drums and bags are used in upstream and downstream logistics. Himadri is therefore actively working to reduce plastic intensity by increasing the use of recycled materials and improving packaging design.

To minimize packaging-related environmental impacts, Himadri has expanded the use of bulk transportation systems, with raw materials largely delivered through reusable bulk tankers and a significant share of finished products dispatched through bulk logistics. Himadri has also incorporated recycled content into packaging materials, including plastic bags and truck liners containing reprocessed polymers, while increasing the use of paper-based packaging solutions.

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Further strengthening its circular material strategy, Himadri has undertaken initiatives such as transitioning from wooden pallets to reusable plastic pallets, including pallets manufactured from certified recycled plastics. Through these efforts, Himadri achieved a **12% reduction in wooden pallet consumption** and a **46% reduction in virgin plastic pallet usage** compared to FY 2024–25, while the use of **reprocessed pallets, initiated in FY 2024–25, increased by 16% in FY 2025–26**, supporting circular resource utilisation and reducing dependence on virgin materials.

	12% reduction in wooden pallet consumption
	46% reduction in virgin plastic pallet usage
	Compared to FY 2024–25, while the use of reprocessed pallets, initiated in FY 2024–25, increased by 16% in FY 2025–26

In addition, Himadri is advancing tire recycling initiatives aimed at converting waste tyres into valuable recovered materials such as reclaimed rubber, recovered carbon black, low-sulphur industrial oil and reclaimed steel. These initiatives contribute to reducing landfill waste while enabling sustainable material recovery and strengthening circular industrial practices.

To ensure responsible waste management, Himadri works closely with authorized third-party recyclers and maintains regular oversight of waste handling and disposal processes. Through these integrated efforts, Himadri continues to reinforce its commitment to circular economy principles and responsible environmental stewardship across its operations and value chain.

Himadri's business model inherently minimizes packaging intensity through bulk handling systems. Upstream, 100% of raw materials are received through bulk tankers, eliminating single-use plastic usage. Downstream, approximately 77% of Coal Tar Pitch constituting the majority of production is dispatched in bulk, requiring no plastic packaging.

For Carbon Black products, where plastic packaging remains operationally necessary due to global logistics requirements, the Company has initiated measures to improve sustainability. Approximately **20% of plastic packaging incorporates recycled content** and **35% of dispatch volumes are transitioned to paper-based packaging solutions**. Continuous efforts are underway to enhance recycled content and identify viable alternatives to conventional plastic packaging.

Product End-of-Life Management:

As part of Himadri's ongoing commitment to environmental stewardship and circular economy principles, Himadri is initiating a Product End-of-Life (EOL) Management Action Plan to strengthen responsible lifecycle management of its products. The initiative aims to minimize environmental impact while promoting resource recovery and circular material use beyond the product's operational phase.

Himadri's product sustainability approach integrates environmental considerations across the entire lifecycle—from responsible feedstock selection and manufacturing to customer assurance and end-of-life performance. Guided by eco-design principles and transparent product stewardship, Himadri supports downstream partners in meeting regulatory requirements and advancing circular economy objectives.

The action plan focuses on key areas such as product transparency, responsible material design, performance efficiency and recyclability. Customers are supported with detailed Technical Data Sheets (TDS) and Safety Data Sheets (SDS) confirming compliance with global standards such as **REACH, RoHS and EN 71-3**, while also ensuring the absence of hazardous substances such as heavy metals and SVHCs beyond permissible limits.

Himadri also designs speciality carbon black grades to remain compatible with recyclable polymers such as PE, PP, PET and PVC, enabling efficient downstream recycling. Through its upcoming EOL management initiative, Himadri aims to further strengthen collaboration with value chain partners to promote responsible material recovery and support circular product systems.

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Section C

Principle 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

Responsible businesses are expected to treat all workforce across their organisation and value chains with dignity, equity and respect, while ensuring their health, safety and overall well-being at all times. This responsibility extends beyond compliance and requires the establishment of robust policies, processes and governance systems that support individuals throughout the entire employee lifecycle—from recruitment, onboarding and development to retention and separation. Such systems must promote equal opportunity, eliminate discrimination, ensure fair wages and benefits and provide access to continuous learning and career progression, thereby enabling employees to realise their full potential.

At Himadri, we recognize that our people are the foundation of our growth as a global leader in specialty carbon products. In alignment with the BRSR Principle 3, which requires businesses to respect and promote the well-being of all workforce, including those in our value chains. Himadri is committed to treating every individual-

employee, worker, contractor and value chain partners – with dignity, equity and respect across all stages of their engagement with the Company.

The Company invests in skill development, leadership programmes and performance management systems aligned with organisational goals, supported by fair compensation and inclusive policies to attract and retain talent. It upholds ethical labour practices across its value chain, ensuring accountability among suppliers, contractors and partners. Ethical procurement, transparent dealings and timely payments further strengthen a stable and responsible supply ecosystem.

By promoting diversity and inclusion across gender, experience and cultural backgrounds, Himadri enhances creativity, problem-solving and decision-making. This fosters a collaborative, innovative and resilient workplace—enabling sustainable growth and long-term value creation for employees, stakeholders and the broader community.

SDGs Impacted



100%

Insurance
Benefits*

*100% workforce covered

0%

LTIFR (Lost time injury
Frequency rate)

100%

Training
Coverage

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Essential Indicators

1. a. Details of measures for the well-being of employees:

In addition to our strong commitment to health, safety and workplace culture, Himadri provides a comprehensive benefits package designed to help our workforce and their families live safe, healthy and fulfilling lives. Our benefits includes comprehensive health insurance (medical & accidental), maternity and paternity benefits and a variety of wellness resources.

% of employees covered by													
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity benefits		Day care facilities		Other OHS Benefits	
		No. (B)	% (B/A)	No.(C)	% (C/A)	No (D)	% (D/A)	No.(E)	% (E/A)	No (F)	% (F/A)	No. (G)	% (G/A)
Permanent Employees													
Male	1039	1039	100	1039	100	-	-	1039	100	1039	100	1039	100
Female	68	68	100	68	100	68	100	-	-	68	100	68	100
Total	1107	1107	100	1107	100	68	6.14	1039	93.86	1107	100	1107	100
Other than Permanent Employees													
Male	287	287	100	287	100	-	-	287	100	287	100	287	100
Female	1	1	100	1	100	1	100	-	-	1	100	1	100
Total	288	288	100	288	100	1	0.35	287	99.65	288	100	288	100

b. Details of measures for the well-being of workers:

% of workers covered by													
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity benefits		Day care facilities		Other OHS Benefits	
		No. (B)	% (B/A)	No.(C)	% (C/A)	No (D)	% (D/A)	No.(E)	% (E/A)	No (F)	% (F/A)	No. (G)	% (G/A)
Permanent Workers													
Male	54	54	100	54	100	-	-	54	100	54	100	54	100
Female	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	54	54	100	54	100	-	-	54	100	54	100	54	100
Other than Permanent Workers													
Male	1724	1724	100	1724	100	-	-	1724	100	1724	100	1724	100
Female	20	20	100	20	100	20	100	-	-	20	100	20	100
Total	1744	1744	100	1744	100	20	1.15	1724	98.85	1744	100	1744	100

Himadri demonstrates a strong and largely uniform commitment to well-being coverage across its workforce categories. Both permanent and non-permanent Himadrians enjoy 100% coverage under Accident Insurance and Day-care benefits, reflecting a consistent baseline of protection regardless of engagement type.

Maternity benefits are fully covered at 100% for the eligible female workforce, encompassing both permanent and non-permanent members. This reflects Himadri's inclusive approach toward the welfare of its female professionals.

Furthermore, Himadri ensures equitable support by providing 100% paternity benefits to its male workforce. This coverage extends beyond permanent roles to include all eligible male Himadrians, demonstrating a unified commitment to our people regardless of their employment category.

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Well-being philosophy and programme detail

Overall well-being is embedded in Himadri's culture and is guided by the 4C pillars—Conviction, Consistency, Creativity and Collaboration. Our approach covers physical health, mental well-being and workplace engagement, enabling himadrians to perform their work safely and sustainably.

Work-life balance

Himadri supports work-life balance through flexible work arrangements, where feasible and a structured Compensatory Off (C-Off) policy for work on weekly offs/holidays, extended shifts and official assignments.

Physical health

We promote all Himadrian's health through ergonomic workplaces, preventive practices and wellness awareness, supported by canteen facilities providing nutritious meals.

Mental health

Himadri encourages psychological safety and provides access to counselling and stress-management interventions. The Company conducts 'Mind Detox' sessions in collaboration with the Tea Talks Foundation to build resilience and improve stress management.

Well-being framework

- **Health insurance:** medical coverage for all workforce (and eligible dependents, as applicable).
- **Accident insurance:** coverage for workforce to support financial protection and recovery.
- **Maternity and paternity benefits:** support during parenthood in line with policy and statutory requirements.
- **Day-care support:** facilities/arrangements to enable working parents.
- **Occupational and non-occupational health support:** health check-ups, safety drills and awareness programmes.

Employee engagement and wellness initiatives

- **MOMAZING:** recognition of key personal milestones through supportive, flexible arrangements.
- **Mind Detox:** structured sessions on emotional well-being and stress management.

- **Buddy programme:** onboarding support for new joiners through peer guidance.
- **Annual wellness calendar:** activities such as International Yoga Day and health awareness campaigns.
- **Umang Annual Achievers Awards:** recognition for contributions to safety and well-being.

Through these measures, Himadri aims to provide a safe, inclusive and supportive workplace, strengthening workforce engagement and long-term value creation.

Through these integrated efforts, Himadri ensures a workplace that is safe, inclusive and empowering—supporting sustainable growth and long-term value creation.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent):

	FY 25-26 (Current Financial Year)	FY 24-25 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	0.37%	0.32%

Investing meaningfully in employee well-being fosters a healthier, more engaged workforce. A sustained focus on mental and physical health programmes, alongside fair working conditions, reduces absenteeism, improves retention and lowers workplace injuries and health-related incidents. It also ensures compliance with labour laws and human rights standards, while reflecting a clear commitment to corporate social responsibility, the principles of the UN Global Compact and the UN Sustainable Development Goals.

Employee Well-being and the Way Forward

Himadri's well-being ecosystem includes health and accident insurance, maternity and paternity benefits, day-care facilities and integrated occupational health services, delivered uniformly across the organisation. Going forward, the Company is expanding its focus on psychological health and safety in line with ISO 45003:2021, with planned interventions on workload balance, role clarity, harassment prevention, early hazard identification and confidential counselling—integrated within its ISO 45001:2018 management system.

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2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 25-26 (Current Financial Year)			FY 24-25 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	99.99	100	Y	99.99	100	Y
Gratuity	99.99	100	NA	99.99	100	NA
ESI	7.10	100	Y	13.45	100	Y
Other -(NPS)	28.40	0	NA	42.33	0	NA

Retirement benefits form a key pillar of Himadri's workforce welfare strategy, ensuring a stable and predictable post-retirement income that provides financial security and dignity at the end of a himadrian's careers.

The Company has implemented a robust platform, HORIZON, to manage team member's lifecycle data efficiently, integrating payroll, benefits administration, compliance tracking and performance management into a single system—ensuring accurate and timely statutory deductions and deposits.

In addition, Himadri's Long Service Award Policy recognises and celebrates employee loyalty and long-term commitment, promoting an inclusive culture and reinforcing organisational values.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled workforce, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Himadri's facilities are accessible to differently abled workforce. The Company is continuously upgrading infrastructure to remove remaining barriers and achieve the highest accessibility standards as quickly as feasible, as part of its commitment to inclusion and equal opportunity. This is an ongoing programme of improvement rather than a one-time exercise and the Company is committed to reaching the highest standards of accessibility as rapidly as feasible.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. Himadri has a Diversity, Equity and Inclusion (DEI) Policy aligned with the Rights of Persons with Disabilities Act, 2016, committing to equal opportunity for persons with disabilities across recruitment, training, promotion and remuneration.

Himadri is currently assessed as an 'initiator' on the inclusive business maturity curve. Hiring practices include standardized evaluations, blind resume screening and diverse interview panels to enhance objectivity and reduce unconscious bias.

Web link for DEI Policy: https://www.himadri.com/pdf/Diversity_Equity_&_Inclusiveness_Policy.pdf

5. Return to work and Retention rates of permanent workforce that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to Work rate%	Retention Rate%	Return to Work rate%	Retention Rate%
Male	100	100	100	100
Female	100	100	100	100
Total	100	100	100	100

Himadri's Career Advancement and Nomination & Remuneration Policies support equitable growth and talent retention. The Company's Reward & Recognition programme, managed with the Advantage Club, strengthens engagement. Himadri also leverages the Global DEI Alliance for benchmarking and continuous improvement in DEI practices.

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6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

The Company has established a formal, widely communicated grievance redressal mechanism accessible to the entire workforce, encompassing both permanent and non-permanent Himadrians. This framework provides an accessible, confidential and impartial platform to raise concerns without fear of retaliation. Reporting channels are robust and diverse, featuring a standardized helpline, toll-free number, dedicated email and a formal whistleblower mechanism. To ensure transparency and timely resolution, complaints are reviewed by a cross-functional leadership team comprising the Chief Human Resources Officer, Chief Sustainability Officer and Company Secretary.

Furthermore, Himadri has institutionalized multiple engagement and representation platforms across all operational locations. These include:

- **Safety & Risk Management:** Safety Committee Meetings, Hazard Identification and Risk Assessment (HIRA) and daily Tool Box Talks.
- **Operational Excellence:** Participation in line PPS and 8D PPS and Health and Safety Trainings.
- **Dialogue & Feedback:** Town Hall Sessions, Himadrian Committee Meetings, "Speak Up" forums and Canteen Committee Meetings.
- **Innovation & Governance:** Steering Committee and Task Force Meetings, Suggestion Box mechanisms and structured internal communication protocols.

Together, these mechanisms strengthen workforce participation, streamline issue escalation and foster a culture of open communication and resolution throughout the organization.



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7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 25-26 (Current Financial Year)			FY 24-25 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1107	Nil	Nil	881	Nil	Nil
Male	1039	Nil	Nil	832	Nil	Nil
Female	68	Nil	Nil	49	Nil	Nil
Total Permanent Workers	54	Nil	Nil	89	Nil	Nil
Male	54	Nil	Nil	87	Nil	Nil
Female	0	Nil	Nil	2	Nil	Nil

Himadri's Collective Bargaining Policy upholds freedom of association and the right to collective bargaining for all workforce, in line with SA8000:2014. In FY 2025-26, no team members were members of external unions/associations; however, the Company respects the right to form, join or not join associations without discrimination, retaliation or interference. A Social Performance Team (SPT) with worker and management representatives monitors SA8000:2014 compliance, supports dialogue and grievance redressal and safeguards these rights.

8. Details of training given to employees and workers:

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
	Total (A)	On health and safety measures		On skill up gradation		Total (D)	On health and safety measures		On skill up gradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Male	1326	1326	100	1326	100	1004	1004	100	1004	100
Female	69	69	100	69	100	49	49	100	49	100
Total	1395	1395	100	1395	100	1053	1053	100	1053	100
Workers										
Male	1778	1778	100	1215	68.34	1419	1419	100	823	58.00
Female	20	20	100	18	90.00	10	10	100	8	80.00
Total	1798	1772	100	1233	68.58	1429	1429	100	831	58.15

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Across the board, Himadri achieved **100% Health & Safety (H&S) training coverage** for its entire workforce all the workforce — without a single exception. This consistent, uncompromising coverage across male and female categories alike reflects the organisation's non-negotiable stance on safety as a foundational workplace right and responsibility. Compared to FY 2024-25, where similar 100% coverage was recorded, this performance demonstrates sustained institutional discipline rather than a one-time achievement.

Five-Level External Training Framework

LEVEL	Training Content	Audience
Level 1	 Basic safety awareness and safe equipment use (HSE Awareness Training)	 All employees and contract workers
Level 2	 Safety Audit with Practical — conducting and analysing safety audits	 All employees and contract workers
Level 3	 Risk Assessment techniques and hazard mitigation	 All employees and contract workers
Level 4	 Machine Risk Assessment — machine-specific and operational safety	 All employees and contract workers
Level 5	 Ergonomic Safety Training — preventing musculoskeletal issues (external experts)	 All employees and contract workers

Key Training Topics Covered

Himadri's comprehensive training curriculum covers the following critical EHS and safety topics across all locations:

- Health and Safety Policy; Drug and Alcohol Policy
- New Joiner Induction Training; HSE Awareness Training
- Safety Audit with Practical; Risk Assessment; Machine Risk Assessment
- Lock-Tag System (LOTO); Confined Space Safety; Working at Height
- Permit-to-Work (PTW); Hot Work Safety; Electrical Safety
- Hazardous Chemical Handling; Safe Chemical Handling Procedure
- Fire Prevention and Protection; Fire Fighting Practical Drills; Emergency Preparedness
- Defensive Car and Bus Driving; Vehicle Management; Manual Material Lifting

- Machine Safety; Management of Change; Accident and Incident Reporting
- ISO 45001:2018 Refresher Training; Ergonomic Safety Training

Learning Platforms and Technology

- UTKARSH (LMS): AI-enabled Learning Management System integrated with EcoVadis and UNGC Academy. Offers detailed training schedules, real-time progress tracking and completion certification.
- British Safety Council Partnership: Provides training resources and certifications ensuring alignment with global best practices in OHS management.
- EcoVadisAcademy and UNGCAcademy: Continuous learning for safety, sustainability, corporate responsibility and leadership competencies.
- HORIZON ERP Platform: Integrates payroll, benefits administration, compliance tracking and performance management for seamless lifecycle management.

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9. Details of performance and career development reviews of employees and worker:

Category	FY 25-26 (Current Financial Year)			FY 24-25 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1326	1326	100	1004	1004	100
Female	69	69	100	49	49	100
Total	1395	1395	100	1053	1053	100
Workers						
Male	1778	1778	100	1419	1419	100
Female	20	20	100	10	10	100
Total	1798	1798	100	1429	1429	100

At Himadri, the Company firmly believes in providing all its workforce with genuine opportunities to broaden their professional horizons and advance their careers in a meaningful and structured way over time. Himadri designs and delivers a comprehensive range of leadership training programmes, coaching and mentorship sessions and personalised career development programmes.

Pragati Programme

The primary objective of the Pragati programme is to provide identified high performers and high-potential individuals with a dedicated platform for an accelerated and intensive learning experience, specifically designed to prepare them for future leadership and specialist roles. Achievements include:

- Executive Certification in Operations Management from IIM Vizag
- Executive Programme in Business and Corporate Law
- General Management Course conducted monthly by senior industry experts

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).
If yes, the coverage such system?

Yes, Himadri actively promotes a comprehensive culture of health and safety while simultaneously supporting labour and human rights across its operations. The Company consistently prioritises the well-being of all its team members and stakeholders through the rigorous implementation of non-negotiable safety standards and ethical labour practices, recognising that these are not merely regulatory obligations but are central to the Company's identity and values.

OH&S Governance — Three-Tier Model

Governance Tier	Body	Responsibilities
Board Level	ESG Committee (chaired by MD & CEO)	Holds ultimate responsibility for ESG oversight. Defines strategy, approves policies, integrates OH&S objectives into long-term business plans. Tracks progress against targets, guarantees compliance with international norms.
Business-Unit Level	HSE & Sustainability Steering Committee (led by Unit Heads)	Executes corporate OH&S strategies, performs risk assessments, ensures compliance through training, monitoring and preparedness programmes. Translates corporate strategy into practical plant-level implementation.
Operational Level	HSE Task Force Team	Implements safety protocols on the ground, conducts audits, drives on-site compliance through hazard identification, mitigation and behaviour-based safety practices. Acts as frontline execution arm of the OH&S governance framework.

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To ensure shared ownership and measurable accountability, 15–20% of health and safety objectives have been integrated into the Key Result Areas (KRAs) and Key Performance Indicators (KPIs) of all employees, including middle management and frontline teams. This alignment ensures that safety is not viewed as a standalone responsibility but as an essential component of daily performance and operational excellence.

Management System Certifications

Himadri has a uniform management system framework across all locations (Mahistikry, Liluah I & II, Korba, Sambalpur, Vizag, Falta and Corporate Office), aligned with global standards and best practices.

All sites are certified to ISO 45001:2018, ISO 14001:2015, SA 8000:2014, ISO 27001:2013, ISO 50001:2018, ISO 31000:2018, ISO 22301:2019 and ISO 28000:2022 supporting an integrated approach to safety, environment, social accountability, information security, energy management, risk and business continuity and supply chain security. The alignment of all locations under these globally recognized standards highlights the organization's commitment to governance, sustainability and continuous improvement.

Policy and Manual Coverage

Himadri has developed a comprehensive and standardized Health, Safety and Environment (HSE) framework that is uniformly implemented across all its locations, including Mahistikry, Liluah (I & II), Korba, Sambalpur, Vizag, Falta and the Corporate Office. This reflects the organization's strong commitment to safeguarding people, assets and operations through structured policies and robust safety standards.

At the policy level, Himadri has ensured full coverage of critical areas such as **Health and Safety Policy, Drug and Alcohol Policy, Occupational Health and Safety Manual, Contractor Safety Manual, HSE Project Manual and Emergency Preparedness Plan**, along with a strong focus on **health and safety training management**. These policies establish a clear governance framework, promote a culture of safety and ensure preparedness for both routine and emergency situations.

Complementing these policies, Himadri has deployed **18 standardized safety protocols** across all sites to drive consistency and operational discipline. These include key standards such as

Contractor Safety, Risk Assessment, HSE Stress Management, Training, Toolbox Talks, HSE Audit & Inspection, Hazardous Chemical Handling and Occupational Health and Safety Committee practices. In addition, critical operational controls such as Management of Change (MoC), Permit-to-Work (PTW), Lock, Tag and Try (LTT) PPE usage, Electrical Safety, Machine and Vehicle Safety, Ergonomics and Incident Reporting systems are uniformly enforced.

This integrated approach ensures that safety is embedded into every stage of operations—from planning and risk assessment to execution and continuous monitoring. The uniform adoption of these policies and standards across all locations demonstrates Himadri's proactive approach toward risk mitigation, regulatory compliance and continuous improvement in workplace safety performance.

Regulatory Compliance — Applicable Laws

Himadri demonstrates strong adherence to health and safety-related statutory requirements, ensuring full compliance with all applicable laws across its operational locations—Mahistikry, Liluah (I & II), Korba, Sambalpur, Vizag, Falta and the Corporate Office. This reflects a robust compliance framework aligned with both central and state regulatory mandates.

The organization complies with key legislations including the **Factories Act, 1948 and relevant State Factory Rules**, which govern workplace safety, health and welfare. Fire safety is addressed through adherence to **applicable State Fire and Emergency Services Rules**, ensuring preparedness and emergency response capability across all sites.

Environmental and hazardous material management is reinforced through compliance with the **Environment (Protection) Act, 1986, the Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 and the Static and Mobile Pressure Vessels (Unfired) Rules, 2016**. Additionally, Himadri ensures safe handling and storage of fuels and gases by complying with the **Petroleum Act, 1934 and the Gas Cylinder Rules, 2016**.

Further, equipment and operational safety are strengthened through adherence to the **Boilers Act, 1923 and Indian Boiler Regulations**, ensuring integrity and safe functioning of critical pressure systems.

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Vision Zero Accident / Incident Philosophy

Himadri's Vision Zero Accident/Incident philosophy is grounded in a proactive and comprehensive framework focused on four interconnected pillars: Learning, Culture, Commitment and Communication. This vision is wholly dedicated to creating a safe, healthy work environment in which every individual can perform their duties without risk of injury or ill-health.

Pillar	Description	Key Initiatives
Learning	Continuous improvement and ongoing enhancement of safety knowledge across all levels.	Employees share experiences, observations and insights. Lesson Learning Sheets (LLS) distributed across all sites. 8D-PPS methodology for root cause analysis.
Culture	Safety integrated into daily operations, creating shared personal responsibility for safety.	ISO 45001:2018 implementation; 10 Core Safety Rules; IGNITE monthly Safety Ambassador programme; structured rewards and recognition; robust consequence management.
Commitment	Leadership sets clear non-negotiable safety expectations and leads by visible personal example.	LTIFR target below 1; 100% employee H&S training; ISO 45001:2018 certification across all plants by 2025; 15–20% KRAs linked to safety.
Communication	Open channels for sharing safety concerns, incident reports, lessons learned and best practices.	Safety Alerts to all employees; Town Halls; Safety Committee meetings; QR code-based digital reporting; Toolbox Talks at point of work; Aapka Awaaz protocol.

Himadri's journey from traditional compliance-driven safety to Vision Zero represents a fundamental shift: safety is no longer an administrative function but a lived collective responsibility at every level — where incidents are learning opportunities, safety is an investment with tangible returns and every worker contributes to solutions.

Vision Zero vs. Traditional Safety Approach

Dimension	Vision Zero	Traditional Approach
Safety Philosophy	Safety is a journey — creating safety	Safety is a goal — preventing accidents
Ownership	Safety embraced by all; business leadership	Safety owned by few; safety programmes
Benchmarking	Leading indicators and good practice	Injury benchmarks and lagging indicators
Investment	Safety is an investment with tangible returns	Safety is a cost
Worker Role	Workers contribute to solutions	Workers are part of the problem
Incident View	Incidents are opportunities for learning	Incidents are failures
Focus	Safety culture and learning	Safety management systems

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b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Himadri's occupational health strategy is built on a comprehensive, integrated framework covering the full spectrum of risk management. It focuses on proactively identifying hazards, rigorously assessing risks, establishing clear safety protocols and supporting the physical and mental well-being of the workforce.

Five-Step Risk Management Cycle

1. Systematic identification of hazards across all workplaces, tasks and activities
2. Identification of at-risk individuals/groups and analysis of harm pathways
3. Risk evaluation using a standardised matrix, prioritisation and control measures
4. Structured recording of findings for review and action
5. Periodic review and updates reflecting changes in operations, equipment, personnel and regulations

Risk Assessment Tools Applied

- HIRA — Hazard Identification and Risk Assessment
- JSA — Job Safety Analysis
- EAIA — Environmental Aspect and Impact Assessment
- HAZOP — Hazard and Operability Studies (in partnership with M/s DEKRA, global safety experts)

Himadri strengthened process safety through HAZOP studies across key divisions. During the year, HAZOPs were completed for Coal Tar Pitch (51 nodes), Carbon Black Line-5 (27 nodes), By-Product Division (21 nodes) and SNF Division (12 nodes), with the next phase covering 40 additional nodes underway. These assessments support risk identification and mitigation, safer design and operations and improved reliability in line with global best practice.

Permit-to-Work System for Non-Routine Activities

Non-routine work is controlled through a Permit-to-Work (PTW) system to identify hazards, communicate controls and manage residual risk. Permits are issued under seven categories: Hot Work, General Work, Confined Space, Electrical, Work at Height, Excavation and Radiography.

This structured approach reflects Himadri's commitment to proactive risk management and continuous improvement in process safety.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, Himadri has established multiple accessible and effective channels through which workers can report work-related hazards and raise safety concerns at any time:

- Safety Audit Tool: Digital tool used weekly by all employees for workplace audits. Issues escalated immediately to relevant department head for investigation, corrective action and follow-up.
- QR Code-Based Reporting System: Enables employees to instantly raise work-related hazard reports from smartphones with real-time status updates on safety protocols and corrective actions.
- 'Right to STOP': Employees are empowered to stop any work activity deemed unsafe without fear of retaliation — deployed across all sites.
- Digital Safety Observation System: Over 10,100 observations logged, analysed and addressed in FY 2025-26, strengthening transparency, accountability and speed of response.
- Aapka Awaaz Protocol: Structured internal communication channel for sharing innovative safety ideas and concerns.
- Speak Up and Grievance Committee: Confidential channel for employees to raise workplace or safety concerns.
- Suggestion Box: Anonymous submissions of safety ideas or concerns.

In FY 2025-26, 965 total risks were identified through formal risk assessment processes. The overall risk closure rate stands at 87.36%. Over 10,100 safety audit points were captured with an overall closure rate of >90%.

d. Do the employees/workers of the entity have access to non-occupational medical and health care services? (Yes/ No)

Yes. As a responsible and caring employer, Himadri fully recognises the importance of supporting the overall health and well-being of its workforce far beyond the narrow confines of work-related injuries or illnesses. The Company offers comprehensive health insurance plans covering general practitioner visits, specialist consultations, prescription medications and preventive care services such as vaccinations and health screenings, extending to eligible family members.

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Workplace Stress Management

Himadri implements a comprehensive multi-step approach to managing work-related and non-occupational stress:

- Identification of specific work-related stressors
- Systematic assessment of their individual and collective impact
- Categorisation of impact types and severity levels
- Measurement through validated tools
- Monitoring of trends over time
- Continuous improvement of interventions based on evidence

Mindfulness and stress reduction activities — including yoga, guided meditation and breathing exercises — are actively promoted. Regular workshops on time management, stress-reduction techniques and personal resilience skills equip employees with a practical toolkit of strategies.

Ergonomic Safety Standard

Himadri has introduced a comprehensive Ergonomic Safety Standard to prevent and address Repetitive Strain Injuries (RSI) and Cumulative Trauma Disorders (CTD):

- Engineering redesign of workstations: adjustable platforms, mechanical aids, waist-level loading platforms to avoid bending, repositioned agitator inlets, tilting trolleys, sloped chutes.
- Administrative controls: job rotation, scheduled rest breaks, ergonomic awareness training.
- PPE improvements: gloves and padded gear for joint and hand protection.
- Regular ergonomic risk assessments, employee feedback mechanisms and cross-functional audits.
- Following implementation, a comprehensive reassessment of activities is conducted to verify a substantial reduction in the risk profile. These proactive interventions have resulted in a significant decline in reported Musculoskeletal Disorders (MSDs), alongside improved postural comfort for Himadrians and enhanced operational productivity.

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11. Details of safety related incidents:

Safety Incident/Number	Category	FY 2025-2026 (Current Financial Year)	FY 2024-2025 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

Himadri maintained exemplary safety performance in FY 2025–26, reporting zero Lost Time Injuries (LTIFR – Nil), zero total recordable injuries, zero fatalities and zero high-consequence incidents for its workforce. This performance has been sustained over the past two–three years, reflecting the strength of its Health, Safety and Environment (HSE) management systems. As of date, the Company has achieved over 18 million safe manhours without any reportable incidents, demonstrating consistent safety excellence.

This performance is driven by a proactive, preventive approach, including comprehensive risk assessments, HAZOP studies, behaviour-based safety programmes, strict permit-to-work systems and continuous training and competency development across all levels. Regular

audits, leadership safety walks and real-time monitoring further strengthen compliance and accountability.

Himadri also fosters a transparent and inclusive safety culture, encouraging open communication of safety concerns and proactive hazard reporting, thereby reinforcing trust and accountability across the organisation.

Digital tools have been integrated to enhance the HSE framework, with structured e-learning modules ensuring continuous awareness and alignment with the Health and Safety Policy. A QR code-enabled mobile application supports real-time safety audits, hazard reporting, digital checklists, corrective action tracking, Toolbox Talks and structured root cause analysis, enabling stronger cross-functional engagement.



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These technology-driven interventions, combined with strict adherence to non-negotiable safety standards, have sustained the reduction in safety incidents and support Himadri's vision of "Zero Accident," reflecting its commitment to world-class HSE standards, employee well-being and continuous improvement.

12. Describe the measures taken by the entity to ensure a safe and healthy work place

Occupational Safety at Himadri

Himadri has established a comprehensive and integrated Occupational Health and Safety (OH&S) framework that embeds safety across all operational levels by addressing both engineering systems and human

factors. The Company follows a proactive, risk-based approach, combining process safety, job management and continuous risk assessment to prevent hazards and ensure safe execution of all activities.

At the core of this framework is a robust Process Safety Management (PSM) system, supported by detailed Hazard and Operability (HAZOP) studies across critical operations. These studies enable systematic identification of process deviations, assessment of potential consequences and implementation of engineered safeguards such as interlocks, alarms and fail-safe mechanisms. Integrating HAZOP findings into design and operations ensures inherent safety, protecting employees, assets and the environment.

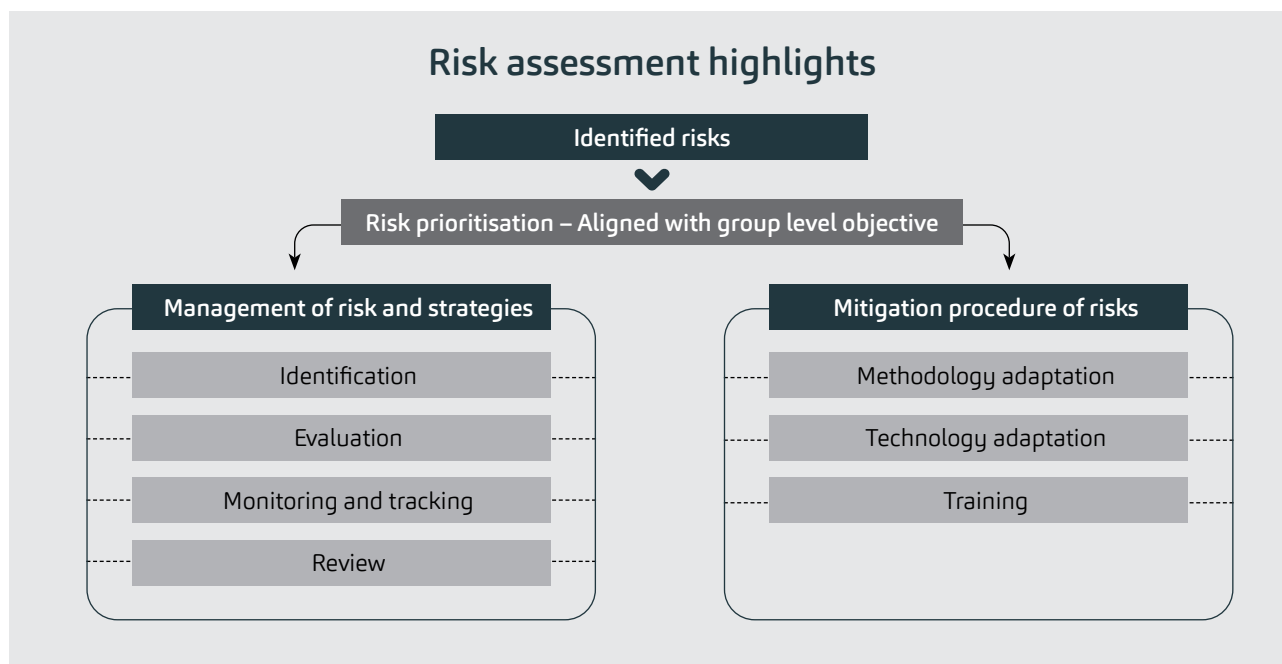
Process safety management elements



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The Company also operates a multi-tier risk assessment framework covering equipment safety, ergonomic risks and general workplace hazards. Equipment assessments address machine safety, guarding, preventive maintenance and operator competency; ergonomic assessments focus on posture, repetitive tasks and material handling; and general assessments cover environmental, activity-based and workplace risks across routine and non-routine operations. This structured approach enables real-time risk monitoring, prioritisation and mitigation, supported by digital tools and data-driven decision-making.

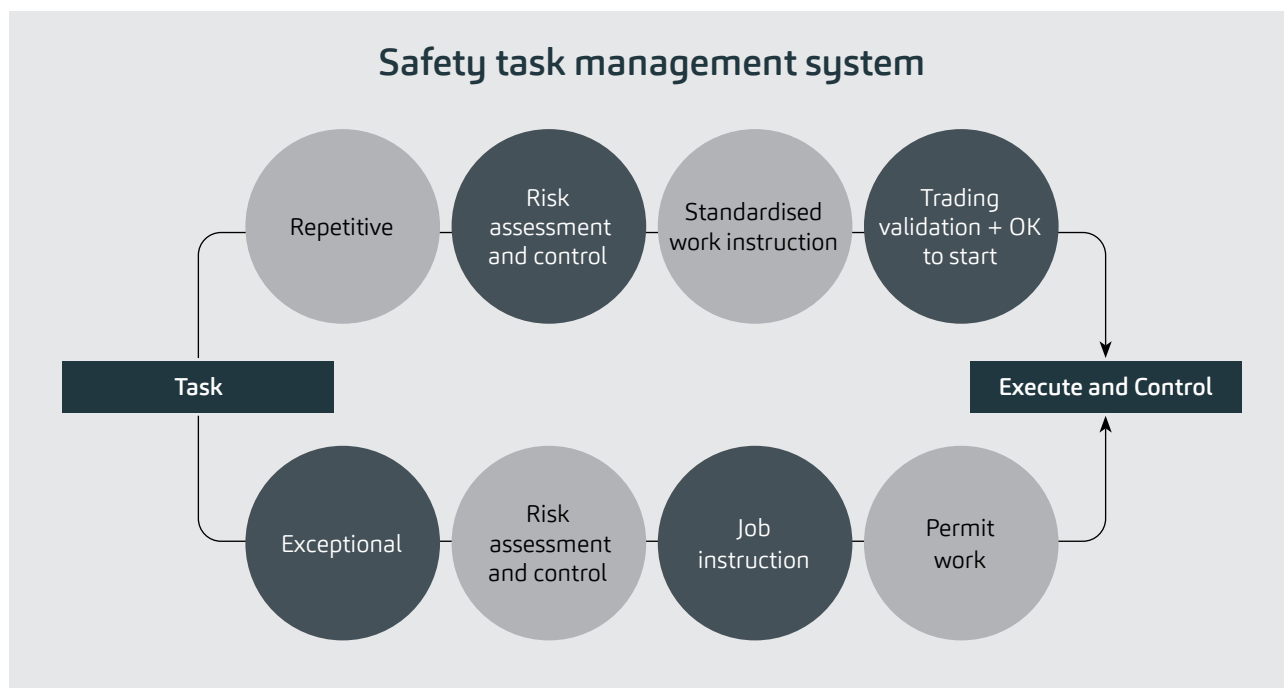


To ensure effective implementation at the operational level, Himadri integrates safety into daily activities through **structured job management systems**. Standardized safe work instructions are followed for routine activities, while high-risk or non-routine tasks are controlled through a stringent **Permit-to-Work (PTW)** system involving dynamic risk assessments and formal authorization processes. Additionally, the Company deploys the **Safety Hexagon framework** to manage critical risk domains such as work at height, hot work, confined space entry, electrical safety, lock-tag-try (LTT) procedures and safe lifting operations. These frameworks ensure disciplined execution, regulatory compliance and minimized exposure to operational risks.

Himadri has adopted a **data-driven risk management approach**, leveraging risk prioritization tools such as Risk Priority Number (RPN) analysis to identify and address high-risk scenarios. The **Safety Improvement Opportunities and Preventive Actions (SIOPA)** framework enables systematic tracking of audit observations, risk closure and continuous improvement. This structured mechanism ensures high closure rates of identified risks, reinforces accountability and supports preventive action planning across all units.

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The Company places strong emphasis on chemical safety management, ensuring safe handling, storage and disposal of hazardous substances through well-defined Standard Operating Procedures (SOPs), GHS-compliant labelling and storage, task-based Personal Protective Equipment (PPE) and continuous training on hazard communication and emergency response. Additional controls such as job rotation and exposure management minimise risks from prolonged chemical handling, while emergency preparedness systems—including spill kits, regular drills and real-time access to Safety Data Sheets (SDS)—further strengthen safety and employee protection.

To enhance transparency and engagement, Himadri promotes a technology-driven safety culture. QR code-enabled audit tools allow employees to identify hazards, report observations and track corrective actions in real time, while digital dashboards enable centralised monitoring of safety performance, improving decision-making and compliance. Preventive maintenance programmes and equipment inspection frameworks ensure continuous monitoring of critical assets, reducing breakdown risks and improving operational reliability.

Governance is reinforced through structured audits, leadership reviews and third-party validations. Safety observations are tracked with defined ownership and timelines, with critical risks escalated for immediate

action. The Company is also advancing digital integration of risk assessment, permit-to-work and safety audit systems to enhance efficiency and traceability.

At the organisational level, the HSE Task Force operates under the ESG Council and Sustainability Steering Committee, ensuring alignment with ISO standards, Responsible Care principles and regulatory requirements. It monitors key metrics such as LTIFR, training coverage and process safety and drives continuous improvement through incident investigations, Management of Change (MOC), competency development and cross-functional engagement.

Through this integrated, technology-enabled and governance-driven approach, Himadri advances its “Zero Harm” vision, ensuring safe, reliable and sustainable operations while prioritising employee well-being and environmental protection.

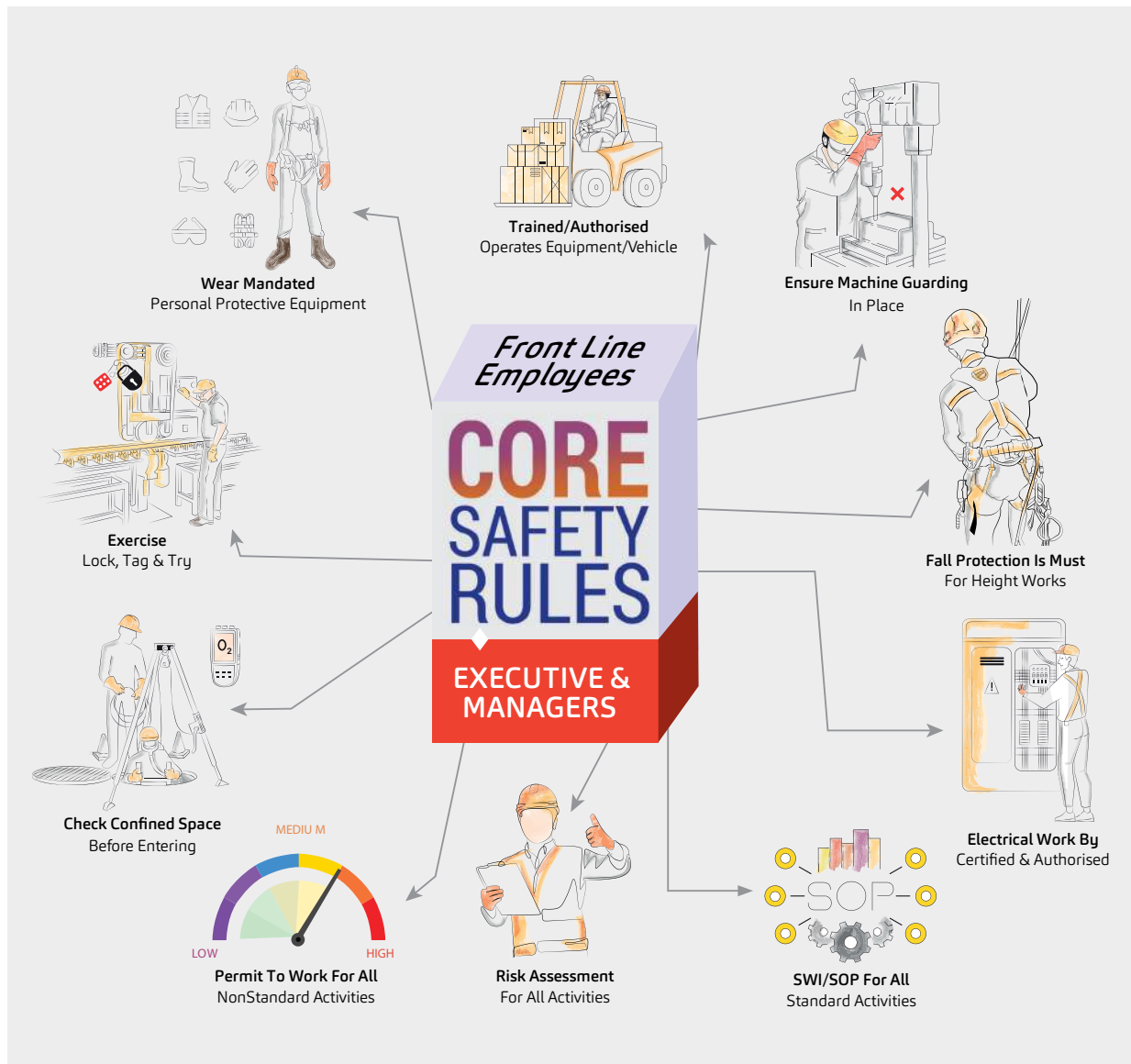
10 Core Safety Rules

Himadri's 10 Core Safety Rules define clear, non-negotiable expectations for employees and contractors, focusing on controlling critical risks and preventing serious injuries. These cover high-risk activities and mandatory controls such as Permit-to-Work (PTW), Lockout-Tagout (LOTO), appropriate PPE usage, safe working at height, confined space entry and adherence to electrical, machine and vehicle safety. They also

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emphasise risk assessment, hazard communication and fitness for duty, including strict prohibition of alcohol and drugs at the workplace. By institutionalising these rules, the Company reinforces accountability and vigilance, ensuring consistent implementation across locations, proactive risk management, incident reduction and progress towards zero harm and operational excellence.



The rules typically cover high-risk activities and mandatory controls such as **Permit-to-Work (PTW) compliance**, **Lock, Tag and Try (LTT)** for energy isolation, use of appropriate **Personal Protective Equipment (PPE)**, safe working at height, confined space entry protocols and adherence to electrical, machine and vehicle safety practices. They also emphasize proper risk assessment, hazard communication and maintaining fitness for duty, including strict prohibition of alcohol and drugs at the workplace.

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By institutionalizing these core rules, Himadri reinforces a culture of accountability and vigilance, where safety is a shared responsibility. The consistent implementation of these rules across all locations supports proactive risk management, minimizes incidents and strengthens the organization's commitment to achieving zero harm and operational excellence.

Comprehensive Safety Measures Framework

Component	Description	FY 2025-26 Outcomes
Risk Assessment	Proactive and systematic identification and evaluation of potential safety hazards. Both routine and non-routine. Results formally documented and regularly reviewed.	965 risks identified; 87.36% closure;
Management Standards and Non-Standard Works	Stringent management standards for all activities, especially non-standard or high-risk tasks via the Permit-to-Work system.	PTW deployed across all 7 sites; 7 permit categories in use
Workplace Safety and Ergonomics	Continuous monitoring of physical workplace conditions. Ergonomic workstations, safe infrastructure, noise mitigation.	Zero MSD-related LTIs; Ergonomic Standard deployed all sites
Contractor Safety Management	100% mandatory induction training for all third-party contractors before commencing work on site.	100% pre-qualification, periodical audit and post-evaluation
Accident and Incident Management	8D Practical Problem Solving (PPS) for root cause analysis. All incidents investigated regardless of severity. LLS shared across all sites.	80+ management employees trained in 8D-PPS; 200+ in Safety Leadership Programme
Emergency Management	Comprehensive Onsite Emergency Management Plan. Emergency Response Team (ERT) comprises ~15% of workforce operating across all three shifts.	2,290+ training hours; 100% workforce participation in drills
Workforce Engagement	Active involvement via safety committees, hazard reporting, suggestion mechanisms and 13 engagement platforms.	Over 10,100 observations logged; >90% closure in Safety Audit
OHS Capacity Building	35,600 man-hours of safety training in FY 2025-26 covering all employees, workers and contractors.	Average 10.08 hrs/head; 1,624 sessions; 2,400+ personnel covered
External and Internal Auditing	Quarterly internal audits + annual external audits + third-party assessments including TÜV-SÜD.	>90 % closure rate;
Rewards and Recognition	Monthly IGNITE Safety Ambassador; Annual Umang Achievers; National Safety Week; National Fire Safety Week.	Deployed across all 7 sites
Digital Safety Initiatives	QR Code mobile app for hazard reporting; UTKARSH e-learning; digital incident reporting; daily Safety Activities system; Online Risk Assessment in implementation.	9,638 audit points; real-time analytics via digital dashboard
Continuous Improvement	Systematic lessons learned analysis; benchmarking against global best practices; adoption of technological innovations.	Golden Peacock Award for OHS FY 2024-25

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Occupational Health at Himadri

Himadri's occupational health approach is comprehensive and people-centric, founded on the principle that protecting individuals—physically, mentally and ergonomically—is non-negotiable.

Health Infrastructure and Services

At its core is a 24/7 Occupational Health Centre (OHC), staffed by a plant doctor and trained paramedics, supported by two ambulances with Basic Life Support (BLS) equipment and partnerships with super-speciality hospitals. The OHC provides pre-employment and periodic check-ups, continuous health surveillance, physiotherapy, dietary counselling and support for mental health and substance abuse recovery. Notably, 100% health check-up coverage has been maintained for all employees and contractual workers across all locations—from Mahistikry to the Corporate Office—for three consecutive years.

Zero Occupational Illness — A Decade of Achievement

Himadri has reported zero occupational illness over the past decade. In FY24–25, 100% of contractors underwent structured health screenings, including specialised vision and physiotherapy assessments, reflecting a proactive health management approach.

Mental and Emotional Well-being

Through its partnership with the Tea Talks Foundation, Himadri conducted the 'Mind Detox' session in November 2024 to promote emotional balance and equip employees with practical stress management tools.

Workplace Stress Management

A structured framework addresses identification of stressors, impact assessment, categorisation, targeted interventions and continuous monitoring—treating stress as a manageable occupational risk.

Ergonomic Safety — Proactive Prevention

A comprehensive Ergonomic Safety Standard addresses Repetitive Strain Injuries (RSI) and Cumulative Trauma Disorders (CTD) through redesigned workstations, mechanical aids, adjustable platforms, job rotation, rest breaks and awareness training. Regular assessments and audits have reduced musculoskeletal complaints, improved posture comfort and enhanced productivity, with implementation across all manufacturing locations.

Work Zone Monitoring and Occupational Hygiene

Himadri monitors parameters such as noise, VOCs, illumination, respirable dust, hazardous substances and humidity across sites, with personal exposure sampling being introduced for data-driven control. Occupational hygiene is maintained through 5S methodology, UNGC WASH principles and SA 8000:2014 standards, ensuring clean water, sanitation and regular hygiene awareness initiatives.

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The OHC serves as a central hub for promoting safety, wellness and proactive healthcare across the organisation, delivering a wide range of integrated health services.

OHC Service	Description / Coverage
Pre-Employment Health Check-up	100% coverage — all locations, all three years (FY25-26)
Periodic Health Check-up for Employees	100% coverage — all locations, all three years (FY25-26)
Health Check-up for Contractual Workforce	100% coverage — all locations, all three years (FY25-26)
Physiotherapy Consultations	Physical rehabilitation and recovery support for musculoskeletal conditions
Dietitian Services	Professional nutritional guidance and lifestyle management
Plant Doctor (On-site, 24/7)	Day-to-day health concerns and immediate consultation during working hours
Eye Check-up Programme for Drivers	Ensuring vision standards for road safety and operational safety at plant level
First Aid Medicines Distribution	Prompt relief for minor injuries and everyday ailments
Periodic Health Camps	Wide workforce participation with screenings and interactive educational sessions
Employee Assistance Programme (EAP)	Confidential counselling services for work-related and personal stress and anxiety

13. Number of Complaints made by employees and workers:

	FY 2025-2026 (Current Financial Year)			FY 2024-2025 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil		Nil	Nil	

Various committees, including representatives from across the workforce, work collaboratively to identify and implement improvements in workplace comfort, ergonomics, working conditions and work-life balance. Himadri's adherence to the SA 8000:2014 Management Standard reflects a deep and authentic commitment to social accountability and ethical practices.

As a forward-looking and genuinely people-centric organization, Himadri actively and systematically seeks to redress any concerns raised by Himadrians, cultivating a distinctive culture of transforming challenges into opportunities for growth and continuous improvement. This proactive approach ensures that every team member feels heard and valued, reinforcing the Company's position as a preferred employer within the industry.

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% (ISO 45001:2018)
Working Conditions	100% (IS:14489 & Internal audit protocol, SA 8000:2014)

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Himadri undertakes comprehensive **annual assessments of health, safety and working conditions** across all its plants and offices, ensuring 100% coverage and alignment with recognized standards. Health and safety practices are evaluated in line with **ISO 45001:2018**, while working conditions are assessed through **IS 14489**, internal audit protocols and **SA 8000:2014** requirements, reflecting a holistic approach to employee well-being and workplace safety.

Audit and Verification Coverage

Material Topic	Internal Audit	External Audit	Assurance / Verification
ISO 45001:2018 Compliance	✓	✓	✓
SA 8000:2014 Compliance	✓	✓	✓
Statutory Audit as per IS 14489	✓	✓	✓
Fire Safety Audit	✓	✓	✓
Electrical Safety Audit	✓	✓	✓

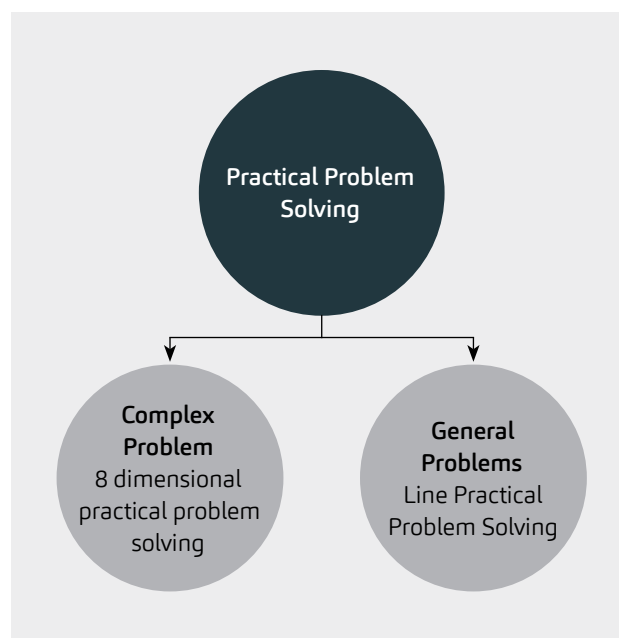
To strengthen assurance, Himadri implements a robust **audit and verification framework** that includes both internal and external evaluations. Key areas such as **ISO 45001:2018 compliance, SA 8000:2014 adherence, statutory audits (as per IS 14489) and fire and electrical safety audits** are systematically reviewed through regular internal audits, annual external audits and independent third-party verification.

These assessments are further reinforced by quarterly internal audits and third-party assurance from globally recognized bodies such as **TÜV SÜD**, ensuring objectivity and credibility. This integrated and multi-layered approach enables Himadri to maintain high standards of safety and working conditions while driving transparency, accountability and continuous improvement across its operations

15. Details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

Himadri follows a structured, proactive approach to managing safety incidents and significant risks identified through assessments, audits and workplace monitoring. A comprehensive incident management framework ensures that all incidents—including near misses, unsafe conditions and high-potential events—are promptly reported, investigated and resolved within defined timelines.

On occurrence of an incident or identification of a critical risk, immediate containment measures are implemented, including work stoppage ("Stop at Incident"), hazard isolation and ensuring personnel safety. Incidents are investigated using structured root cause methodologies such as 8D and Line Practical Problem Solving (PPS), focusing on identifying underlying causes to enable robust, sustainable corrective actions and prevent recurrence.



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Corrective and preventive actions span engineering controls (machine guarding, interlocks, process redesign), strengthened operational controls (Permit-to-Work systems, SOPs and safe work instructions) and administrative measures (training, supervision and competency development). Learnings are institutionalised through safety alerts and “Lessons Learned Sheets,” disseminated across all plants for organisation-wide risk mitigation.

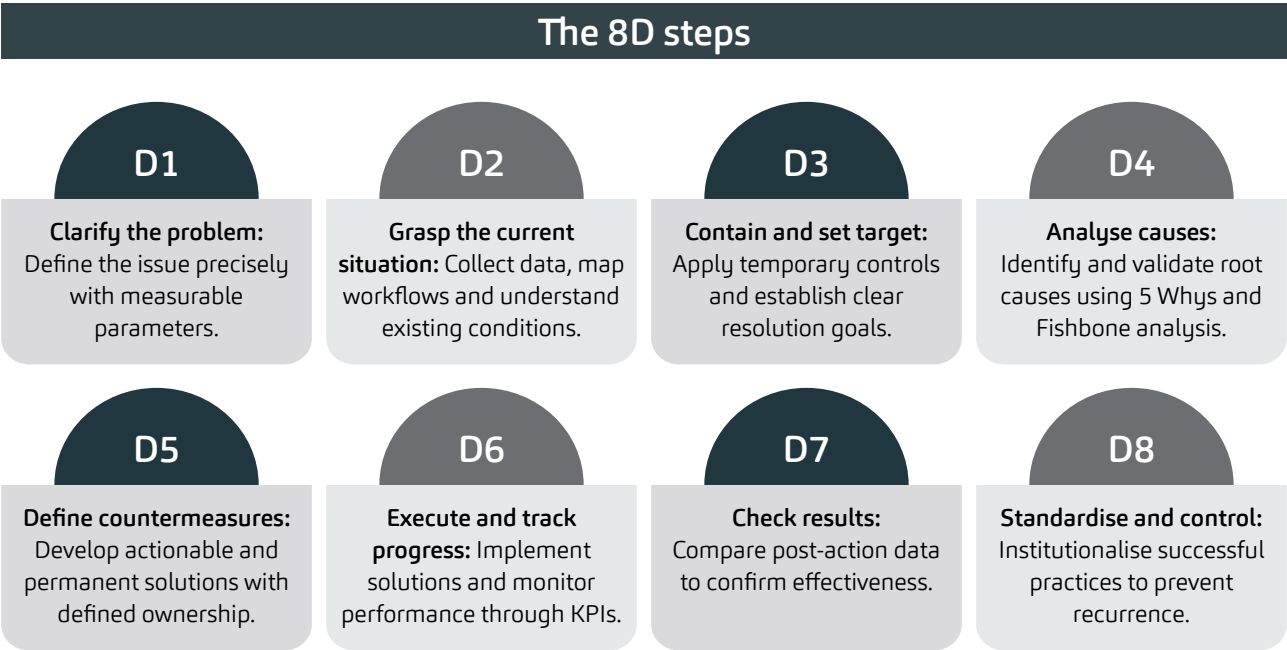
Digital platforms and frameworks such as the Safety Improvement Opportunities and Preventive Actions (SIOPA) system and QR code-enabled audit tools are used to track observations, assign accountability and monitor action closure. Risks are categorised by severity, with high-risk issues escalated to senior management and closure status reviewed through management reviews and ESG governance forums to ensure transparency and accountability.

The Company adopts a data-driven approach to risk mitigation, using tools such as Risk Priority Number

(RPN) analysis to prioritise critical risks and optimise resource allocation. Preventive measures—including equipment upgrades, predictive and preventive maintenance, ergonomic interventions and enhanced exposure monitoring—are continuously implemented to strengthen workplace safety.

Himadri also focuses on continuous capability building through targeted training programmes, toolbox talks and refresher sessions aligned with risk trends and incident learnings. Employees and contractors are actively involved in hazard identification, safety audits and feedback mechanisms, fostering shared responsibility and proactive risk reporting.

Through this integrated approach—combining governance, digital tracking, root cause analysis and workforce engagement—Himadri ensures effective risk closure and continuous improvement in health and safety performance, reinforcing its “Zero Harm” vision and alignment with global best practices.



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Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, Himadri extends life insurance and compensatory support to all its workforce in the event of death, in accordance with statutory provisions and Company policies.

In addition to statutory benefits and insurance coverage, the Company has instituted a compassionate support initiative titled **"Each One Reach One"**, which reflects its commitment to employee welfare beyond compliance. Under this initiative, voluntary contributions are mobilized from employees to provide additional financial assistance to the family of a deceased colleague during times of distress.

For instance, in the unfortunate demise of an employee during the reporting period, the Company extended support to the bereaved family through this initiative, reinforcing its culture of care, solidarity and shared responsibility.

This approach demonstrates Himadri's commitment to holistic employee well-being by ensuring both structured financial protection and community-driven support mechanisms for employees and their families.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

During the contracting process with all value chain partners — including suppliers and vendors — the Company ensures that every contract contains explicit provisions requiring full compliance with all applicable terms and conditions, including all relevant laws of the land. For contracts specifically related to manpower supply, the Company has implemented a robust verification system that cross-checks all statutory deductions and deposits.

The Company's Due Diligence Programme ensures that all partners are assessed for alignment with Himadri's sustainability objectives and adherence to global standards of governance, social responsibility and environmental management. Specific measures include:

- Systematic validation of partners' tax filings and compliance records against regulatory requirements
- Active monitoring for any discrepancies or irregularities in financial transactions or statutory reporting
- Regular training sessions for value chain partners on anti-tax evasion norms and applicable labour laws

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total number of affected employees/ workers		No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

Himadri's commitment to safety and well-being extends fully beyond its own direct employees to encompass a comprehensive contractor safety management protocol specifically designed to protect all non-employee workers. The protocol includes specific, detailed standards addressing Contractor Safety Management, Workplace Risk Assessment, Workplace Stress Management, Health and Safety Training, HSE Auditing and Inspection and Hazardous Chemical Handling. All third-party workers undergo 100% mandatory induction training before commencing any work on the shop floor.

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4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No, Himadri does not currently offer a formal, structured transition assistance programme for employees facing retirement or involuntary separation. However, the Company continues to invest significantly in human capital development as a core element of its people strategy, focusing on building contemporary skills and capabilities that enhance long-term employability.

Through ongoing training, development and recognition initiatives, Himadri supports employees in remaining professionally relevant and competitive in the broader labour market. The Company also operates a Long Service Award Policy that recognises and celebrates employee loyalty and the contributions of long-serving employees, reinforcing its commitment to career development and continuous professional growth.

5. Details on assessment of value chain partners on Health and safety practices and working conditions

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100% (75% of Group's Spent & Sales)
Working Conditions	100% (75% of Group's Spent & Sales)

Himadri has established a structured framework to assess and monitor the health, safety and working conditions of its value chain partners, including contractors and suppliers, by integrating Health, Safety and Environment (HSE) criteria into evaluation processes to align with internal standards and global best practices.

The assessment follows a multi-stage approach, starting with pre-qualification and due diligence—covering safety policies, past performance, statutory compliance and risk management systems—followed by periodic audits, inspections and performance reviews during execution to ensure adherence to safety standards.

The contractor safety management system mandates compliance with Permit-to-Work (PTW), use of personal protective equipment (PPE), participation in safety training and toolbox talks and adherence to safe operating procedures. High-risk activities are closely monitored, with deviations addressed through immediate corrective actions and escalation mechanisms.

A structured Supplier Assessment Framework evaluates partners through self-assessments, benchmarking, gap analysis and capability-building initiatives, covering workplace health and safety, emergency response systems, employee welfare, training coverage and environmental and social compliance.

Himadri also adopts a collaborative approach by providing training, technical guidance and handholding support to address gaps, with performance monitored through leading and lagging indicators such as audits, incident records and preventive actions. Governance mechanisms—including internal audits, third-party assessments and ESG reviews—ensure transparency and accountability, strengthening risk management, operational reliability and a responsible, sustainable supply chain ecosystem.

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Supplier Assessment Framework

Four-Pillar Weighted Scoring

Assessment Pillar	Weightage	Key Parameters
 Governance	30%	 Policies, compliance records, management systems, certifications, anti-bribery and anti-corruption compliance
 Certification	10%	 ISO 45001:2018, SA 8000:2014, ISO 14001:2015 and other relevant certifications
 Social	30%	 Workplace H&S, audits, training, fire safety, PPE, emergency systems, medical programmes, social welfare, insurance
 Environment	30%	 Environmental management, waste handling, emissions, resource use, ZLD compliance

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No significant risks or concerns were identified through assessments of value chain partners' health and safety practices or working conditions during the reporting period. The Company remains vigilant through its ongoing monitoring processes and is committed to taking prompt and decisive corrective action should any such risks be identified in future assessment cycles.

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Section C

Principle 4

Businesses should respect the interests of and be responsive to all its stakeholders.

Sustainable businesses carry a fundamental responsibility to protect the interests of their stakeholders—including vulnerable and marginalized groups—while maximizing the positive impact of their activities, products, processes and strategic decisions. At Himadri, stakeholder inclusiveness is deeply embedded within our approach to responsible business conduct and the creation of sustainable, long-term value.

The Company remains committed to safeguarding stakeholder interests, enhancing shared value and ensuring that business priorities remain dynamically aligned with stakeholder expectations. Through regular and

meaningful engagement, Himadri seeks to gain deeper insights into stakeholder perspectives, gather actionable feedback and proactively respond to evolving needs.

These engagements serve as critical inputs into the Company's decision-making processes, supporting the continuous refinement of business practices. By adopting a structured approach to stakeholder dialogue and grievance resolution, Himadri fosters a culture of trust and accountability. This commitment ensures that our growth remains equitable and creates a lasting, positive impact for every Himadrian and the broader community we serve.

SDGs Impacted



Stakeholder Consultation

Established methods of communication

No Material Concern

Raised in this reporting year

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

With oversight from the Board of Directors, Himadri's leadership team has established a structured framework for identifying and mapping key internal and external stakeholders who are material to the Company's long-term value creation journey. Stakeholders have been identified based on two key considerations — their ability to influence the Company's business and the extent to which the Company's decisions, operations and activities may have a material impact on them. This approach enables the Company to better understand stakeholder priorities, enhance responsiveness and strengthen alignment between business objectives and stakeholder expectations.

By systematically identifying and engaging with relevant stakeholder groups, Himadri seeks to embed stakeholder perspectives into its governance, strategy and sustainability processes. This not only supports informed decision-making and improved risk management, but also reinforces the Company's commitment to responsible business conduct, inclusive growth and long-term relationship building. Additional details regarding the Company's stakeholder engagement approach are available in Himadri's Stakeholder Engagement Policy, the web link for which is provided below

https://www.himadri.com/pdf/Stakeholder_Engagement_Policy_10.02.2023.pdf

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2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Himadrians – Our greatest asset is our workforce. As an employer, we are totally dedicated to upholding our duty of care by making sure the right person is in the right job, offering sufficient training, preserving safe work procedures and guaranteeing a safe workplace. Our goal is to guarantee a welcoming workplace with lots of chances to foster our employees' development. Investors and shareholders.	No	- Email - HR Portal - Company Intranet - Newsletters - Office collaboration screens etc. - All staff 'town halls' meeting at organisation level - Team forums and training programmes	As and when required	- Maintaining and enhancing employee engagement - Informing employee Benefits, Rewards and Policies, Procedures and Programs - Employee Development Plan, Career Progression, Performance Reviews and Ratings - Understanding employee concerns or grievance - Receiving employee feedback
Shareholders and Investors – We build trust and meet shareholder and investor expectations by continuously enhancing our corporate value, proactively disclosing information and engaging in effective communication activities.	No	- Periodic investor/ analyst interactions like individual Meetings - Participation in investor conferences - Analysts meet from time to time guided by finance department of the company - Annual Reports - Publication of periodical results - Press Release - Newspaper - Website - Periodical investor presentation	As and when required	Educating investors about the business using accurate, timely and comprehensive information
Customers – By actively listening to consumer concerns and opinions, using their feedback and keeping close lines of communication, we hope to develop and improve our products and services.	No	- Customer Meetings - Business discussions as and when required - Award and Recognition ceremonies - Participation in survey conducted by customers from time to time	As and when required	- To make aware the customers about the new developments in techniques and products - Build long-lasting relationships with suppliers - To receive feedback from customers

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Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Supply Chain Partners – To create value by enhancing efficiency and implementing responsible business practices throughout our value chain, we prioritise leveraging our influence and partnering potential with supply chain partners. Our approach to sustainable procurement is rooted in our core values, where we strive to minimise negative impacts on the environment, support local communities and promote ethical business practices, partners.	No	- Award and Recognition ceremonies - Participation in survey conducted by suppliers from time to time - Business discussions as and when required Suppliers Meetings	As and when required	- Build long-lasting relationships with capable suppliers - Monitoring Supplier Performance - Ensure supplier competency and compliance - To make aware the suppliers about the new developments in techniques and products
Communities – We aim to harmonise with local communities by understanding the impacts of our business activities, aligning our operations to meet their needs and actively engaging in communication initiatives.	No	- CSR Activities - Volunteering Activities - Community Events - Community Survey and Consultations	As and when required	- Provide relevant and accurate information about Company - Understand impact of company's initiatives and activities on community - Supporting causes and organizations through donations and philanthropic activities
Government and Regulatory Authorities – Our Business Conduct Guidelines emphasise maintaining healthy and equal relationships with national governments. In line with these principles, we engage with and share opinions with relevant government organisations. Additionally, we collaborate with local governments to address social issues within communities	No	- Statutory Report - Interactions with Public Authorities - Membership of industry associations	As and when required	- Understanding potential legal and regulatory changes relevant to the Himadri's business - Contributing to industry reform
Academia/ Industry Groups/ Other Institutes and NGO – We actively share knowledge and engage with academia in opinion exchanges for mutual benefit, aiming to jointly contribute to society and generate innovative solutions for climate change and other pressing challenges of today.	No	- Joint research - Industry-academia summits - Environmental events and human rights topics	As and when required	- Share knowledge and engage. - Opinion exchanges for mutual benefit, aiming to jointly contribute to society and generate innovative solutions for climate change and other pressing challenges of today.

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Himadri's stakeholder engagement approach is anchored in its Stakeholder Engagement Policy, which serves as a guiding framework for fostering constructive relationships with key stakeholder groups such as shareholders, employees, suppliers and local communities. The Policy enables the Company to integrate stakeholder interests into its decision-making processes and promotes ongoing dialogue to better understand stakeholder expectations and concerns.

To support this commitment, the Company has established a Stakeholders' Relationship Committee entrusted with oversight of stakeholder communication and engagement. Comprising Board members, including Independent Directors and an Executive Director, the Committee is responsible for addressing stakeholder grievances, overseeing investor complaint resolution and ensuring compliance with stakeholder-related policies and governance practices. In addition, the Committee reviews stakeholder engagement mechanisms and outcomes on a periodic basis to strengthen responsiveness and accountability.

Through this structured governance mechanism, Himadri seeks to foster transparent communication, timely grievance redressal and sustained stakeholder confidence. The Company believes that meaningful stakeholder engagement is essential to building trust, enhancing satisfaction and supporting long-term value creation

Leadership Indicators

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

Himadri's ESG agenda is anchored at the highest level of governance, with the Board of Directors providing strategic oversight and direction on material sustainability matters. To enable focused review and governance of ESG-related issues, the Board has constituted an ESG Committee responsible for monitoring the Company's progress and guiding its ESG priorities. The process of stakeholder consultation has been delegated to the management, with the resulting insights and feedback being regularly shared with the ESG Committee and the Board to support informed oversight and decision-making.

As part of its commitment to strengthening ESG integration, Himadri undertook a comprehensive materiality assessment and stakeholder engagement exercise during the year to identify the environmental, social and governance topics of greatest significance to the Company and its stakeholders. This process was carried out in collaboration with an external agency possessing relevant expertise and involved engagement with key internal and external stakeholder groups to understand their concerns, expectations and evolving priorities. The feedback received was incorporated into the materiality assessment process

to support the prioritisation of ESG themes and related reporting considerations.

The findings from the stakeholder engagement exercise were analysed to develop the Company's materiality matrix and determine its key ESG focus areas. These outcomes were subsequently presented to the ESG Committee and the Board and are being used to guide the definition of Himadri's ESG objectives and strengthen the Company's long-term sustainability roadmap

- 2. Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, Himadri maintains regular and meaningful engagement with its key stakeholders, including investors, shareholders, lenders, suppliers, business partners, communities, employees and customers, as part of its commitment to responsible business conduct and transparent communication. The Company recognises stakeholder engagement as an important enabler of long-term value creation and seeks to ensure that its disclosures and interactions on business matters remain open, timely and credible.

The Company engages proactively with the investment community through periodic investor presentations

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and related communication channels, providing key business updates, strategic insights and performance-related information. This supports greater transparency and enables stakeholders to make informed assessments and decisions.

In addition, Himadri follows a formal stakeholder engagement process involving direct and structured consultations with diverse stakeholder groups. This enables the Company to better understand stakeholder priorities, identify critical issues and incorporate relevant perspectives into its decision-making processes. The outcomes of these consultations are shared with the appropriate Board-level management and governance committees, thereby supporting the formulation and

implementation of strategies, policies and objectives related to economic, environmental and social priorities

3. Provide details of instances of engagement with and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

No material concerns were raised by stakeholders during the reporting period. However, the Company continues to engage proactively with its stakeholders and remains committed to addressing any issues or expectations through its established engagement and grievance redressal mechanisms. The Company remains committed to understanding stakeholder expectations and addressing concerns, wherever raised, in a timely, transparent and responsible manner

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Section C

Principle 5

Businesses should respect and promote human rights

Himadri is steadfast in its commitment to upholding human rights across its operations and entire value chain. Guided by the core principles of dignity, equality and respect, the Company aligns its conduct with national regulations and globally recognized frameworks, including the **UN Guiding Principles on Business and Human Rights** and **SA 8000:2014** standards.

Our robust policies and governance mechanisms are designed to protect the

fundamental rights of every **Himadrian**, ensuring fair treatment and a safe, inclusive and non-discriminatory workplace. By integrating these values into our institutional fabric, Himadri fosters an environment where the **entire workforce** can thrive, reflecting our broader mission of responsible and ethical growth.

SDGs Impacted



NIL

Complaints Filed by Workforce

4.84

Gross Wages Paid to Female Employees (% of Total Wages)

Essential Indicators

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	1107	1107	100	881	881	100
Other than permanent	288	288	100	172	172	100
Total Employees	1395	1395	100	1053	1053	100
Workers						
Permanent	54	54	100	89	89	100
Other than permanent	1744	1744	100	1340	1340	100
Total Workers	1798	1798	100	1429	1429	100

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Human rights training is a key strategic priority, delivered through the UTKARSH Learning Management System (LMS), ensuring all employees across locations and functions are sensitised to policies and their practical application. The training is designed not only to inform but to enable employees to uphold standards in daily roles.

Himadri extends training to value chain partners, raising awareness among suppliers and contractors on legal and ethical human rights obligations, recognising that responsibility extends beyond its own operations.

The Training and Development Committee ensures programme relevance by identifying skill gaps and monitoring outcomes. A comprehensive ESG Training Manual provides guidance on social and governance topics, including human rights. Training coverage spans

100% of sites—Mahistikry, Liluah (I & II), Sambalpur, Vizag, Korba, Falta and the Corporate Office.

Training topics include child and forced labour, fair wages, anti-discrimination, freedom of association, anti-harassment, health and safety as a human right, diversity and inclusion, working conditions and ethical labour practices. Delivery modes include UTKARSH LMS modules, classroom and practical sessions, outbound training, EcoVadis Learning Academy, UNGC Academy resources and multilingual posters.

Completion is tracked in real time through UTKARSH, with structured record-keeping ensuring audit readiness and compliance. Programme effectiveness is regularly reviewed and enhanced based on feedback, assessments and evolving legal and best practice requirements

2. Details of minimum wages paid to employees and workers:

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees Permanent										
Male	1039	-	-	1039	100	832	-	-	832	100
Female	68	-	-	68	100	49	-	-	49	100
Other than Permanent										
Male	287	-	-	287	100	172	-	-	172	100
Female	1	-	-	1	100	-	-	-	-	-
Workers Permanent										
Male	54	-	-	54	100	87	-	-	87	100
Female	-	-	-	-	-	2	-	-	2	100
Other than Permanent										
Male	1724	1239	71.87	485	28.13	1332	950	71.32	382	28.68
Female	20	12	60.00	8	40.00	8	3	37.50	5	62.50

Himadri is committed to upholding human rights across its operations and value chain, guided by principles of dignity, equality and respect and aligned with national regulations and international frameworks such as the UN Guiding Principles on Business and Human Rights and SA 8000:2014 standards. Its policies and governance mechanisms ensure protection of fundamental rights, fair treatment and a safe, inclusive, non-discriminatory workplace.

Ensuring payment of at least the legally prescribed minimum wage—and striving to exceed it wherever commercially feasible—is a core and non-negotiable element of Himadri's commitment to fair and equitable treatment. This approach promotes diversity and social justice, reinforces accountability to stakeholders and strengthens Himadri's position as an attractive employer capable of attracting and retaining diverse talent that drives performance and innovation.

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The Company regularly reviews and updates pay structures in line with the Minimum Wage Act, 1948 and state notifications, proactively anticipating changes to ensure continuous compliance without administrative delays. All revisions are formally documented and approved, ensuring accountability and traceability.

Himadri's Diversity, Equity and Inclusiveness (DEI) Policy mandates regular wage and pay equity audits to identify and address disparities across gender, categories and functions. Annual audits are reported to the Board, with root cause analyses and time-bound corrective actions implemented and monitored to ensure progress towards wage equity.

Adherence to the SA 8000:2014 Management Standard provides an additional layer of accountability, requiring not only compliance with minimum wage laws but also commitment to fair and adequate wages sufficient to meet basic needs and provide discretionary income. This standard is applied across all workers, including third-party and contractual personnel.

Beyond compliance, Himadri is committed to the principle of living wages—ensuring workers and their families can achieve a reasonable standard of living. The Company continuously assesses wage adequacy, particularly for economically vulnerable groups, recognising that fair wages are essential to human dignity, social equity and sustainable community development.

3. Details of remuneration/salary/wages:

a. Median remuneration / wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in Lakhs)	Number	Median remuneration/ salary/ wages of respective category (₹ in Lakhs)
Board of Directors (BoD) (Executive Directors)	3	350.00	-	NA
Key Managerial Personnel	6	220.00	1	53.00
Employees other than BoD and KMP	1033	5.95	67	7.21
Workers	54	2.25	-	-

Himadri follows a structured, non-discriminatory remuneration framework ensuring equal pay for equal work across all employee categories, irrespective of gender. Compensation is based on objective criteria—role, qualifications, experience, performance and market benchmarks—in compliance with the Equal Remuneration Act, 1976 (now under the Code on Wages, 2019) and other labour regulations.

In FY 2025–26, variations in median remuneration between male and female workforce in certain categories are primarily due to differences in role seniority, responsibilities, experience and representation across grades. Lower female representation in senior leadership and shop-floor roles influences median values and does not indicate gender-based pay disparity.

Notably, among employees other than Board of Directors (BoD) and Key Managerial Personnel (KMP), median remuneration for female employees is higher than for male employees, reflecting equitable practices. In categories with low or no female representation, such as Board positions and workers, the Company is actively improving diversity through targeted hiring and inclusion initiatives.

All compensation decisions are governed by transparent policies, internal controls and periodic reviews to eliminate bias. Himadri remains committed to strengthening gender diversity, promoting equal opportunity and upholding fairness and equity as part of its human rights and ESG commitments.

b. Gross wages paid to females as % of total wages paid by the entity:

	FY 25-26 (Current Financial Year)	FY 24-25 (Previous Financial Year)
Gross wages paid to females as % of total wages	4.84	4.00

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The percentage of gross wages paid to female workforce has demonstrated a steady and progressive increase over the years, reflecting Himadri's commitment to gender diversity, inclusion and equitable compensation practices.

This positive trend is driven by the Company's focused initiatives to improve gender diversity through inclusive hiring practices, enhanced participation of women in technical and operational roles and equal opportunity employment policies. Himadri ensures that compensation practices are free from gender bias and are aligned with role-based, competency-driven frameworks, thereby promoting fairness and transparency in wage distribution.

The Company is also strengthening its workplace ecosystem to support increased female participation by providing a safe and inclusive work environment, appropriate infrastructure and employee well-being initiatives such as health support, maternity benefits and work-life balance programmes. Continuous training and capacity-building initiatives further enable women workforce to take on higher responsibilities and leadership roles within the organization.

From a governance perspective, diversity and inclusion are embedded within Himadri's ESG and human capital management strategies, with periodic monitoring of gender-related metrics and leadership oversight to drive continuous improvement. The Company also aligns its practices with applicable labour laws and international frameworks, reinforcing its commitment to non-discrimination and equal remuneration.

Going forward, Himadri aims to further enhance female representation across all levels of the organization, with a particular focus on increasing participation in core manufacturing and technical functions. The Company is committed to strengthening diversity pipelines, promoting inclusive leadership and progressively improving gender parity metrics as part of its broader sustainability and ESG agenda.

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. Himadri has established a robust Whistle Blower and Human Rights Grievance Mechanism as the primary channel for receiving, investigating and resolving human rights concerns across its operations and value chain. The mechanism is publicly communicated to employees, workers and external stakeholders, with regular awareness and training ensuring accessibility.

The Company's whistleblower platform, '**Right to Raise**', provides a confidential avenue for employees, suppliers, business partners and other stakeholders to report human rights violations, labour issues, corruption, or non-compliance without fear of retaliation or discrimination.

All complaints are handled confidentially and impartially by an oversight panel comprising the Chief Sustainability Officer, Company Secretary and Chief Human Resource Officer. A dedicated response team, regularly trained in case handling, investigation procedures and grievance resolution protocols, ensures effective and timely redressal.

Key Features of the Human Rights Grievance Mechanism



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Key Features of the Human Rights Grievance Mechanism

Feature	Details
Reporting Channels	Confidential email (speakup@himadri.com), toll-free telephone helpline, anonymous online reporting portal and direct access to HR or Senior Management.
Non-Retaliation	The Company strictly and unconditionally prohibits any form of reprisal against any individual who raises a concern in good faith. Zero retaliation policy formally embedded in the Code of Conduct.
Investigation	A dedicated cross-functional committee is formed for each complex concern, including external specialists where required. All parties kept informed of progress.
POSH Committee	Internal Complaints Committee (ICC) constituted under the POSH Act, 2013. Meets regularly; reviews POSH compliance annually and reports to the Audit Committee and Board.
Training Coverage	100% whistleblower mechanism training at all sites: Mahistikry, Liluah (I & II), Sambalpur, Vizag, Korba, Falta and Corporate Office.
Security Personnel	All security personnel operate under strict human rights standards. They are explicitly prohibited from carrying any weapon (including non-lethal ones). Their role is limited to managing internal traffic movement.

The Company's SpeakUp mechanism provides a confidential platform for Himadrians to report concerns that compromise our core values. Reportable matters include, but are not limited to: (a) unethical behaviour—harassment, discrimination, bullying, intimidation, coercion, or exploitation; (b) fraud and misconduct—corruption, abuse of power and financial irregularities; (c) workplace safety risks—unsafe conditions and forced or coerced labour; and (d) gross negligence—actions endangering the health and well-being of individuals connected to the Company's operations.

The Company promotes an open-door culture across all management levels, emphasising transparency, accessibility and accountability. Each team member—irrespective of role, seniority, or employment status—are empowered and encouraged to report grievances or misconduct, including human rights violations, without fear of retaliation or adverse consequences. This is reinforced through regular communication, visible leadership behaviour and practical safeguards that protect individuals raising concerns in good faith.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Himadri recognises the role of responsible business in protecting human rights across employees, workers and communities. It has established a structured, accessible and effective grievance mechanism, supported by an open-door culture that ensures every concern is heard and addressed with dignity and respect.

The internal grievance redressal mechanism is structured and operates through a series of clearly defined and documented steps:

Internal Grievance Redressal Mechanism

The mechanism operates through clearly defined steps:

1. Team members are encouraged to report concerns to **Senior Management** or the People & Culture team through established safe channels. The Company maintains a strict **non-retaliation guarantee**, which is proactively communicated across the entire **workforce** to ensure all team members feel empowered to speak up without fear of reprisal.
2. For complex or sensitive cases, a cross-functional committee conducts impartial investigations, evaluates evidence and ensures timely resolution with appropriate remedies.
3. Periodic human rights due diligence is conducted across operations and value chain, with findings reviewed by Senior Management and the Board-level Sustainability Committee to strengthen governance.
4. A formal POSH Policy is in place, with complaints handled by the Internal Complaints Committee (ICC) in line with the POSH Act, 2013, ensuring confidentiality and fairness.

Structured Investigation Process

Grievance Identification: Assess type, severity, frequency and impact; prioritise critical issues

Committee Formation: Constitute investigation teams with internal stakeholders and external experts where required

Thorough Investigation: Conduct evidence-based, impartial fact-finding and interviews

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Decision-Making: Document conclusions and implement corrective and preventive actions

Resolution and Remedy: Include disciplinary action, policy changes, counselling, safety improvements and training

Documentation and Reporting: Maintain records, conduct trend analysis and report to Senior Management and the Board

Himadri SpeakUp Mechanism – Strengthened Internal Channel for Human Rights Concerns

The SpeakUp mechanism provides a safe, confidential channel for employees, contractors, suppliers and stakeholders to report grievances and human rights violations, reinforcing a culture of trust, respect and protection. It aligns with global frameworks such as the Universal Declaration of Human Rights, UN Guiding Principles and ILO conventions.

Categories of Reportable Concerns

Unethical Behaviour: Harassment, discrimination, bullying, intimidation, coercion, exploitation

Fraud and Misconduct: Corruption, abuse of power, financial irregularities

Workplace Safety Risks: Unsafe conditions, lack of PPE, forced or coerced labour

Gross Negligence: Actions endangering physical, mental, or emotional well-being

Confidentiality and Protection

Strict anonymity and confidentiality are maintained, protecting whistleblowers and fostering psychological safety and trust across the organisation.

SpeakUp Workflow

Grievance Identification: Categorisation and prioritisation of issues

Committee Formation: Dedicated committees with relevant expertise, including external specialists if required

Thorough Investigation: Evidence collection, interviews and impartial review

Decision-Making: Documented, evidence-based outcomes with transparent communication

Resolution and Remedy: Proportionate actions including disciplinary measures, policy updates, support, safety improvements and training

Documentation and Reporting: Comprehensive records, trend analysis and periodic reporting to Senior Management and the Board

6. Number of Complaints made by employees and workers:

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/ Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

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Safeguarding the dignity, fundamental rights and well-being of every team member is a core, non-negotiable priority for Himadri. The Company has implemented comprehensive, proactive measures and best practices to create a safe, inclusive and equitable workplace, aligned with national regulations and international human rights standards. A sustained record of nil complaints across all categories over multiple years reflects both the effectiveness of these measures and the high level of employee trust.

1. Prevention of Sexual Harassment (POSH)

Himadri follows a zero-tolerance approach to sexual harassment. A dedicated POSH Committee operates in compliance with the Sexual Harassment of Women at Workplace Act, 2013. Mandatory annual training, regular awareness sessions and accessible reporting mechanisms ensure employees understand their rights and grievance processes. The Committee meets regularly to review effectiveness and drive continuous improvement.

2. Anti-Discrimination and Equal Opportunity

The Company strictly prohibits discrimination based on gender, caste, religion, disability, ethnicity, age, sexual orientation, or any protected characteristic. Equal opportunity is embedded across recruitment, training, performance management, promotions and wage determination. Regular sensitisation

programmes promote inclusion, address bias and foster a respectful workplace culture.

3. Abolition of Child Labour and Forced Labour

Himadri maintains zero tolerance for child and forced labour, aligned with ILO conventions and Indian labour laws. All employment processes, including those of contractors and third parties, are rigorously verified to ensure legal age compliance and voluntary employment. Independent periodic audits validate adherence across the supply chain.

4. Fair Wages and Safe Working Conditions

The Company ensures timely payment of fair wages in compliance with statutory requirements. Employees are provided with adequate facilities, appropriate rest periods and robust occupational safety measures. No worker is required to operate in unsafe or non-compliant conditions.

5. Grievance Redressal and Employee Voice

Himadri has robust, multi-channel grievance mechanisms—including the Whistle Blower Policy, SpeakUp helpline and email and dedicated committees—enabling team members to report concerns without fear of retaliation. Issues related to ethics, safety, discrimination, harassment, wages, or human rights are addressed with urgency, sensitivity, transparency and tracked through to resolution.

7. Complaints filed under the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total complaints reported under sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

Himadri actively fosters a workplace where diversity is celebrated and inclusivity is embedded in everyday operations. Team members at all levels are encouraged to engage in open dialogue that promotes empathy, mutual understanding and respect across backgrounds, identities and experiences—creating an environment free from discrimination, harassment and exclusion, where individuals can perform at their best.

Aligned with its human rights and ethical commitments, Himadri has implemented a comprehensive POSH Policy with a strict zero-tolerance approach to sexual harassment, fully compliant with national laws. The policy is reviewed at least annually to remain aligned with legal developments and best practices. An Internal Complaints Committee (ICC) operates with full confidentiality and impartiality, ensuring fair and respectful handling of all complaints.

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Beyond grievance redressal, the ICC conducts regular awareness sessions, mandatory training and sensitisation programmes to educate team members on identifying, preventing, supporting and reporting harassment. It also undertakes an annual review of POSH compliance and preparedness, with findings reported to the Audit Committee and the Board.

This proactive approach reflects Himadri's broader commitment to employee well-being, social equity and responsible business practices, recognising that a harassment-free workplace is essential for productivity, retention and long-term organisational sustainability.

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The effectiveness of any grievance mechanism depends on employee confidence in protection from adverse consequences. Himadri has established robust, multi-layered safeguards to ensure this at every stage. Its Grievance Redressal Policy mandates strict confidentiality for all investigation team members and any individuals involved in enquiries, requiring all information, documents and discussions to be treated as private across all grievance channels.

All concerns raised in good faith can be reported without fear of reprisal, including intimidation, coercion, dismissal, demotion, negative evaluations, or any form of victimisation. This protection applies regardless of whether the concern is ultimately substantiated, provided it is raised honestly and not maliciously. Substantiated violations are addressed in line with natural justice, confidentiality, sensitivity, non-retaliation and fairness, with proportionate remedies.

These protections are actively reinforced through regular communication and targeted training. Managers and supervisors undergo mandatory annual training on safeguarding complainants and the consequences of retaliation. The internal audit function periodically reviews cases to ensure confidentiality and non-retaliation are upheld, with any lapses treated as serious disciplinary matters and escalated promptly.

Beyond formal mechanisms, Himadri fosters a culture of psychological safety, encouraging team members to raise concerns early. Managers are trained to respond

with empathy, treat all concerns seriously regardless of seniority and avoid any behaviour perceived as dismissive or retaliatory—ensuring both formal and informal channels remain safe, trusted and effective.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. Himadri systematically integrates human rights requirements into all business agreements, primarily through its mandatory Supplier Code of Conduct, applicable to all suppliers, contractors and service providers. The Code contractually binds partners to uphold internationally recognised human rights standards and strictly prohibits forced, child, or compulsory labour across all operations, with full and verifiable compliance required.

The Code aligns with global frameworks including the United Nations Declaration on Human Rights (UDHR), ILO Declaration on Fundamental Principles and Rights at Work, IFC Performance Standards on Environmental and Social Sustainability and the UN Guiding Principles on Business and Human Rights (UNGPs), forming the basis for supplier evaluation.

Under its Sustainable Supply Chain Framework, Himadri conducts regular supplier audits and due diligence, assessing vendors on sustainability criteria, including human and labour rights. Suppliers must complete detailed self-assessment surveys covering ESG, quality, delivery and pricing. Non-compliance—such as underpayment, denial of rights, or unsafe conditions—triggers labour improvement plans, with termination of business relationships if remediation fails.

Compliance with the Code is treated as an ongoing requirement, monitored through continuous engagement, structured assessments and regular supplier meetings to review performance, define corrective actions and track progress—ensuring accountability and continuous improvement.

Internal procurement teams receive targeted training to identify and assess human rights risks, integrate these considerations into sourcing and contract decisions and support suppliers in meeting standards, ensuring human rights are embedded in commercial decision-making across the supply chain.

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10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100

Himadri operates a rigorous, systematic and proactive human rights due diligence framework that reflects its commitment to ethical practices across operations and the value chain. This is a dynamic, continuously evolving system of assessment, monitoring, improvement and learning, responsive to emerging risks, regulatory changes and best practices.

The process begins with comprehensive risk assessment of operations and key value chain partners, followed by detailed internal self-assessments and independent external verification by accredited bodies. In the latest period, this was conducted by TÜV SÜD South Asia Pvt. Ltd., enhancing credibility and assurance. The framework includes risk mapping, stakeholder engagement (especially vulnerable groups), supplier evaluations and reviews of labour, safety and community practices, aligned with UNGPs and ILO conventions.

Continuous monitoring across all sites ensures ongoing alignment with human rights commitments. Issues identified through audits, assessments, grievances, or observations are addressed promptly through structured mitigation strategies, with active engagement of business partners to ensure compliance and progress.

Strong accountability mechanisms operate across all levels—from frontline to Board—ensuring timely action on any deviations and embedding transparency and shared responsibility. Assessment outcomes are documented, reviewed by governance bodies and used to update policies, procedures and training. Where gaps



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are identified, time-bound improvement plans with clear ownership are implemented and monitored by the ESG Council, with progress reported to the Board to drive continuous improvement.

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No significant risks or concerns were identified across Himadri's operations during the reporting period based on assessments under Question 10. This reflects the effectiveness of its due diligence processes, robust policy framework, mandatory training and strong monitoring and multi-level audit systems, which together ensure

consistently high human rights standards. This outcome is the result of sustained investment in prevention, awareness and accountability and the deep integration of human rights values across the organisation.

Himadri remains vigilant and committed to taking prompt, proportionate corrective action if risks emerge in future assessments. The absence of findings is viewed not as a reason to reduce efforts, but as validation of its approach and a driver to further strengthen standards. Going forward, the Company will continue investing in human rights capabilities, expanding assessment coverage across value chain partners and stakeholders and deepening integration of human rights into core business processes and decision-making.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

At Himadri, no existing business processes required modification, nor were new processes introduced, as a result of human rights grievances during the reporting period. This reflects the effectiveness of long-established preventive and detective controls and the low incidence of grievances requiring systemic action, with a nil complaint record underscoring the strength of the Company's human rights framework.

The Company adopts a proactive approach to process improvement, systematically reviewing human rights-related policies, procedures and practices through regular due diligence and governance cycles. This enables early identification and resolution of potential gaps before harm occurs. Where improvements are identified, they are designed, approved, implemented, communicated and monitored for effectiveness.

Himadri remains committed to continuously enhancing its processes whenever insights from grievance handling, due diligence, external assessments, or regulatory changes indicate the need. This commitment is embedded in its values and driven by leadership,

ensuring ongoing improvement in human rights performance despite an already strong track record.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

All operational sites and corporate offices were covered under a human rights due diligence programme conducted by external third party TÜV SÜD South Asia Pvt. Ltd. The process involved active consultation with key stakeholder groups, including permanent and contract employees across all sites and functions; workers' committees; community members and residents near major operations; and first-tier suppliers, raw material vendors and contractors linked to core activities.

The due diligence assessed key impact areas, including employment practices—covering wage adequacy and fairness, working hours, rest, leave and job security for permanent and contractual workers; community impact—covering CSR effectiveness, environmental externalities and local economic impact; supply chain partners—focusing on compliance with the Supplier Code of Conduct and labour standards; and vulnerable groups—such as women, minorities, persons with disabilities, migrant workers and gender-diverse individuals.

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Human Rights Topics and Thematic Areas Covered

Thematic Area	Human Rights Issues Evaluated
Labour Rights	Forced labour, child labour, equitable wages, overtime practices, equal opportunity in employment
Non-Discrimination	Gender, minority groups, persons with disabilities, indigenous rights, sexual orientation
Health and Safety	Workplace safety standards, PPE provision, on-site medical support, risk assessments
Freedom of Association	Workers' committees, collective bargaining arrangements and practices
Community Engagement	CSR impact assessment, community relocation, local employment and economic disruption
Grievance Mechanisms	Accessibility of reporting channels, awareness, non-retaliation assurance
Working Conditions	Working hours, paid holidays, maternity leave, remote work policies
Supplier Audits	Human rights compliance in procurement, training rollout and audit findings

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. Himadri's facilities and offices are accessible to differently abled visitors in compliance with the Rights of Persons with Disabilities Act, 2016. The Company is continuously improving infrastructure across sites to eliminate remaining barriers and ensure safe, comfortable and dignified access for all.

Recognising both the importance and complexity of inclusion in a chemicals manufacturing environment, Himadri has conducted a systematic mapping of job roles across functions to identify positions suitable for differently abled individuals, considering physical demands, hazards and safety requirements. Appointments are aligned with this mapping to match role requirements with individual capabilities.

Beyond physical access, Himadri fosters an inclusive culture where differently abled individuals are treated with dignity, have equal access to development and career opportunities and receive necessary accommodations to perform effectively. The Company views inclusion not only as a legal and social responsibility but also as an opportunity to enhance diversity and organisational effectiveness.

Accessibility improvements are an ongoing, fully resourced commitment. Regular audits identify gaps,

followed by structured improvement plans with defined timelines and accountability, monitored by senior management. All new construction and renovations incorporate accessibility as a core design requirement from the outset.

4. Details on assessment of value chain partners:

Assessment Area	% of Value Chain Partners Assessed (by Value of Business Done)
Sexual Harassment	100% (75% of Group's Spent & Sales)
Discrimination at Workplace	
Child Labour	
Forced / Involuntary Labour	
Wages	
Others – Anti-Bribery	

Himadri recognises that its human rights responsibility extends across its value chain, as the practices of suppliers, distributors, contractors and service providers directly impact workers and communities. Accordingly, the Company has implemented a comprehensive, structured approach to evaluate, monitor and improve human rights performance across all partners.

Value chain partners are systematically assessed for alignment with Himadri's ESG goals, sustainability principles and human rights standards through an ongoing process of evaluation, engagement, capacity

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building and improvement—beyond initial onboarding. The scope has recently been expanded to include downstream partners, ensuring comprehensive coverage across the supply chain.

Regular training programmes are provided to partners on human rights and sustainability, enhancing awareness of legal and ethical responsibilities while building internal capability. Recognising constraints faced by smaller partners, Himadri offers targeted support to strengthen their systems and practices.

The Sustainable Supply Chain Framework governs this approach, using defined KPIs to assess environmental impact, human rights practices, ethical conduct and alignment with global sustainability goals. This enables early risk identification, recognition of best practices and targeted improvement support.

The Supplier Code of Conduct forms the contractual and ethical foundation, requiring mandatory self-declaration and detailed self-assessment covering ESG, quality, delivery and pricing. Non-compliance—such as underpayment, denial of rights, or unsafe conditions—triggers structured labour improvement plans with defined corrective actions, implementation and independent verification to strengthen working conditions and uphold human rights across the supply chain.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No significant risks or concerns were identified in value chain partners' human rights practices and working conditions during the reporting period. Ongoing monitoring, along with the Supplier Code of Conduct and Sustainable Supply Chain Framework, provides a robust and continuously improving foundation for ensuring compliance.

Himadri remains committed to taking prompt, proportionate corrective action for any future risks and to working collaboratively with partners to build their capacity to meet required standards. Relationships are treated as long-term partnerships, with a preference for constructive engagement, root cause analysis and agreed improvement plans, escalating only where partners fail to implement necessary changes.

The Company recognises that its purchasing practices and business relationships influence partner behaviour and takes this responsibility seriously. By embedding human rights requirements in contracts, providing training and capacity-building, conducting regular assessments and audits and engaging partners in continuous improvement, Himadri promotes responsible practices across its value chain and contributes to the UN Sustainable Development Goals.

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Section C

Principle 6

Businesses should respect and make efforts to protect and restore the environment

Principle 6 of the BRSR framework focuses on protecting and restoring the environment through responsible resource use, prevention of pollution and compliance with applicable environmental laws. For Himadri, this translates into disciplined management of energy, water, emissions and waste, supported by ISO-based management systems, technology upgrades and continuous monitoring across locations. During the year, focused efficiency and process interventions helped improve key environmental intensities, including a reduction in energy intensity by **19.31%**, emission intensity by **38.18%** and water intensity by **27.41%** from the

respective base years, reinforcing our commitment to long-term sustainability and stakeholder value creation.

Himadri remains committed to meeting and, where possible, exceeding regulatory requirements for environmental protection. We maintain robust systems for monitoring performance, assuring compliance and driving continual improvement through targeted projects in energy efficiency, water stewardship, emissions control and circular resource use. These efforts are designed to reduce environmental impact across operations while supporting business resilience and contributing to a more sustainable future.

SDGs Impacted



19.31%

Energy Intensity reduction
from the baseline

38.18%

Emission Intensity
reduction from the base line

27.41%

Water Intensity reduction
from the baseline

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity

Energy consumption remains a critical parameter reflecting the overall efficiency of Himadri's day-to-day operations and its associated environmental impact. The energy matrix plays an essential role in evaluating sustainability performance, as it directly influences emission levels and resource utilization. Transparent disclosure of energy consumption demonstrates Himadri's commitment towards environmental responsibility and strengthens stakeholder confidence by aligning operational practices with long-term sustainability objectives.

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
From renewable sources (GJ)			
Total electricity consumption (A)	GJ	Nil	Nil
Total fuel consumption (B)	GJ	Nil	Nil
Energy consumption through other sources (C)	GJ	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	GJ	Nil	Nil

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Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
From non-renewable sources (GJ)			
Total electricity consumption (D)	GJ	3,57,048.65	3,64,597.60
Total fuel consumption (E)	GJ	76,131.48	65,465.22
Energy consumption through other sources (F)	GJ	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	GJ	4,33,180.13	4,30,062.82
Total energy consumed(A+B+C+D+E+F)	GJ	4,33,180.13	4,30,062.82
Energy intensity per rupee of turnover (Total energy consumption/ revenue from operation) (approx.)	GJ/Million ₹	9.83	9.36
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	GJ/Million \$	200.02	193.33
Energy intensity in terms of physical output (Total energy consumed /quantity of goods sold)	GJ/MT	0.747	0.765

Himadri utilises process-generated waste gases for captive power generation, enabling recovery of embedded energy that would otherwise be lost. While this energy is not classified as renewable, it represents a significant circular efficiency initiative that reduces dependence on external fossil fuel-based energy sources and contributes to lower overall emission intensity.

Himadri's energy management approach is driven by its commitment to improving efficiency and reducing environmental impact, guided by its energy management and GHG emission policy. The Company's total energy consumption increased marginally ~0.74% rise year-on-year. This increase is primarily attributable to current project expansion activities happening at MTK Plant.

ISO 50001:2018 energy management systems are implemented across all plant locations, supported by a dedicated BU-level Energy Optimization Task Force that identifies improvement areas and drives targeted initiatives. Through operational discipline and technology interventions, Himadri ensures sustained energy efficiency while maintaining operational reliability. Energy management is embedded across functions with continuous monitoring, review and accountability, aligned with its Net-zero vision and broader climate commitments.

The Company utilises process-generated waste gas in its captive power plant to meet internal energy needs, reducing dependence on external sources. Energy performance is regularly reviewed through audits and internal assessments.

Several initiatives have been undertaken to enhance efficiency and optimise energy use. Utility optimisation included rationalisation of the borewell pumping system by replacing a higher-capacity pump with an appropriately sized system, reducing electricity consumption while maintaining efficiency. Process integration and heat recovery improvements included installation of a spiral heat exchanger in the by-product distillation unit, reducing fuel oil consumption and steam requirements. Deployment of an advanced mill machine in the Treated Black Division improved operational efficiency and reduced specific power consumption.

Further optimisation was achieved through flexible operation of Boilers #1 and #2, improving CO gas utilisation and reducing gas consumption in power generation. Ongoing benefits from earlier initiatives, such as fuel oil system modification and insulation of cold-air lines, have reduced thermal losses and enhanced process efficiency.

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These efforts demonstrate Himadri's continued focus on reducing energy intensity, minimising environmental impact and progressing towards sustainable, energy-efficient operations.

Other Initiative related to energy consumption reduction:

- Deployment of advanced mill machine in Treated Black Division, resulting in reduction in specific power consumption and improved process efficiency.
- Continued benefit from fuel oil system modification, improving combustion efficiency and reducing energy losses in process operations.
- Implementation of cold-air line insulation in Reactors F, reducing temperature drop and improving overall thermal efficiency.
- Reduction in Auxiliary Power Consumption through AC Upgradation

Upgradation of air conditioning systems to higher energy-rated units in the Treated Black Division resulted in annual energy savings of approximately 6,480 kWh, contributing to reduced auxiliary power consumption and lower indirect emissions.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency –

Yes, Himadri has carried out an independent assurance by TUV SUD South Asia Pvt Ltd.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Yes, Himadri is a net exporter of electricity. As the current industry sector is not notified under the Government of India's PAT scheme, Himadri is not presently eligible to participate. However, Himadri remains optimistic about potential inclusion of the sector under the PAT scheme in the future.

Flagship Decarbonisation Initiative: Circular Energy from Process Waste Gases

Himadri has established a robust circular energy model by harnessing process-generated waste gases for captive power generation—transforming an inherent by-product of operations into a strategic energy resource. This initiative reflects the Company's approach of embedding decarbonisation directly into core manufacturing processes rather than relying solely on external energy transitions.

Through this system, waste gases generated during production are effectively recovered and utilised as fuel in captive power plants, displacing conventional fossil fuel consumption. This not only enhances overall energy efficiency but also significantly reduces the carbon intensity of operations by avoiding emissions that would otherwise arise from additional fuel use.

From an operational standpoint, this initiative delivers multiple advantages. It improves energy self-sufficiency, reduces exposure to external energy price volatility and ensures more stable and reliable power availability across manufacturing units. At the same time, it minimises energy losses within the system, reinforcing Himadri's commitment to resource efficiency and circularity.

From a climate perspective, the utilisation of waste gas for power generation represents a high-impact decarbonisation lever. While not classified as renewable energy, it is a critical enabler of emissions reduction by lowering dependence on primary fossil fuels and optimising the carbon footprint of existing processes. This approach aligns with global best practices in hard-to-abate sectors, where efficiency-led interventions play a vital role in transitioning toward low-carbon operations.

The initiative also complements Himadri's broader sustainability roadmap, which includes energy efficiency improvements, renewable energy adoption and Scope 3 decarbonisation efforts across the value chain. By integrating circular energy solutions with forward-looking climate strategies, the Company continues to strengthen its pathway toward its long-term Net Zero ambition.

Himadri's waste gas-to-energy system stands as a flagship example of how industrial innovation, when aligned with sustainability objectives, can simultaneously deliver environmental benefits, operational resilience and long-term value creation for stakeholders.

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3. Details of the following disclosures related to water:

Himadri prioritises responsible water stewardship through advanced technologies and operational improvements to reduce freshwater withdrawal, enhance recovery and improve efficiency. Water risk assessments using the World Resources Institute Aqueduct platform evaluate risks such as water stress, flooding and quality challenges across locations, enabling identification of site-specific priorities and strengthening long-term water resilience.

Parameter	Unit	FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kiloliters)			
(i) Surface Water	KL	839.00	313.00
(ii) Ground Water	KL	10,52,976.67	10,46,506.12
(iii) Third party water	KL	2,830.54	28.00
(iv) Seawater/ desalinated water	KL	0.00	0.00
(v) Others	KL	2,063.88	0.00
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	KL	10,58,710.09	10,46,847.12
Total volume of water consumption (in kilolitres)	KL	10,58,710.09	10,46,847.12
Water intensity per rupee of turnover (Water consumed/revenue from operations)	KL/ Million ₹	24.03	22.78
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumed / Revenue from operations adjusted for PPP)	KL/ Million USD	488.85	470.60
Water intensity in terms of physical output (Total water consumption/quantity of goods Sold)	KL/MT	1.83	1.86

Aligned with its Water Efficiency and Preservation Policy, Himadri implements initiatives focused on recycling, process optimisation and resource recovery, while strengthening its Zero Liquid Discharge (ZLD) approach to maximise reuse of treated wastewater within operations.

Several operational improvements have enhanced water efficiency. Installation of a venturi in the quench section of Line-1 in the carbon black process improved gas-water mixing, enabling faster, uniform cooling, reducing excess quench water use, improving process stability and delivering ~0.2% yield improvement. In the Water Recovery Plant (WRP), optimisation of the Reverse Osmosis (RO-1) system through Cleaning-in-Place (CIP) improved membrane efficiency and permeate quality, conserving ~100 KL of water per month previously used in cleaning.

In the Coal Tar Distillation (CTD) division, strengthening the steam condensate recovery network through Steam Operated Pump Traps (SOPT) improved reuse, increasing condensate recovery by ~7,741 m³ annually

and reducing groundwater extraction by ~7,487 m³. Cooling tower blowdown optimisation in the Captive Power Plant (CPP), enabled by real-time TDS monitoring, reduced water discharge, chemical use and improved system efficiency.

Further conservation was achieved by introducing chemical cleaning for heat exchangers in the CTD division, reducing water use per cycle from 720 KL to ~15 KL—a saving of 705 KL per cycle—while maintaining effectiveness and reliability.

Through these initiatives, Himadri continues to enhance water conservation, improve internal recovery and reduce dependence on freshwater, reinforcing its commitment to sustainable water management and responsible operations.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency –

Yes, Himadri has carried out an independent assurance by TUV SUD South Asia Pvt Ltd.

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4. Provide the following details related to water discharge

Parameter	Unit	FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)			
i) To Surface Water			
- No treatment	KL	Nil	Nil
- With treatment- please specify level of treatment	KL	Nil	Nil
(ii) To Groundwater			
- No treatment	KL	Nil	Nil
- With treatment- please specify level of treatment	KL	Nil	Nil
(iii) To Seawater			
- No treatment	KL	Nil	Nil
- With treatment- please specify level of treatment	KL	Nil	Nil
(iv) Sent to third-parties			
- No treatment	KL	Nil	Nil
- With treatment- please specify level of treatment	KL	Nil	Nil
(v) Other			
- No treatment	KL	Nil	Nil
- With treatment- please specify level of treatment	KL	Nil	Nil
Total Water Discharged	KL	Nil	Nil

Himadri has implemented Zero Liquid Discharge (ZLD) across all its facilities, ensuring that no untreated or contaminated water is released into the environment. This approach eliminates the risk of pollution of nearby water bodies and reinforces Himadri's commitment to sustainable water management. Himadri has an overall treatment capacity of **1,250 KL (ETP along with two Water Recovery Plants - WRPs)**, enabling efficient treatment and recovery of wastewater.

Aligned with its Water Efficiency and Preservation Policy, Himadri continues to strengthen its focus on water conservation through a dedicated ZLD Task Force at the Business Unit level. Continuous efforts are undertaken to maximize reuse of treated water within operations through advanced treatment technologies and monitoring systems. These measures collectively contribute to reduced freshwater withdrawal, improved resource efficiency and protection of the surrounding ecosystem, demonstrating Himadri's commitment to responsible and sustainable operations.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency –

Yes, Himadri has carried out an independent assurance by TUV SUD South Asia Pvt Ltd.

5. Has the entity implemented a mechanism for Zero Liquid Discharge (ZLD)? If yes, provide details of its coverage and implementation

Yes, Himadri has implemented a comprehensive Zero Liquid Discharge (ZLD) mechanism across its manufacturing operations, ensuring all wastewater is treated, recovered and reused within the system, with no discharge into the external environment. This approach is central to its water management strategy, reducing freshwater dependency and protecting surrounding ecosystems.

The Company has established advanced infrastructure comprising an Effluent Treatment Plant (ETP) integrated with two Water Recovery Plants (WRPs), with a total treatment capacity of 1,250 KL per day. The WRP serves as the final recovery stage, maximising water reuse through multiple treatment and purification processes.

Treated wastewater from sources such as ETP outlets, DM plant backwash, RO reject and cooling tower blowdown is collected in a feed tank and sent to a clarification unit, where dosing of coagulants, polyelectrolyte, caustic, SMBS and oxidising agents removes impurities. The clarified water then undergoes Mixed Gravel Filtration (MGF), Ultrafiltration (UF) and a two-stage Reverse Osmosis (RO) process, supported by carbon filtration, chemical dosing and de-gasification to enhance efficiency and stabilise quality.

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The treated permeate is reused for cooling tower make-up, process needs and RO feed, while reject streams are utilised in controlled applications such as quenching and utilities, ensuring zero discharge beyond system boundaries.

This integrated ZLD system, supported by advanced technologies and continuous monitoring, reduces freshwater withdrawal, improves water efficiency, ensures regulatory compliance and reinforces Himadri's commitment to sustainable and responsible water management.

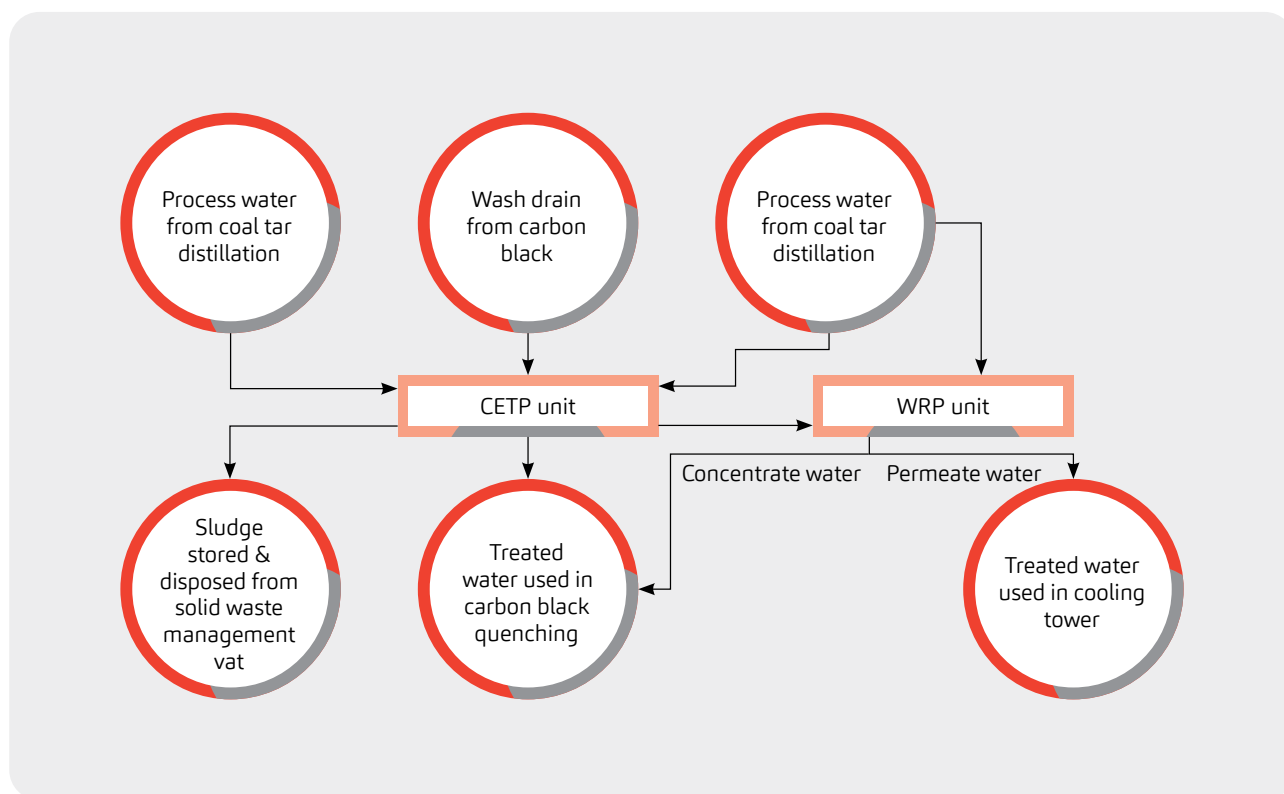


Fig: ZLD process

Treated water:

Treated water	Unit	Quantity
Primary treated water (Via ETP)	KL	1,82,571
Secondary treated water (Via WRP)	KL	4,39,999

*including RO reject, DM plant reject and Cooling tower blow down reject water

6. Details of air emissions (other than GHG emissions) by the entity:

Parameter	Please specify unit	FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial Year)
NOx	MT	19.91	18.02
SOx	MT	65.30	91.80
Particulate matter (PM)	MT	63.03	94.75
Persistent organic pollutants (POP)	MT	Nil	Nil
Volatile organic compounds (VOC)	MT	Nil	Nil
Hazardous air pollutants (HAP)	MT	Nil	Nil
Others- please specify	MT	Nil	Nil

Note: From this Financial year the air emission data reported in MT

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Himadri has implemented a comprehensive suite of air pollution control systems across operations to minimise emissions and ensure regulatory compliance, integrating these systems within processes to control particulate matter, gaseous emissions and volatile compounds.

Key equipment includes condensers, stacks, wet gas scrubbers, chemical strippers and NO_x abatement systems for gaseous emissions, along with bag filters and cyclone separators for particulate control. Advanced technologies such as flue gas desulphurisation units manage sulphur emissions, activated carbon systems remove organic pollutants and VOCs and pulsed radio wave systems further reduce PM_{2.5} and PM₁₀ levels. These measures are supported by continuous monitoring and maintenance to ensure effective emission control and improved air quality.

Despite an increase in absolute emissions, Himadri maintains strict control over emission intensity through monitoring and process optimisation, with particulate emissions reducing year-on-year. Systems such as PURE SKIES 2.0 have improved ambient air quality.

The Company's Air Quality & Emission Control Policy guides this approach, with corrective actions underway

for NO_x and SO_x through feedstock management, process optimisation, enhanced controls.

During the year, several targeted initiatives were implemented:

VOC abatement: Upgradation of the condensation system in the Naphthalene Distillation Unit with an additional condenser improved vapour handling, reducing VOC emissions and enhancing compliance.

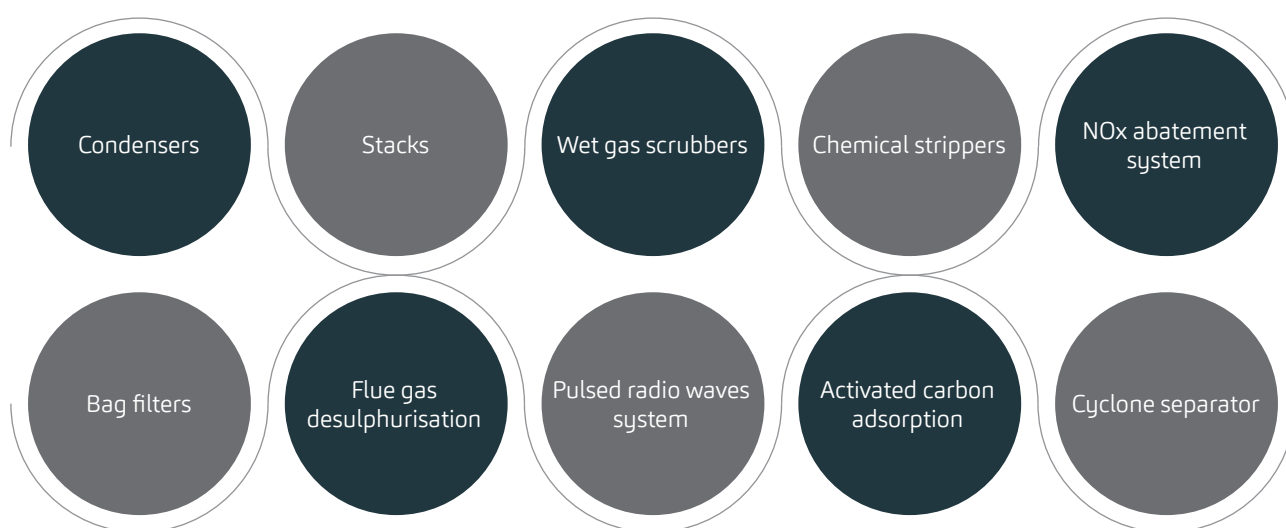
Fugitive dust reduction (granulated pitch): Introduction of a spiral chute in material transfer reduced dust generation, improving air quality and housekeeping.

Noise mitigation: Installation of a steam vent silencer reduced noise from high-pressure steam discharge, addressing noise as an air pollutant and improving workplace conditions.

Dust control (SNF-PCE Division): An online air purging system in the spray dryer bag filter enabled continuous de-choking, reducing fugitive emissions and operator exposure.

These measures reflect Himadri's proactive approach to emission management, ensuring compliance while continuously improving environmental performance alongside operational growth

Air Pollution Control Equipment



Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

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Yes, Himadri conducts regular monitoring and assessment of key air emission parameters to ensure adherence to environmental regulations and protection of public health. Independent third-party agencies are engaged to carry out these evaluations, ensuring transparency and reliability in the monitoring process. Quarterly audits are undertaken to review emissions such as NO_x, SO_x and Particulate Matter (PM_{2.5} and PM₁₀), with results submitted to the relevant regulatory authorities. These audits also validate compliance with standards prescribed by bodies such as the Central Pollution Control Board (CPCB). Continuous evaluation and monitoring enable effective emission management and support Himadri's commitment to responsible environmental practices.

Himadri has carried out an independent assurance by TUV SUD South Asia Pvt Ltd.

7. Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Greenhouse gas (GHG) emissions are a key indicator of the environmental impact associated with industrial operations. Systematic tracking and disclosure of these emissions provide visibility into emission sources, intensity and mitigation efforts, enabling informed decision-making and supporting climate risk management. This also helps stakeholders evaluate Himadri's progress in addressing climate change and reducing its carbon footprint.

Parameter	Please specify unit	FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	4,22,398.22	4,01,152.63
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	Nil*	Nil*
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO ₂ e/ Million ₹	9.59	8.73
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations adjusted for PPP)	tCO ₂ e/ Million USD	195.04	180.33
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Total Scope 1 and Scope 2 GHG emissions/ quantity of goods sold)	tCO ₂ e/MT	0.729	0.713

*Scope 2 emissions are nil, as Himadri operates as a net exporter of electricity.

Accelerating the transition to a Low-Carbon Future

Himadri strengthens its climate strategy through market-based renewable energy instruments and voluntary carbon mechanisms, aligned with the Greenhouse Gas Protocol and the Science Based Targets initiative (SBTi). In FY 2025-26, the Company redeemed 5,300 International Renewable Energy Certificates (I-RECs), equivalent to 5,300 MWh of renewable electricity, supporting Scope 2 decarbonisation pathways. It also retired 20,000 Verified Carbon Units (VCUs) from renewable energy projects; these are disclosed separately as voluntary offsets, in line with SBTi guidance and not counted toward emission reduction targets.

Himadri prioritises direct emission reduction through process optimisation, energy efficiency and increased renewable energy adoption, using I-RECs to support transition efforts. Carbon offsets remain supplementary and do not substitute internal decarbonisation, ensuring

alignment with SBTi principles, transparency and its Net Zero ambition.

Through its "Together Towards Tomorrow" philosophy, Himadri integrates climate considerations into business strategy. During the year, disclosures were aligned with the Task Force on Climate-related Financial Disclosures (TCFD) and the Company participated in the Carbon Disclosure Project (CDP), receiving a 'B' rating in both Climate Change and Water Stewardship. Its Net Zero 2050 target is under validation by SBTi.

A structured emissions management approach is supported by a dedicated GHG reduction task force focused on process efficiency, fuel optimisation and cleaner technologies, with continuous monitoring and internal reviews ensuring compliance. GHG accounting follows internationally recognised methodologies, including the Intergovernmental Panel on Climate Change Guidelines (2006) and the Greenhouse Gas Protocol, with emission factors sourced from databases such as Ecoinvent, Department for Environment Food

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and Rural Affairs and the United States Environmental Protection Agency, strengthening data accuracy.

Aligned with the Paris Agreement, Himadri has set near-term targets of reducing Scope 1 and Scope 2 emission intensity by 25% and Scope 3 emissions by 5%, progressing toward Net Zero by 2050. Operationally, emissions primarily arise from the Carbon Black division, while Coal Tar operations are distillation-based. With in-house power generation meeting demand, the Company maintains zero Scope 2 emissions and continues to reduce Scope 1 emissions through efficiency and process improvements.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency –

Yes, Himadri has appointed IRCLASS to undertake reasonable assurance of its reported Scope 1, Scope 2 and Scope 3 greenhouse gas emissions in accordance with ISAE 3410, the international standard for assurance engagements on GHG statements, providing an independent evaluation of the accuracy and completeness of the emissions data. Himadri has carried out an independent assurance by TUV SUD South Asia Pvt Ltd.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, Himadri has undertaken multiple initiatives to reduce greenhouse gas (GHG) emissions through energy efficiency, process optimisation and sustainable logistics. A key flagship initiative is the utilisation of process-generated off-gases in its 28 MW captive power plant (CPP), where off-gases from carbon black

manufacturing are used as primary fuel for steam and power generation. This reduces flaring, prevents release of unutilised carbon, substitutes fossil fuels such as furnace oil and coal, lowers Scope 1 emissions, improves thermal efficiency, minimises fuel consumption and reduces carbon intensity per unit of production—supporting low-carbon, resource-efficient operations.

Key initiatives during the year include:

Diesel optimisation in logistics: Route optimisation, avoidance of congestion and fuel-efficient driving led to savings of ~43,604 litres of diesel, reducing emissions.

High-capacity vehicles: Improved load consolidation reduced travel by ~138,800 km, avoiding ~30.4 tonnes of CO₂e emissions.

Bio-diesel pilot: Introduction of bio-diesel in one heavy vehicle at Nagpur supports lower lifecycle emissions and cleaner fuel adoption.

LED lighting (Korba Unit): Replacement of 400 W halogen lamps with LED floodlights reduced load by 4,000 W, saving ~40 units/day (14,400 units annually), lowering electricity use and emissions.

Himadri also integrates climate considerations into investments through an internal carbon pricing (shadow pricing) mechanism for Scope 1 and Scope 2 emissions, assigning a notional carbon cost in capital expenditure decisions to prioritise low-carbon projects.

Aligned with the Paris Agreement, the Company is progressing towards its target of reducing Scope 1 and Scope 2 emission intensity by 25% by 2030. Its Environment Policy and Energy Efficiency Policy provide a structured framework to drive these initiatives, reinforcing its commitment to sustainable, low-carbon operations.

Internal price for carbon, which is a fixed amount per ton of CO₂e emitted

Setting the carbon price

Financial/
Investment
decision

Integration of carbon cost in return of investment calculation

Carbon cost acts as a shadow price for investment/capex on estimated Scope 1 and 2 GHG emissions

Periodic review to update price reflecting market dynamics and other factors

Review and adjustment

Approval and oversight

Ensures investment decisions are driven by considering environmental impact
Applicable for voluntary market as well by converting environmental impact into monetary value

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As part of its GHG mitigation strategy, Himadri integrates afforestation and greenbelt development as nature-based solutions. During FY 2025–26, ~1,000 native saplings were planted in and around operations in collaboration with local communities and authorities.

These plantations act as carbon sinks, sequestering CO₂ over their lifecycle and partially offsetting operational emissions, while also enhancing biodiversity, improving air quality and supporting soil stabilisation. Himadri also conducts stakeholder awareness and sensitisation programmes on climate change, reinforcing its commitment to long-term emission reduction and sustainable environmental stewardship.

9. Details related to waste management by the entity:

Parameter	Unit	FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial Year)
Total Waste generated (in metric tonnes)			
Plastic waste (A)	MT	189.07	145.76
E-waste (B)	MT	9.36	1.73
Bio-medical waste (C)	MT	0.023	0.012
Construction and demolition waste (D)	MT	Nil	Nil
Battery waste (E)	MT	8.80	11.30
Radioactive waste (F)	MT	Nil	Nil
Other Hazardous waste- please specify (G) (ETP Sludge, Mixed waste, Cotton waste, Old insulation waste)	MT	2.26	6.03
Other Non-hazardous waste generated (H). Please specify, if any (Break-up by composition i.e., by materials relevant to the sector)	MT	344.33	220.93
Process & metals (I)	MT	1,368.74	1,002.16
Total (A+B + C + D + E + F + G + H+I)	MT	1,922.57	1,387.92
Waste intensity per rupee of turnover (total waste/ Revenue from operation)	MT/Million ₹	0.03	0.03
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (total waste/Revenue from operation adjusted for PPP)	MT/Million USD	0.632	0.624
Waste intensity in terms of physical output per MT of goods sold (Total waste/quantity of goods sold)		0.0024	0.0025
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)			
Category of waste			
(i) Recycled	MT	1,920.29	1381.88
(ii) Re-used	MT	Nil	Nil
(iii) Other recovery operations	MT	Nil	Nil
Total	MT	1,920.29	1381.88
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)			
Category of waste			
(iv) Incineration(Mixed waste, ETP sludge, Oil Soaked and jute, Empty bag, Bio-medical waste)	MT	0.93	2.92
(v) Landfilling (ETP Sludge, Bio-medical waste)	MT	1.34	3.10
(vi) Other disposal operations	MT	Nil	Nil
Total	MT	2.27	6.04

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Himadri's waste management approach goes beyond compliance, focusing on resource efficiency, reduced waste intensity and circular use of materials. Through process improvements and responsible handling, the Company minimises waste generation and channels recoverable materials into recycling and reuse, aligned with its Responsible Consumption Policy and the goal of Zero Waste to Landfill by 2026, in line with the United Nations Sustainable Development Goals (UN SDGs)

Circularity is strengthened through recovery and reuse initiatives. In Coal Tar Pitch production, by-products

such as Naphthalene and Creosote oils are reintegrated into the value chain, while solvents like Quinoline and Toluene used in testing are recovered and recycled where feasible, reducing chemical waste and preventing hazardous discharge. Waste practices include systematic segregation, storage and disposal of hazardous and non-hazardous waste, including Persistent Organic Pollutants (POPs), in compliance with Bio-Medical, Plastic and E-Waste Management Rules. These efforts are supported by internal monitoring, supplier engagement and cross-functional teams to improve recycling rates and environmental performance.

Achieve <1% waste
to landfill intensity
by 2026 against
baseline year
FY 21-22

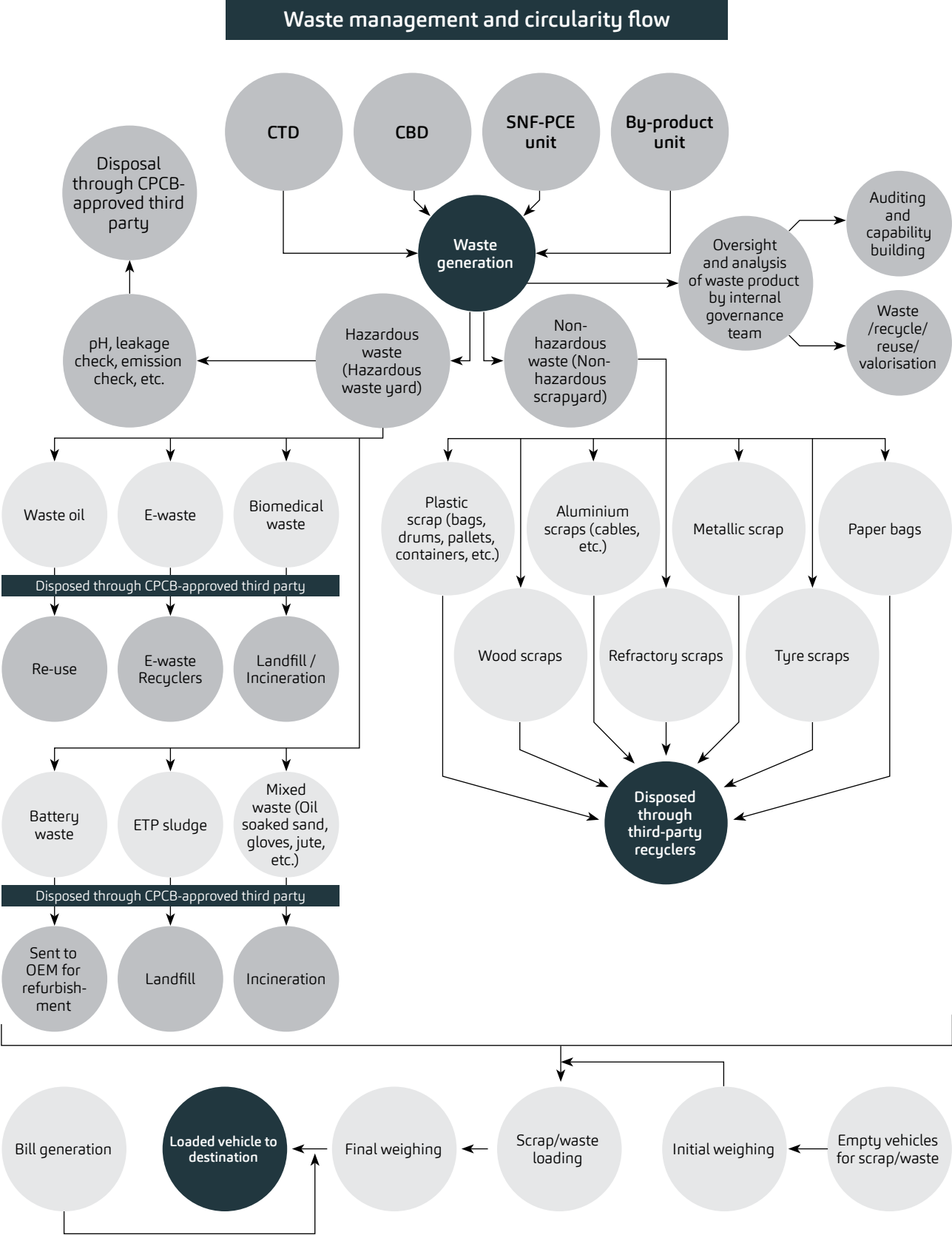
FY 24-25
<1%

FY 25-26
<1%



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A flow diagram of Himadri's waste management framework:



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In the chemicals sector, responsible waste handling is critical to environmental integrity and operational continuity. Himadri manages diverse waste streams—process residues, chemical by-products and effluents—through structured systems that mitigate impacts on soil, air and water while ensuring employee and community safety and regulatory compliance.

Beyond compliance, waste reduction is leveraged to improve efficiency and performance. Initiatives such as solvent recovery, recycling of intermediates and closed-loop practices reintegrate waste into operations, reducing disposal volumes, lowering raw material dependency, improving cost efficiency and supporting ESG expectations and long-term competitiveness.

Hazardous waste management follows a governance framework aligned with the Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016. Waste is classified per Central Pollution Control Board (CPCB) guidelines, with testing by NABL-accredited laboratories for toxicity, corrosiveness, reactivity and flammability. Traceability is ensured through a colour-coded manifest system, with storage protocols including sealed and labelled containers, segregation of incompatible materials, routine inspections and containment measures. Disposal is carried out only through authorised Treatment, Storage and Disposal Facility (TSDF) operators, with statutory documentation such as Form 3 registers and Form 4 returns maintained to ensure transparency, compliance and audit readiness.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Himadri has carried out an independent assurance by TUV SUD South Asia Pvt Ltd.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Effective waste management is a critical priority for a speciality chemicals manufacturer like Himadri, where chemical by-products, hazardous residues and effluents must be carefully handled to prevent environmental and safety risks. Responsible practices ensure compliance with environmental and occupational health regulations, prevent contamination of soil, water and

air, protect employees and nearby communities and mitigate regulatory, operational and reputational risks.

Himadri follows a structured approach based on waste avoidance. Where prevention is not possible, the focus shifts to recycling, reuse, or energy recovery, with disposal through authorised facilities as the last option—reflecting its commitment to resource efficiency, circular economy principles and reduced reliance on virgin resources.

Operationally, the Company emphasises process optimisation, in-plant reprocessing and the 3R principle (Reduce, Reuse, Recycle). By-products are repurposed as inputs in other processes, strengthening internal circularity. Solvents are recovered, intermediates recycled and alternative materials explored to reduce dependence on fossil-based plastics. High-calorific waste streams are also used as substitute fuels, supporting energy recovery and lowering fossil fuel consumption.

Waste streams are segregated into hazardous and non-hazardous categories at site level. Recyclables such as plastics, glass, paper, wood pallets and packaging materials are sent to authorised recyclers, with vendor compliance monitored through periodic reviews.

Hazardous waste is managed under a framework aligned with the Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016. Waste is classified as per Central Pollution Control Board (CPCB) schedules and tested by NABL-accredited laboratories for toxicity, reactivity, corrosiveness and ignitability. A colour-coded manifest system ensures traceability from generation to disposal across all stakeholders.

Storage areas follow strict protocols, including sealed and labelled containers, segregation of incompatible materials, routine inspections and containment measures. Disposal is carried out only through authorised Treatment, Storage and Disposal Facility (TSDF) operators, with statutory documentation such as Form 3 registers and Form 4 returns maintained for compliance and audit readiness.

Himadri is also exploring sustainable packaging and alternative materials, with pilot initiatives to reduce conventional plastic and wooden packaging through reusable or recyclable options. These efforts support its long-term goal of zero waste to landfill while strengthening circular resource use and environmental stewardship.

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- 11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required:**

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	NA	NA	NA

Himadri does not operate within or in close proximity to any ecologically sensitive areas. Nevertheless, as part of its environmental management practices, Himadri has developed and maintains a substantial greenbelt around its facilities to help mitigate operational impacts. Approximately **33% of the total plant area** has been developed as greenbelt, as verified through external assessments. The plantation consists primarily of native species, which function as natural buffers by helping reduce noise levels while also supporting ecological balance within the surrounding environment.

In addition to serving as a noise attenuation barrier, the greenbelt contributes to improved ambient air quality, supports local biodiversity and enhances the visual landscape of the facility. As part of ongoing biodiversity enhancement efforts, Himadri is also planning to contribute to various large-scale ecological conservation projects, further strengthening its commitment to conserving and promoting local biodiversity alongside responsible industrial operations.

- 12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA

- 13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances:**

Sl. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	NA	NA	NA	NA

Himadri conducts its operations in line with established legal and ethical standards, ensuring full compliance with applicable regulations. The Company adheres to key Indian environmental laws, including the Environment (Protection) Act, Air (Prevention and Control of Pollution) Act, Water (Prevention and Control of Pollution) Act and Hazardous Waste Management Rules, supported by regular monitoring, internal reviews, statutory reporting and periodic audits.

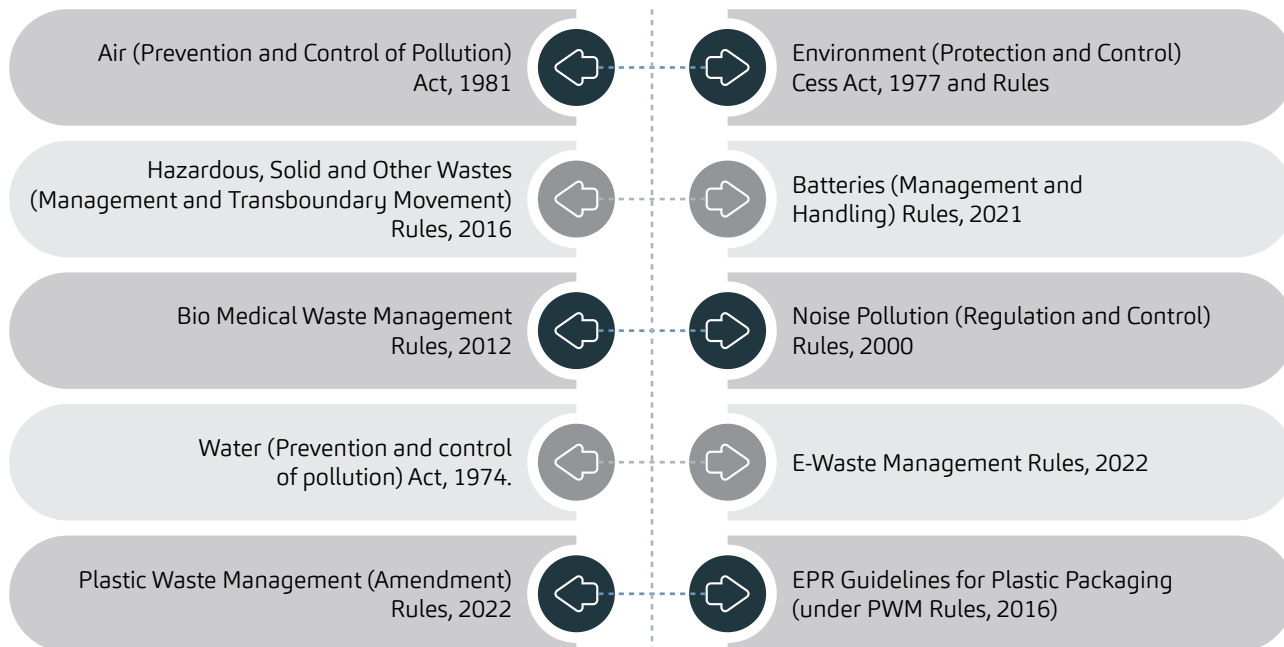
Environmental performance is reinforced through pollution control systems, effluent treatment facilities and structured hazardous waste management with approved disposal practices. Himadri also advances energy efficiency, water conservation and circular resource use, aligning operations with national priorities and global sustainability principles. ISO-based management systems further strengthen governance through systematic monitoring, evaluation and continuous improvement.

Recognising environmental responsibility as a driver of innovation and resilience, Himadri integrates climate considerations into its strategy and has established policies and management frameworks addressing key environmental aspects of the speciality chemicals sector, aligned with national and global sustainability commitments.

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Compliance backbone



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Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres)

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge:

Parameter	FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
i. Surface Water	NA	NA
ii. Ground Water	NA	NA
iii. Third party water	NA	NA
iv. Seawater/ desalinated water	NA	NA
v. Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA
Water intensity per rupee of turnover (Water consumed/ revenue from operations)	NA	NA
Water intensity (optional) - the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into surface water	NA	NA
- No treatment	NA	NA
- With treatment- please specify the level of treatment	NA	NA
(ii) Into ground water	NA	NA
- No treatment	NA	NA
- With treatment- please specify the level of treatment	NA	NA
(iii) Into seawater	NA	NA
- No treatment	NA	NA
- With treatment- please specify the level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
- With treatment- please specify the level of treatment	NA	NA
(v) Other	NA	NA
- No treatment	NA	NA
- With treatment- please specify the level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA

Himadri regularly evaluates its operational footprint against water availability and potential impacts on surrounding resources. As part of its water stewardship practices, the Company monitors water stress and assesses physical risks using tools such as the World Resources Institute Aqueduct platform, analysing parameters like water stress, flooding risks and water quality across operating regions. These assessments support basin-level and site-specific evaluations to understand water withdrawal patterns and impacts on local aquifers.

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Based on these insights, Himadri implements initiatives to improve water efficiency and reduce freshwater dependence through process optimisation and resource recovery. For instance, in coal tar derivative production, inherent moisture in coal tar is recovered using tri-canter and dehydration processes, enabling ~3% water recovery for reuse—reducing freshwater withdrawal and strengthening overall water resource management.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) if yes, name of the external agency.

Yes, Himadri has carried out an independent assurance by TUV SUD South Asia Pvt Ltd.

2. Details of total Scope 3 emissions & its intensity:

Parameter	Please specify unit	FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	9,81,381.87	8,93,507.66
Total Scope 3 emissions per rupee of turnover	tCO ₂ e / Million ₹	22.28	19.44
Total Scope 3 emission intensity (total emission per quantity of goods sold)	tCO ₂ e / MT	1.69	1.59

Himadri has expanded its climate management framework by incorporating **Scope 3 emissions** into its greenhouse gas (GHG) accounting and disclosure from FY 2023–24 onwards. Recognising that a considerable share of total emissions arises from activities across the value chain, this inclusion reflects Himadri's commitment to improving transparency and aligning its reporting practices with internationally accepted climate disclosure standards.

To strengthen Scope 3 management, Himadri initiated a structured assessment of its value chain to identify key emission sources and priority categories. Particular attention has been given to areas such as **purchased goods and services, upstream transportation and downstream logistics**, where reliable data collection and emission estimation are essential for building an accurate emissions inventory. Based on these assessments, Himadri has established a **Scope 3 emission intensity reduction target of 5% by 2025**, using FY 2023 as the baseline. This target aligns with the principles of the **Science Based Targets initiative (SBTi)** and contributes to global efforts to limit temperature rise to well below 2°C.

Earlier, Scope 3 emissions were estimated using industry-average datasets. During the current reporting period, Himadri initiated efforts to improve the granularity and reliability of its emissions inventory. With guidance from the Board of Directors, Himadri enhanced its data collection mechanisms and introduced a more detailed value chain engagement approach to obtain activity-based information from relevant partners.

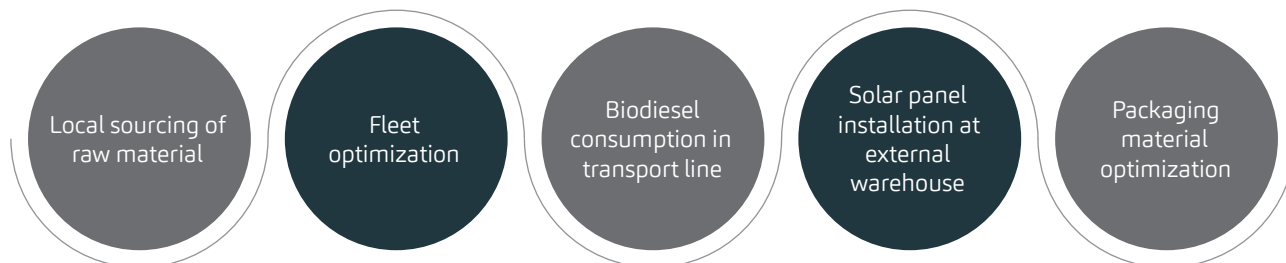
As part of this engagement framework, value chain partners are evaluated through a structured assessment process that includes ESG-related parameters. Partners complete self-assessment questionnaires covering environmental practices, health and safety standards, labour practices and governance frameworks. Based on risk categorisation, selected partners may undergo on-site or remote evaluations, following which improvement measures and corrective action plans are discussed where required.

In addition to strengthening emissions data collection, Himadri is also exploring collaborative initiatives with value chain partners to support emission reduction opportunities. One such initiative includes evaluating the gradual shift towards **bio-diesel for upstream and downstream logistics operations**, which can contribute to lower transportation-related emissions while supporting national biofuel initiatives.

Through these measures, Himadri continues to enhance the robustness of its Scope 3 emissions inventory while encouraging responsible environmental practices across its value chain, reinforcing its long-term commitment to climate action and sustainable growth.

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Scope 3 Decarbonisation Initiatives

Himadri has undertaken targeted initiatives across its value chain to reduce Scope 3 emissions, focusing on logistics efficiency, sustainable sourcing and resource optimisation.

1. Local Sourcing of Raw Materials

Himadri is progressively increasing the share of locally sourced raw materials to reduce transportation distances, thereby lowering associated fuel consumption and emissions. This initiative also strengthens supply chain resilience and supports local economies.

2. Fleet Optimization

The Company has implemented logistics optimisation measures, including route planning, improved load utilisation and efficient vehicle deployment. These measures reduce fuel consumption per tonne of material transported and enhance overall logistics efficiency.

3. Biodiesel Consumption in Transport Line

Himadri has initiated the use of biodiesel in transportation operations as a cleaner alternative to conventional diesel. This transition contributes to lowering lifecycle greenhouse gas emissions from outbound and inbound logistics.

4. Solar Panel Installation at External Warehouse

Renewable energy adoption has been extended beyond plant operations through the installation of solar panels at external warehouse facilities. This reduces indirect emissions associated with storage and distribution activities.

5. Packaging Material Optimization

The Company is working towards reducing emissions from packaging by optimizing material usage, promoting recyclable and reusable packaging solutions and minimizing waste generation across the supply chain.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) if yes, name of the external agency.

Yes, Himadri has appointed IRCLASS to undertake reasonable assurance of its reported Scope 1, Scope 2 and Scope 3 greenhouse gas emissions in accordance with ISAE 3410, the international standard for assurance engagements on GHG statements, providing an independent evaluation of the accuracy and completeness of the emissions data. Himadri has carried out an independent assurance by TUV SUD South Asia Pvt Ltd.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

N/A

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4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:

S r. No	Initiative undertaken	Details of the initiative (summary)	Outcome of the initiative
1	Solar power installation at external warehouse	A 5 kW on-grid solar power system was installed at the warehouse facility to supply renewable electricity for warehouse operations and reduce dependence on conventional grid power.	Warehouse electricity demand is met through renewable energy generation, reducing reliance on conventional electricity and associated emissions.
2	Borewell pumping system optimization	The existing 15 kW borewell pump was replaced with a 5.5 kW pump better aligned with the operational water demand of approximately 250 m ³ /day.	Reduction in electricity consumption associated with water pumping while maintaining operational efficiency.
3	Spiral heat exchanger installation in by-product distillation	A spiral heat exchanger was installed to enable efficient heat transfer between residual oil and Wide Fractional Oil (WFO) feed streams through counter-current heat exchange.	Improved heat recovery, reduction in fuel oil consumption and lower high-pressure steam requirement, improving overall energy efficiency.
4	Deployment of energy-efficient mill machine	An advanced mill machine was installed in the Treated Black Division to improve production efficiency and reduce processing time in milling operations.	Specific power consumption reduced from 573 kWh/MT to 507 kWh/MT , improving overall process energy efficiency.
5	Flexible operation of Boilers #1 and #2	Boilers were modified to operate flexibly as power or process boilers depending on operational demand and CO gas availability.	Improved utilization of process-generated CO gas and enhanced efficiency of steam and power generation.
6	Fuel oil heating system modification	Additional heating coil and improved temperature control were introduced in the fuel oil system to allow improved feedstock utilization and stable combustion conditions.	Improved combustion efficiency and process stability, resulting in yield improvement and reduced energy losses.
7	Cold air line insulation in reactors	Thermal insulation was installed along the cold air supply line from the PAB discharge to the APH inlet to reduce heat losses in the system.	Reduced temperature drop across the line and improved heat exchange efficiency, supporting lower fuel consumption.
8	Venturi-based quench system	A venturi was installed in the quench section of the carbon black process to improve mixing between process gases and quench water, enabling efficient reaction cooling.	Optimized quench water usage and improved process stability with approximately 0.2% yield improvement .
9	RO system optimization through Cleaning-in-Place (CIP)	Cleaning-in-Place was implemented in the Water Recovery Plant to restore membrane efficiency and improve permeate water quality in the RO-1 system.	Approximately 100 KL of water saved per month through reduced water consumption during cleaning operations.

Sr. No	Initiative undertaken	Details of the initiative (summary)	Outcome of the initiative
10	Steam condensate recovery enhancement	Steam Operated Pump Traps (SOPT) and associated infrastructure were installed to improve condensate evacuation and recovery in the Coal Tar Distillation division.	Increased condensate recovery and reduced freshwater withdrawal through improved reuse of steam condensate.
11	Cooling tower blowdown optimization	Real-time monitoring of Total Dissolved Solids (TDS) was implemented to regulate intermittent and continuous blowdown in the Captive Power Plant.	Reduced blowdown water discharge, lower chemical consumption and improved cooling system efficiency.
12	Heat exchanger cleaning optimization	A specialized chemical cleaning method replaced high-volume freshwater rinsing during heat exchanger cleaning in the CTD division.	Water consumption reduced significantly, saving approximately 705 KL per cleaning cycle .
13	VOC emission reduction through enhanced condensation	An additional condenser was installed in the Naphthalene Distillation Unit to improve condensation of process vapors.	Improved condensation efficiency and reduced VOC emissions from the distillation process.
14	Fugitive dust reduction in granulated pitch handling	A spiral chute was installed in the pitch handling section to prevent free fall of granules and minimize dust generation during transfer.	Significant reduction in fugitive dust emissions and improved workplace air quality.
15	Online air purging system in spray dryer bag filter	A compressed air purging system was installed to allow online de-choking of bag filters in the spray dryer unit without interrupting operations.	Reduced dust accumulation and significant reduction in fugitive dust emissions during dryer operation.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Himadri has established a comprehensive Business Continuity and Disaster Management Plan (BCDMP) as part of its Risk Management Policy, strengthening operational resilience and ensuring continuity during unforeseen disruptions. By embedding continuity planning within its governance framework, the Company reinforces long-term sustainability, responsible management and stakeholder value protection.

The BCDMP provides a structured approach to manage disruptions from natural disasters, industrial incidents, cyber risks and operational challenges. It defines protocols to maintain critical functions, protect employees and communities and safeguard environmental assets—minimising impacts on people, infrastructure, biodiversity and the wider ecosystem while ensuring continuity of operations.

Risk management follows a proactive, systematic approach, with financial and non-financial risks regularly identified, assessed and mitigated under the oversight of the Risk Management Committee reporting to the Board. The framework covers climate risks, operational reliability, supply chain resilience and emerging ESG factors.

To ensure effectiveness, Himadri conducts periodic risk assessments, emergency drills and internal reviews to evaluate preparedness, identify gaps and strengthen response mechanisms in line with evolving needs and global best practices. Employees in critical roles are trained on emergency protocols, fostering a culture of preparedness and responsible response.

Through this integrated framework, Himadri enhances its ability to manage disruptions while protecting its workforce, infrastructure and environment—supporting business continuity, stakeholder confidence and sustainable, resilient growth.

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6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Based on current evaluations, Himadri has not identified any significant negative environmental impacts arising from its value chain activities. Nevertheless, as part of its responsible sourcing approach, Himadri has initiated a structured assessment of its value chain partners under its sustainable procurement framework to encourage improved environmental and sustainability performance across the supply chain.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Himadri recognises that environmental responsibility extends to its value chain and has established a Sustainable Procurement Policy that integrates environmental considerations into supplier engagement and procurement decisions, while ensuring regulatory compliance.

During the year, the Company initiated a structured programme to evaluate suppliers' environmental

performance through detailed assessments and follow-up audits, categorising them based on environmental management practices and sustainability performance.

Suppliers accounting for ~75% of procurement spend were covered, with 91% evaluated during the reporting period. Going forward, Himadri aims to deepen collaboration with suppliers to enhance environmental performance and promote responsible, sustainable practices across the value chain.

8. How many Green Credits have been generated or procured:

- a) by the listed entity- Nil
- b) by the top ten (in terms of value of purchases and sales, respectively) value chain partners- Nil

Himadri is currently aligned with the Ministry of Environment, Forest and Climate Change (MoEFCC) guidelines regarding environmental sustainability and is committed to supporting green credits initiatives. While not currently trading green credits, Himadri plans to actively participate in green credit mechanisms in the future as part of its broader environmental goals.

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Section C

Principle 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Businesses are expected to engage with governments in an ethical, transparent and accountable manner to address concerns and contribute constructively to policy frameworks that advance the larger public good. In this context, Himadri recognizes its responsibility as a socially conscious manufacturer of specialty and chemical products and remains committed to fostering collaborative and responsible engagement with relevant stakeholders.

The Company works closely with government agencies, leading academic and research institutions and industry partners to collectively address key environmental and societal challenges. Through such engagements, Himadri seeks to contribute meaningfully to policy discussions and sectoral development while supporting sustainable industrial growth.

Himadri undertakes its public policy advocacy efforts in a transparent, principled and responsible manner, in alignment with its commitment to ethical business conduct,

regulatory compliance and sustainable development. The Company advocates for policy measures that promote environmental stewardship, responsible industrial practices, innovation and inclusive economic growth.

All advocacy initiatives are carried out in accordance with applicable laws, internal governance frameworks and the highest standards of integrity. Himadri ensures that such engagements are free from any conflict of interest and are directed towards constructive dialogue and long-term value creation.

Further, the Company maintains a neutral political stance and does not make contributions to any political party or political cause. All interactions with government bodies, regulatory authorities and industry associations are conducted in an ethical, transparent and responsible manner, with the objective of advancing shared sustainability and development goals.

SDGs Impacted



Fare Competition Incident

No cases registered

14

No. of affiliations

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

Himadri maintains memberships with 14 trade and industry chambers/associations, underscoring its commitment to collaborative industry engagement and responsible business leadership. The Company actively participates in prominent trade and commerce bodies such as the Chemicals & Petrochemicals Manufacturers' Association and the Asia Pacific Carbon Black Association to further its sustainability advocacy beyond its direct operations.

Through these platforms, Himadri contributes to constructive policy engagement, promotes the adoption of sustainable industry standards and strengthens partnerships across the sector. This engagement supports broader public advocacy efforts, enhances awareness of key sustainability imperatives and facilitates the exchange of best practices and innovative solutions, thereby contributing to collective industry advancement and long-term value creation.

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- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sl. No.	Name of the trade and industry chambers/association	Reach of trade and industry chambers/associations (State/National)
1	Basic Chemicals, Cosmetics & Dyes Export Promotion Council (CHEMEXCIL)	National
2	Bharat Chamber of Commerce	
3	Federation of Indian Chambers of Commerce and Industry (FICCI)	
4	Confederation of Indian Industry (CII)	
5	Carbon Black Manufacturers Association (CBMA)	
6	The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	
7	All India Rubber Industries Association	
8	Hooghly Chamber of Commerce & Industry	State
9	International Tar Association	International
10	Indian Chemical Council	National
11	International Sustainability and Carbon Certification	International
12	United Nation Global compact	International
13	British Safety Council	International
14	Indian Chambers of Commerce	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
There were no incidents of anti-competitive behaviour involving the Company during the reporting period (2025-26).		

Himadri remains committed to upholding the highest standards of fair competition, ethical business conduct and regulatory compliance across all aspects of its operations. The Company's Fair Competition Policy reinforces its commitment to conducting business responsibly and in accordance with applicable anti-trust and competition laws, while promoting fair trade practices aligned with the principles and guidance issued by the Competition Commission of India (CCI).

As part of its governance framework, the Company undertakes continuous efforts to build awareness among employees on fair competition requirements and to sensitise them to avoid any conduct that may be perceived as anti-competitive, including price fixing, collusive arrangements, or abuse of dominant position. These efforts are supported by a strong compliance culture and reinforced through appropriate communication and training interventions.

To ensure early identification and mitigation of potential non-compliance, Himadri has established a robust vigilance and reporting mechanism that enables employees, personnel engaged through staffing agencies at Company premises and external stakeholders to report any actual or suspected compliance concerns. The Company also undertakes periodic legal and ethical assessments, supported by both internal and external legal counsel, to review its practices and strengthen its preventive and corrective controls.

In addition, the Company has implemented appropriate internal controls, oversight mechanisms and compliance safeguards to prevent, detect and address any potential anti-competitive behaviour. These systems and processes have contributed to Himadri maintaining a consistent record of zero incidents of anti-competitive conduct.

Himadri also recognizes the importance of providing stakeholders with a credible, accessible and confidential avenue for raising concerns. Our whistle blower/vigil mechanism Policy, which is publicly available, establishes a formal mechanism through which stakeholders may report grievances or concerns through multiple channels, including email, telephone and other established communication platforms.

The mechanism allows for anonymous reporting and the confidentiality of complainants is protected through oversight at the highest levels of the organization. The grievance redressal framework is overseen by a designated committee comprising the Company Secretary, Chief Sustainability Officer and Chief Human Resource Officer, who are responsible for reviewing grievances, ensuring timely and appropriate redressal and periodically assessing the overall effectiveness of the mechanism.

Through these measures, Himadri continues to strengthen its governance practices and reinforce its commitment to responsible business conduct, transparency and stakeholder trust.

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Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/ Others – please specify)	Web Link, if available

Nil

Himadri is committed to maintaining constructive and mutually beneficial relationships with key stakeholders, including government bodies, regulators, trade associations, investors, suppliers, employees and communities. Such engagements are undertaken in a responsible and transparent manner, with due regard to organizational priorities and the larger national interest and form an important part of the Company's governance and sustainability approach.

In line with its commitment to sustainable development and climate action, Himadri actively participates in relevant public policy and industry consultations that support the transition to a low-carbon future. During the year, the Company participated in the public consultation led by the Science Based Targets initiative (SBTi) for the development of a sector-specific decarbonization approach for the global chemical sector. This engagement reflects Himadri's commitment to contributing to science-aligned and pragmatic policy frameworks that support industrial decarbonization, environmental stewardship, social well-being and economic resilience.

The Company's public policy engagement is aligned with its broader sustainability strategy and supports globally and nationally recognized frameworks, including the United Nations Sustainable Development Goals (SDGs), particularly SDG 13: Climate Action, India's National Action Plan on Climate Change (NAPCC) and the principles of the United Nations Global Compact (UNGC). Through such initiatives, Himadri continues to advocate for responsible industry practices, innovation and collaborative action to advance long-term climate resilience and sustainable development.

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Section C

Principle 8

Businesses should promote inclusive growth and equitable development.

Himadri believes that sustainable and successful businesses have a critical role to play in fostering equitable and inclusive socio-economic development. The Company recognizes that long-term value creation extends beyond business performance and includes meaningful contributions toward the well-being and resilience of the communities and ecosystems in which it operates.

In line with this philosophy, Himadri places strong emphasis on the holistic development of society as an integral part of its growth strategy. Through partnerships and collaborative efforts with government institutions, non-governmental organizations and other stakeholders, the Company undertakes a wide range of community development initiatives aimed at creating positive and lasting social impact.

The Company's community engagement and Corporate Social Responsibility (CSR) interventions are focused on key areas such as rural transformation, women empowerment, healthcare, education, sports for development, disaster management and other need-based social development initiatives. These efforts are designed to contribute to inclusive growth while strengthening community resilience and improving quality of life.

From the outset, STEM education, particularly for the girl child, has remained

a priority area for Himadri. The Company actively supports initiatives aimed at promoting science, technology, engineering and mathematics (STEM) learning and regularly participates in government-led programmes and outreach initiatives that seek to strengthen STEM education at the grassroots level. Through these efforts, Himadri aims to contribute to building future-ready capabilities and expanding educational opportunities for underserved communities.

Himadri also remains mindful of the importance of local value creation in areas surrounding its operations. Guided by the philosophy of "Rooted Locally, Aligned Globally," the Company seeks to contribute to local economic development through its sourcing and engagement practices wherever feasible. While the specialized nature of certain raw materials may require broader sourcing networks, the Company continues to prioritize the local procurement of consumables and operational requirements, thereby supporting local enterprises, enhancing livelihood opportunities and contributing to greater financial resilience within communities.

Through these initiatives, Himadri continues to reinforce its commitment to inclusive development, shared prosperity and responsible business growth.

SDGs Impacted



83.30%

Direct Purchase from Indian Market on overall Spend

58.15%

Job Creation at Rural Area

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of the Board's Report (Contd.)

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Independent	Results communicated in public domain (Yes/No)	Relevant Web link
Nil					

Himadri's Corporate Social Responsibility (CSR) Committee provides strategic oversight to the Company's social impact initiatives by identifying high-priority intervention areas, guiding resource deployment and monitoring the effectiveness of programmes. The Committee's focus spans education, healthcare, environmental sustainability and broader community development, reflecting the Company's commitment to inclusive and sustainable progress. Although formal impact assessment studies have not yet been undertaken, CSR projects are conceptualized and implemented with a strong emphasis on relevance, responsible execution and long-term value creation. As an SA 8000:2014 certified organization, Himadri continues to strengthen its CSR approach in alignment with its broader sustainability vision and commitment to responsible growth.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

Sl. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA						

3. Describe the mechanisms to receive and redress grievances of the community.

Himadri's CSR governance is overseen by the Board-level CSR Committee, which provides strategic direction, reviews programme priorities and monitors the overall effectiveness of CSR initiatives. The Committee is supported by the Corporate CSR team, which is responsible for coordinating implementation, facilitating alignment with the Company's broader sustainability goals and ensuring compliance with applicable CSR requirements.

At the operational level, dedicated CSR teams at the plant locations play an important role in maintaining regular engagement with local communities and other relevant stakeholders. Such engagement is carried out either directly by the Company or through implementing agencies, depending on the nature and scale of the initiative. This approach helps the Company identify community needs, assess the relevance of interventions and support the effective implementation of projects in a manner that is responsive to local socio-economic and developmental priorities.

Himadri also places importance on maintaining open and accessible channels for community feedback and grievance redressal. Any concerns or grievances received from stakeholders in relation to CSR or community development activities are addressed in a timely, structured and appropriate manner by the respective CSR teams, under the guidance and oversight of the CSR Committee. This mechanism enables the Company to strengthen trust, improve programme responsiveness and reinforce accountability in its community engagement efforts.

Through this governance-led and participative approach, Himadri seeks to ensure that its CSR interventions remain relevant, inclusive and aligned with the objective of contributing to sustainable and equitable community development.

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4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	3.76%	2.85%
Directly from within India	83.30%	78.17%

Himadri recognizes MSMEs as key enablers of innovation, entrepreneurship and employment generation and remains committed to supporting their growth through responsible and inclusive business engagement. The Company actively collaborates with local MSMEs and enterprises to meet operational requirements and prioritizes the sourcing of consumables and services from businesses located near its areas of operation, wherever feasible. This localized sourcing approach not only supports regional economic development and livelihood generation but also contributes to reducing transportation-related environmental impacts.

The Company's engagement with MSMEs is guided by a long-term value creation approach, with emphasis on strengthening commercial relationships and fostering supplier resilience. Through regular review of financial and payment practices, Himadri seeks to maintain healthy supplier partnerships and support the financial stability of its business associates.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Rural	58.15%	56.51%
Semi-urban	NA	NA
Urban	3.82%	4.17%
Metropolitan	38.03%	39.32%

(Location categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Himadri's operations across diverse geographies contribute significantly to local employment generation and socio-economic development by creating meaningful opportunities for individuals from varied communities and backgrounds. The Company remains committed to fostering a workplace built on the principles of diversity, equity and inclusion, ensuring fair and equitable access to employment and growth opportunities across the organization.

To further support workforce mobility and employee well-being, Himadri's Relocation Policy facilitates a smooth transition for employees and migrant workers through appropriate support measures. Beyond direct employment, the Company also contributes to future workforce preparedness through STEM-focused CSR initiatives, thereby enhancing employability and advancing long-term inclusive and sustainable growth.

In addition, the Company's operations create opportunities not only for direct employment but also for contractual and indirect workforce participation, thereby contributing to a broader employment ecosystem. This multiplier effect further strengthens local economies and supports income generation beyond major urban centres.

Himadri also recognizes that fair and equitable remuneration is fundamental to employee well-being and inclusive growth. The Company is committed to maintaining remuneration practices that are aligned with applicable legal requirements, internal policies and principles of fairness. Compensation is determined based on role, skill, experience and responsibility, with the objective of ensuring equitable treatment and minimizing unjustified disparities. Through this approach, Himadri seeks to support financial security, workforce motivation and long-term employee well-being.

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of the Board's Report (Contd.)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Himadri's CSR initiatives are driven by a structured, impactful approach under the guidance of its CSR Committee, a dedicated Board-level body committed to delivering positive change. Our CSR initiatives are designed to address critical societal needs, from education and healthcare to environmental conservation and sustainable livelihoods. Aligned with UNGC principles, Himadri's CSR policy focuses on impactful social and environmental initiatives. It prioritises sustainable development, STEM education and community engagement.

S. No.	State	Aspirational District	Amount Spent (in INR)
1.	Chhattisgarh	Korba	5,00,000

Through the organization of the "Pali Mahotsav," the Company directed targeted CSR expenditure toward the preservation and revitalization of Korba's traditional arts and handicrafts. This initiative served as a vital platform for local artisans to showcase indigenous skills and traditions, directly contributing to the socio-economic upliftment of Chhattisgarh's rural and semi-urban populations.

Key Impacts & Objectives

Cultural Preservation: Revitalized heritage by encouraging the continuation of indigenous art forms and traditional knowledge systems.

Market Access: Facilitated commercial opportunities for local craftsmen, bridging the gap between traditional products and modern consumers.

Livelihood Generation: Supported sustainable community development by creating direct economic value for local stakeholders.

By supporting the Pali Mahotsav, the Company reinforces its commitment to **inclusive growth and community engagement**. These efforts align with national priorities to promote local craftsmanship, ensuring that Korba's rich cultural identity remains a viable driver for regional prosperity.

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? – Yes.

Himadri's Sustainable Procurement Policy is guided by the principles of inclusivity, responsible sourcing and equitable value creation across its supply chain. As part of this approach, the Company seeks to encourage procurement practices that provide opportunities for suppliers belonging to regulator-recognized marginalized and vulnerable groups, wherever feasible and operationally appropriate.

Himadri remains committed to advancing inclusive participation across its value chain by identifying opportunities to engage underrepresented and vulnerable communities in areas that are more suitable to their capabilities and business scale.

In line with management directives and its broader sustainability objectives, the Company actively promotes inclusion through the procurement of consumables, ancillary materials and manpower and support services from local and community-linked enterprises, including those associated with marginalized and vulnerable groups, wherever feasible. This approach enables Himadri to contribute to social inclusion, livelihood generation and economic empowerment at the grassroots level, while also strengthening community resilience and local development.

Through these efforts, Himadri continues to reinforce its commitment to building a more inclusive, responsible and socially conscious supply chain ecosystem, aligned with its long-term sustainability vision.

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- b. From which marginalized /vulnerable groups do you procure?
Economically poor

- c. What percentage of total procurement (by value) does it constitute?

Himadri recognizes inclusive growth as an important pillar of responsible business conduct and remains committed to creating opportunities for marginalized and vulnerable groups across its value chain. Guided by its Sustainable Procurement Policy, the Company seeks to promote diversity, inclusion and socio-economic participation through responsible sourcing and workforce engagement practices.

A significant share of the Company's contractual workforce is drawn from economically disadvantaged communities in and around its operational areas, thereby contributing to local livelihood creation and economic empowerment. These workers are supported through structured occupational health and safety training and awareness-building initiatives, including programmes aligned with the Government of India's "Mission LiFE." In addition, Himadri continues to invest in training and upskilling initiatives to enhance workforce capability, employability and long-term economic resilience.

Beyond employment generation, Himadri remains committed to enhancing the long-term employability, capability and economic resilience of its workforce. The Company undertakes various training, skill development and upskilling initiatives aimed at equipping workforce with practical competencies and transferable skills that can continue to support their livelihoods beyond their tenure with the organization. This reflects the Company's broader commitment to responsible employment and sustainable workforce development.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized
1	Free distribution of books, scholarship for education, development of school, library	2813	100%
2	Health Care Project-Conducted Free Doctors Check Up, Free Eye Testing, Free Spectacles Distribution, Medicine Distribution, Ayurveda, Naturopathic and Homeopathy Treatment at village Medical Centre.	15316	100%
3	Rural development project for economically weaker sections(EWS) of the society in villages-setting up of Pucca Houses, Drinking Water Facilities/Electrification, setting up of playground. Training to promote Rural Sports, setting up of Centre for Handicapped Children Setting up of Schools etc.	23	100%

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Aligned with the Company's broader sustainability vision and informed by principles such as the United Nations Global Compact (UNGC) and Diversity, Equity and Inclusion (DEI), Himadri's CSR initiatives focus on community well-being, education, women's empowerment, livelihood enhancement and inclusive development. Key interventions include support for sports and youth engagement, social welfare initiatives, skill development programmes, educational assistance and infrastructure enhancement in schools, including institutions serving children with disabilities.

Each CSR project is carefully conceptualized and implemented with emphasis on community relevance, responsible execution, effective resource utilization and long-term social value creation. This governance-led approach enables the Company to adopt a structured and accountable framework for delivering meaningful outcomes across its areas of intervention.

The Company's CSR strategy is also informed by internationally recognized sustainability principles, including the United Nations Global Compact (UNGC) and increasingly reflects the values of Diversity, Equity and Inclusion (DEI). These guiding principles help ensure that the Company's interventions are inclusive, accessible and responsive to the needs of underserved and vulnerable communities.

The Company also focuses on strengthening household resilience and promoting women's empowerment through skill development and vocational training initiatives. These programmes are designed to improve livelihood opportunities, encourage income generation and support greater financial independence among women and other underserved groups within local communities

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Section C

Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner

Himadri recognizes its responsibility to provide safe, reliable and responsibly manufactured products and services while minimizing adverse impacts on society and the environment. The Company is also committed to ensuring that relevant product-related information is communicated accurately and transparently to support informed customer decision-making and fair market practices.

Customer centricity remains central to Himadri's business strategy. The Company actively engages with customers to understand their evolving needs and continuously strives to deliver a superior customer experience through quality, responsiveness and responsible product stewardship. Himadri is also committed to

the responsible management of customer information and has implemented appropriate systems and controls to uphold data privacy, information security and cybersecurity standards across its operations.

SDGs Impacted



NIL

Number of
Consumer Complaints

NIL

Number of
Data Security Issues

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints

Himadri follows a well-defined and responsive customer complaint redressal process designed to ensure timely resolution, transparency and continuous improvement. Customer concerns are formally documented and reviewed through a structured internal mechanism involving the Marketing, Technical Services and Quality Control functions.

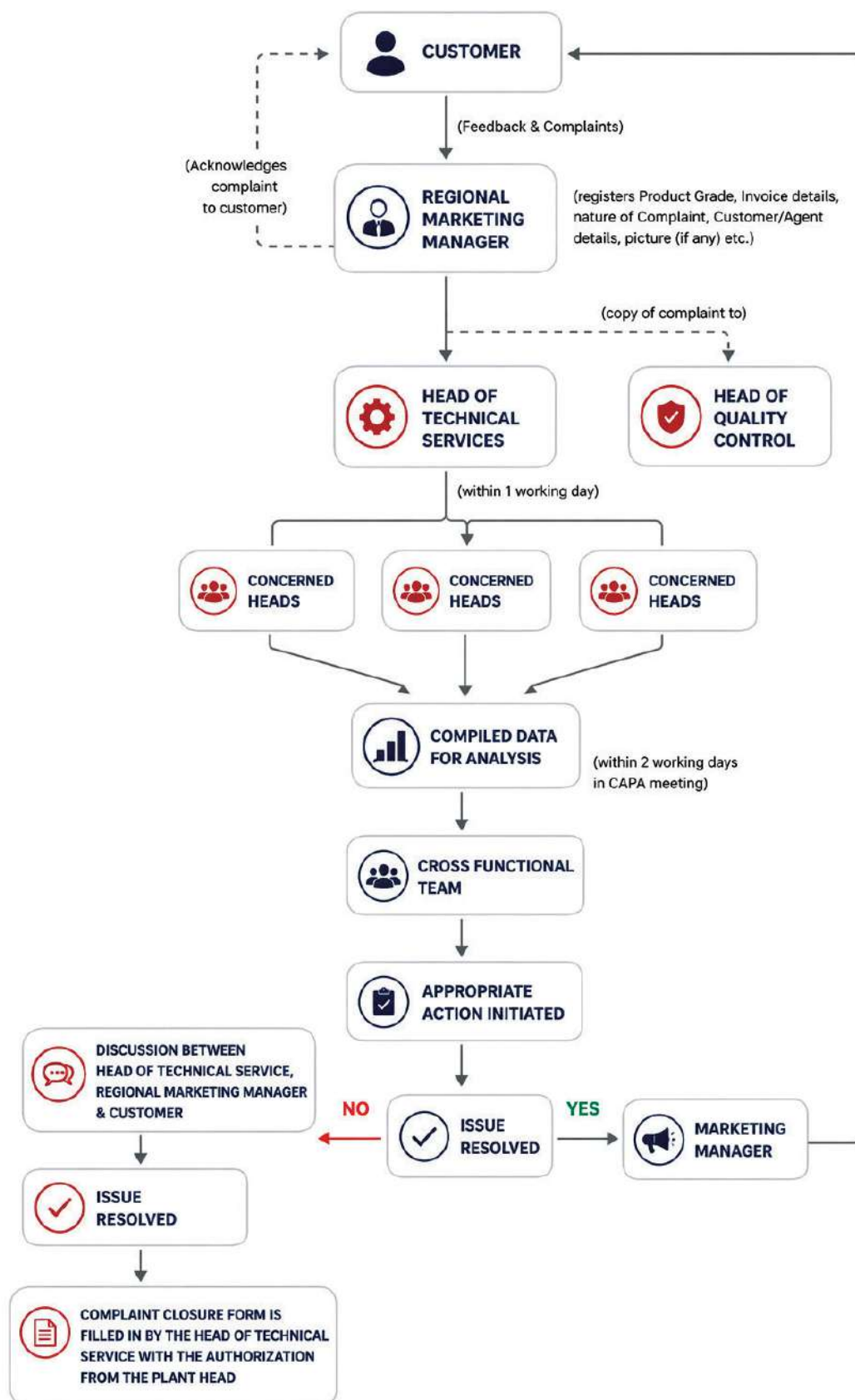
Complaints are assessed through a corrective and preventive action framework to identify root causes and implement suitable remedial measures. The resolution process is supported by appropriate internal oversight, documentation and authorization, while learnings from complaint analysis are used to strengthen product

quality, operational processes and customer service standards. This mechanism reinforces the Company's commitment to customer satisfaction, accountability and responsible product stewardship.

The Company follows a time-bound review process supported by a Corrective and Preventive Action (CAPA) framework to investigate complaints, identify root causes and implement appropriate corrective measures. Complaint closure is subject to internal review and authorization and any learnings arising from complaint analysis are incorporated into relevant processes, procedures, or specifications, wherever required. All complaints and related actions are systematically documented to support transparency, accountability and continuous improvement.

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2. Turnover of products and services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100
Safe and responsible usage	100
Recycling and/or safe disposal	100

3. Number of consumer complaints:

	FY 2025-2026 (Current Financial Year)		Remarks	FY 2024-2025 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cyber-security	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	Nil	Nil	NA	Nil	Nil	NA
Restrictive Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Unfair Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Other	Nil	Nil	NA	Nil	Nil	NA

Himadri remains committed to protecting customer interests and promoting ethical business conduct through a strong governance framework anchored in transparency, integrity and accountability. The Company recognizes that customer trust is fundamental to long-term business success and therefore places significant emphasis on responsible product stewardship, data privacy, information security and fair market conduct.

To safeguard customer information, Himadri follows appropriate controls and practices for data collection, processing, storage, retention and secure disposal, in alignment with applicable legal and regulatory requirements, including relevant national and international privacy standards such as GDPR, wherever applicable. Sensitive customer data is protected through encryption, secure storage systems and access controls, while employees are regularly sensitized on cybersecurity, ethical behaviour and data privacy practices. The Company also maintains an Incident Response Plan and undertakes periodic reviews and assessments to strengthen information security resilience.

In parallel, Himadri upholds compliance with anti-trust and fair competition requirements through appropriate policies, internal controls and responsible commercial practices. The Company's dealings with customers, suppliers and business partners are guided by fairness, transparency and ethical conduct. In addition, a Whistle-blower Policy is in place to enable stakeholders to report concerns relating to unethical practices or non-compliance without fear of retaliation.

Through these measures, Himadri continues to reinforce its commitment to customer protection, ethical governance and responsible business conduct, while maintaining zero formal complaints relating to data privacy breaches, unfair trade practices, or restrictive conduct during the reporting period.

Himadrans undergo regular training on cybersecurity awareness, ethical behaviour and data privacy best practices to ensure compliance with Himadri's robust data protection policies. Periodic security audits are conducted to proactively identify and address vulnerabilities. A comprehensive information security due diligence conducted by TÜVSÜD confirmed that there were no data breach incidents, underscoring the effectiveness of Himadri's protocols. In addition, a well-defined Incident Response Plan is in place to swiftly detect, report and respond to any potential cybersecurity incidents.

Number of Customer feedback for process/Product improvement: During the reporting period, the Company did not receive any formal complaints under the above-mentioned categories. However, Himadri continued to actively engage with customers and received constructive feedback on areas such as product quality, process refinement, packaging and logistics efficiency. The Company values such feedback as a key driver of continuous improvement and remains committed to addressing customer expectations effectively to further enhance product excellence, service quality and overall customer experience.

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Feedback category	No. of feedback FY25-26	No. of feedback FY24-25
Product Quality	17	4
Process Technical	12	21
Packing process	29	42
Logistics Efficiency	7	7

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

Himadri is committed to ensuring that its products are manufactured, handled, transported and supplied in a manner that safeguards customer health and safety, while minimizing potential adverse impacts on people, communities and the environment. The Company recognizes that responsible product stewardship is fundamental to building customer trust, maintaining regulatory compliance and delivering sustainable value.

The Company's approach to customer health and safety is embedded across the product lifecycle, beginning from raw material sourcing and product design to manufacturing, quality control, storage, distribution and end use guidance. Himadri has established appropriate systems and controls to help ensure that its products meet applicable quality, safety and regulatory requirements before being supplied to customers.

To support this commitment, the Company follows defined quality assurance and quality control processes, undertakes relevant product testing and technical evaluations and adheres to applicable statutory requirements, industry standards and internal operating procedures. Himadri also engages with suppliers and value chain partners to encourage alignment with its expectations relating to product quality, safety and responsible business conduct.

The Company places strong emphasis on hazard communication and responsible product information disclosure. Customers are provided with relevant Material Safety Data Sheets (MSDS) / Safety Data Sheets (SDS) and other applicable product-related information to support safe handling, storage, transportation, usage and disposal of products.

Himadri is also committed to continuously improving its product safety and quality performance through monitoring, customer feedback, technical review and corrective and preventive actions, wherever required. Any customer concerns relating to product quality or safety are addressed through a structured complaint management and resolution mechanism.

Through this policy-led approach, Himadri seeks to uphold the highest standards of consumer health and safety, strengthen customer confidence and reinforce its commitment to responsible and sustainable business practices.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Himadri recognizes that the responsible management and protection of information are critical to maintaining customer trust, ensuring business continuity and upholding ethical and regulatory responsibilities in an increasingly digital operating environment. In line with this commitment, the Company has established a comprehensive Information Security and Data Management Policy to govern the secure handling, processing, storage and protection of sensitive information across its operations.

The policy is designed to safeguard personal, customer-related and business-critical information from unauthorized access, misuse, alteration, disclosure, loss, or cyber-related threats. It provides a structured framework for identifying and managing information security risks while promoting responsible data handling practices across the organization.

Himadri's approach to information security is guided by the principles of confidentiality, integrity and availability of data. The policy outlines the Company's expectations and controls with respect to data access management, secure storage, data transmission, retention and secure disposal, thereby helping to ensure that information is handled in a manner consistent with legal, operational and stakeholder expectations.

To further strengthen resilience, Himadri undertakes periodic security reviews, assessments and audits to identify vulnerabilities, evaluate the effectiveness of existing controls and support continuous improvement in information security practices. These reviews help the

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Company remain responsive to evolving cyber risks and changing digital security expectations.

Recognizing that employee awareness is an essential element of effective data protection, the Company also conducts regular awareness and sensitization programmes on information security, data privacy, cyber hygiene and responsible digital behavior. These initiatives are intended to strengthen team member's understanding of their responsibilities and promote a culture of security-conscious conduct across the organization.

https://www.himadri.com/assets/imgs/Information_Security_Data_management.pdf

6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

There are no grievances raised related to data breaches, or on product safety concerns/services. Advanced technological measures protect sensitive data from breaches or unauthorised access. Workforce are trained on data privacy regulations and best practices to securely handle data (phishing, ransomware and other cyber threats). The Company's robust data governance policy ensures a compliance with national data protection and privacy standards (including Digital Personal Data Protection Act 2023). Himadri conducts periodic audits which covers data security and protection to ensure the effectiveness of governance frameworks and compliance ensuring a preparedness for probable risks. Independent agencies verify the accuracy of sustainability data, including metrics related to business continuity, IT security. Himadri Speciality Chemical Limited is aligned with the International Council of Chemical Associations' (ICCA) global agenda through the Responsible Care® initiative, supported by the Indian Chemical Council, its Indian counterpart. Responsible Care® represents a global commitment by the chemical industry to continuously improve and transparently communicate its performance in these critical areas. This underlines the Company's commitment to the highest standards of safety, health and environmental performance.

7. Provide the following information relating to data breaches:

- Number of instances of data breaches** - Nil
- Percentage of data breaches involving personally identifiable information of customers** - Nil
- Impact, if any, of the data breaches** - Not applicable

Himadri has continued to maintain a strong record in information security and data protection, with zero reported incidents related to data breaches during the reporting period. This reflects the Company's sustained focus on building a secure digital environment and its commitment to protecting sensitive customer, business and operational information through robust governance and control mechanisms.

The Company's approach to data security is anchored in a proactive and preventive risk management framework designed to identify, assess and mitigate potential information security risks across its operations. Himadri recognizes that in an increasingly digital and interconnected business environment, safeguarding sensitive information is critical not only to operational continuity but also to maintaining stakeholder trust and ensuring responsible business conduct.

This strong performance is supported by the implementation of multiple layers of technical, administrative and process-based controls aimed at minimizing the risk of unauthorized access, misuse, disclosure, or cyber-related incidents. These include structured access control mechanisms, secure system architecture, data protection protocols and the use of encryption measures, wherever applicable, to strengthen the confidentiality and integrity of information assets.

As part of its ongoing efforts to reinforce digital resilience, Himadri also undertakes periodic security reviews and audits to assess the effectiveness of its controls, identify potential vulnerabilities and support continuous improvement in its information security practices. This proactive approach enables the Company to remain responsive to emerging cybersecurity risks and evolving stakeholder expectations.

Further strengthening its governance framework, Himadri undertook an information security due diligence assessment through TÜV SÜD, a globally recognized testing, inspection and certification organization. The assessment provided an additional level of independent review and assurance regarding the Company's approach to information security, risk management and the protection of sensitive information.

This external due diligence exercise reinforces confidence among customers, business partners and other stakeholders that Himadri has appropriate systems and controls in place to manage data security risks responsibly and effectively. It also reflects the Company's broader commitment to aligning its governance practices with recognized standards and continuously strengthening its information security posture.

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Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The official company website serves as the central hub for information about products and services. We also engage and share real-time information about on social media platforms such as LinkedIn.

www.himadri.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Himadri, as part of its commitment to consumer safety and responsibility, has implemented a series of steps to educate and inform its consumers about the safe and responsible usage of its products and services.

1. Clear and detailed product labeling/MSDS: Himadri ensures that all products come with clear and easy-to-understand labelling that outlines usage instructions, safety precautions and potential hazards.
2. Comprehensive user manuals and guidelines: These resources often include visual aids and step-by-step instructions.
3. Customer support and helplines: Himadri has set up dedicated customer support teams and helplines to offer guidance and provide safety-related information to consumers.
4. Online resources and FAQs: Himadri maintains an online resource centre that includes frequently asked questions (FAQs), safety tips, troubleshooting guides and product usage videos.
5. Product training and demonstrations: Himadri offers product demonstrations, either in-person or via virtual platforms, to show consumers the correct way to use its products.
6. Awareness programs: Himadri sponsors awareness campaigns across various platforms, focusing on the safe and responsible use of its products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Information relating to any potential risk of disruption or discontinuation of essential services is communicated to customers through established channels such as e-mails, phone calls, or other appropriate means,

depending on the nature of the situation. This helps ensure timely dissemination of relevant information and supports customer preparedness. The Company also has appropriate Business Continuity planning mechanisms in place to support the continuity of critical operations and minimize the impact of unforeseen disruptions. Himadri's Business Continuity Plan (BCP) is aimed at ensuring operational resilience, effective response and timely restoration of essential business functions, including those relevant to customer commitments and service delivery.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, Himadri places a strong emphasis on clear and informative product displays to ensure consumers have all necessary details for safe and effective use of its products. Himadri's offerings are designed to be comprehensive, user-friendly and user-friendly and compliant with relevant regulations with relevant regulations. This includes not only physical product labelling but also the digital content available on website. The following are the key elements typically included;

1



Product name and description

2



Usage instructions

3



Safety warning and precautions

4



Environmental impact and disposal instructions

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of the Board's Report (Contd.)

These displays are not only critical for consumer confidence but also play a key role in fostering responsible and informed product usage, which is in line with both ethical business practices and legal requirements.

Himadri's approach to conducting consumer satisfaction surveys is a key component of its strategy

for maintaining a high standard of customer service and product quality. By regularly gathering feedback, analysing results and acting on insights, the Company ensures that its offerings are aligned with consumer expectations, fostering stronger customer relationships and driving ongoing business success.

For and on behalf of the Board

Sd/-

Anurag Choudhary

*Chairman Cum Managing Director
& Chief Executive Officer*

(DIN: 00173934)

Sd/-

Shyam Sundar Choudhary

Executive Director
(DIN: 00173732)

Place: Kolkata

Date: 23 April 2026



Assurance statement on third-party verification of sustainability information

To

The Directors of **HIMADRI SPECIALITY CHEMICAL LTD**

Unique identification no.: **3153243612**

TÜV SÜD South Asia Pvt Ltd. (hereinafter TÜV SÜD) has been engaged by, **HIMADRI SPECIALITY CHEMICAL LTD** (hereinafter "Company") to perform an independent assurance of the Company's disclosures in Business Responsibility and Sustainability Report for the period from 01-04-2025 to 31-03-2026.

The verification was carried out according to the steps and methods described below.

Scope of the verification

The third-party verification was conducted to obtain independent assurance about whether the Sustainability information is prepared in reference to BRSR standard/framework (hereinafter referred as "Reporting Criteria").

Reporting standard/framework

The disclosures have been prepared by **HIMADRI SPECIALITY CHEMICAL LTD**, in reference to:

BRSR and BRSR Core – Framework for ESG disclosures and assurance as per SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, including Annexure 16 and Annexure 17A.

The following sustainability indicators' reporting are included in the scope of the assurance engagement during the reporting period Financial Year (FY) 2025-2026 as listed below

Reasonable level of assurance of BRSR Report which includes 'BRSR 9 Core Attributes' and remaining Non-core indicators

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the BRSR reporting, and accordingly, we do not express a conclusion on this information.

It was not part of our engagement to review product- or service-related information, references to external information sources, expert opinions and future-related statements in the Report.

Responsibility of the Company

The legal representatives of the Company are responsible for the preparation of the BRSR report in accordance with the Reporting Criteria. This responsibility includes in particular the selection and use of appropriate methods for measurement, calculation, collection and compilation of information and the making of appropriate assumptions or, where appropriate, the making of appropriate estimates. Furthermore, the legal representatives are responsible for necessary internal controls to enable the preparation of a BRSR report that is free of material - intentional or unintentional - erroneous information.

Verification methodology and procedures performed

The verification engagement has been planned and performed in accordance with the verification methodology developed by the TÜV SÜD Group which is based on ISAE 3000 assurance engagement standard and ISO 17029.

Level of Assurance

Reasonable Level of assurance for the 9 core attributes of BRSR (Ref: Annexure I of SEBI circular)

and for the rest non-financial quantitative disclosures in BRSR (Ref: Annexure II of SEBI circular) for -

Section A: General Disclosures

Section C: Principle Wise Performance Disclosure

Principle 1: Essential Indicator & Leadership Indicators

Principle 2: Essential Indicator & Leadership Indicators

Principle 3: Essential Indicator & Leadership Indicators

Principle 4: Essential Indicator & Leadership Indicators

Principle 5: Essential Indicator & Leadership Indicators

Principle 6: Essential Indicator & Leadership Indicators

Principle 7: Essential Indicator & Leadership Indicators

Principle 8: Essential Indicator & Leadership Indicators

Principle 9: Essential Indicator & Leadership Indicators

The verification was based on a systematic and evidence-based assurance process limited as stated above. The selection of assurance procedures is subject to the auditor's own judgment.

- Inquiries of personnel who are responsible for the stakeholder engagement und materiality analysis to understand the reporting boundaries
- Evaluation of the design and implementation of the systems and processes for compiling, analysing, and aggregating sustainability information as well as for internal controls
- Inquiries of company's representatives responsible for collecting, preparing and consolidating sustainability information and performing internal controls
- Analytical procedures and inspection of sustainability information as reported at group level by all locations
- Assessment of local data collection and management procedures and control mechanisms through a sample survey at selected multiple sites as mentioned below:

Sl. No.	Company Name	Site Address
1	HIMADRI SPECIALITY CHEMICAL LTD	8, INDIA EXCHANGE PLACE, 2ND FLOOR 700001 - KOLKATA, WEST BENGAL
2		Mahistikri Haripal, Singur, Dist. Hooghly, West Bengal, Hooghly, India 712407 - Hooghly
3		27B, Gadadhar Bhatt Road, Liluah,, West Bengal, Howrah, India- 711203
4		58/26, N. S. Road , Liluah India- 711204 Liluah-2
5		Korba Village- Jhagarha, Post- Risdi India- 495683, Korba
6		Kenghati, PO Jayantpur, Dist: Sambalpur India- 768112, Sambalpur
7		Plot Nos. 49,50,51, Sector-II, Falta Special Economic Zone, P.O. Bishira, PS.Ramnagar India- 743504, 24 South Parganas
8		Plot No. 67, 68 & 69, AIE, Pedagantiyada, Gajuwaka India- 530044, Visakhapatnam

Conclusion

Reasonable level of Assurance- BRSR 9 Core Attributes and for the rest non-financial quantitative disclosures in BRSR

On the basis of the assessment procedures carried out & evidence we have collected during 8-03-2026 to 22-04-2026, the identified sustainability indicators of 9 Core Attributes (Listed in Annexure I of this statement) of BRSR for FY 2025-2026 are prepared in all material respect in accordance with the reporting requirements outlined in BRSR Core.

Limitations

The assurance process was subject to the following limitations:

- The subject matter information covered by the engagement are described in the "scope of the engagement". Assurance of further information included in the BRSR reporting was not performed. Accordingly, TÜV SÜD do not express a conclusion on this information.
- The assurance scope excluded forward-looking statements, product- or service-related information, external information sources and expert opinions.

Use of this Statement

The Company must reproduce the TÜV SÜD statement and possible attachments like Assurance report in full and without omissions, changes, or additions.

This statement is by the scope of the engagement solely intended to inform the Company as to the results of the mandated assessment. TÜV SÜD has not considered the interest of any other party in the selected sustainability information, this assurance report or the conclusions TÜV SÜD has reached. Therefore, nothing in the engagement or this statement provides third parties with any rights or claims whatsoever.

Independence and competence of the verifier

TÜV SÜD South Asia Pvt Ltd. is an independent certification and testing organization and member of the international TÜV SÜD Group, with accreditations also in the areas of social responsibility and environmental protection. The assurance team was assembled based on the knowledge, experience and qualification of the auditors. TÜV SÜD South Asia Pvt Ltd. hereby declares that there is no conflict of interest with the Company.

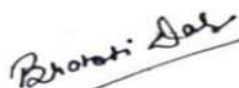
Place, Date: Kolkata, 23-04-2026



Name: Prosenjit Mitra

General Manager- Verification, Validation and Audit

Management System Assurance



Name: Broto Das

Verification Team Leader, TÜV SÜD

Management System Assurance

Annexure I

S.No	Attribute	Parameter	Cross reference to BRSR (P-Principles/ E- Essential Indicator)
1.	Green-house gas (GHG) footprint Greenhouse gas emissions may be measured in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard*	Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) Total Scope 2 emissions (Break-up of the GHG (CO ₂ e) into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) GHG Emission Intensity (Scope 1 +2)	P6-E7
2.	Water footprint	Total water consumption Water consumption intensity Water Discharge by destination and levels of Treatment	P6-E3 P6-E4
3.	Energy footprint	Total energy consumed % of energy consumed from renewable sources Energy intensity	P6-E1
4.	Embracing circularity - details related to waste management by the entity	Plastic waste (A) E-waste (B) Bio-medical waste (C) Construction and demolition waste (D) Battery waste (E) Other Hazardous waste. Please specify, if any. (G) Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) Total waste generated ((A+B + C + D + E + F + G + H) Waste intensity Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations For each category of waste generated, total waste disposed by nature of disposal method	P6-E9
5.	Enhancing Employee Wellbeing and Safety	Spending on measures towards well being of employees and workers – cost incurred as a % of total revenue of the company Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	P3-E1 P3-E11
6.	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid	P5-E3 P5-E7

		Complaints on POSH	
7.	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or nonpermanent /on contract) as % of total wage cost	P8-E4 P8-E5
8.	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events Number of days of accounts payable	P9-E7 P1-E8
9.	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	P1-E9

Financial Statements

Independent Auditor's Report

To
The Members of
Himadri Speciality Chemical Ltd

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Himadri Speciality Chemical Ltd (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, and notes to the standalone financial statements including material accounting informations and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended 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 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

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 for the financial year ended 31 March 2026. 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. For each matter below, our description of how our audit addressed the matter is provided in that context:

Descriptions of Key Audit Matter	How we addressed the matter in our audit
A. Revenue Recognition Refer to note 26 to the standalone financial statements. Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year. Revenue is recognized when the control of the underlying products has been transferred to customer along with the satisfaction of the Company's performance obligation under a contract with customer. Terms of sales arrangements, including the timing of transfer of control, delivery specifications including Incoterms in case of exports, timing of recognition of sales require significant judgment in determining revenues. The risk is, therefore, that revenue may not get recognised in the correct period.	As part of our audit, we understood the Company's policies and processes, control mechanisms and methods in relation to the revenue recognition, estimation of discounts rebates and price adjustments and evaluated the design and operative effectiveness of the financial controls for the above through our test of control procedures. - Our audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures. - Performing procedures to ensure that the revenue recognition criteria adopted by Company for all major revenue streams is appropriate and in line with the Company's accounting policies.

Descriptions of Key Audit Matter	How we addressed the matter in our audit
The estimation of discounts, and price adjustments to be recognised based on sales made during the year is material and considered to be judgmental. Due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers' and the judgments and estimates involved in making the estimation of discounts, and price adjustments, we determined the recognition of revenue, estimation of discounts, & price adjustments as a key audit matter.	▪ Obtaining and inspecting, on a sample basis, supporting documentation for discounts, rebates and price adjustments recorded and disbursed / allowed during the year as well as credit notes issued after the year end to determine whether these were recorded appropriately. ▪ Our audit procedures included, among other things, the evaluation of the process to calculate the provision for price adjustments and the evaluation of the relevant assumptions and their derivation for the measurement of the provisions. ▪ We also compared costs incurred to the previously recognized provisions to assess the quality of the management estimates. Based on the evidence obtained, we concluded that management's process for identifying and quantifying the provision for rebates and price adjustments was appropriate and that the resulting provision was reasonable. ▪ Performed procedures to identify any unusual trends of revenue recognition. ▪ Traced disclosure information to accounting records and other supporting documentation.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flow 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal 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 system in place with reference to financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The standalone balance sheet, the standalone statement of profit and loss including the statement of other comprehensive income, standalone statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;
 - e) On the basis of the written representations received from the directors, taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of section 197(16) of the Act,

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

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 8(d), 16(b), 24(B) and 35(a) to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as on 31 March 2026.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented to us that, to the best of its knowledge and belief, as disclosed in Note 44(viii) to the standalone financial statement, 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented to us that, to the best of its knowledge and belief, as disclosed in Note 44(viii) to the standalone financial statement, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on 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 (a) and (b) above, contain any material misstatement.
- v. (a) 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.
- (b) The Board of Directors of the Company has proposed dividend for the year, which is subject to the approval of the Members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for

the financial year ended 31 March 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software's. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Singhi & Co.

Chartered Accountants
Firm Registration No. - 302049E

Sd/-

Navindra Kumar Surana

Partner

Place: Kolkata
Date: 23 April 2026

Membership No. - 053816
UDIN - 26053816KXZHYX3075

Annexure "A" to the independent auditor's report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report of even date to the Members of Himadri Speciality Chemical Limited on the standalone financial statements as of and for the year ended 31 March 2026)

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

- i. In respect of the Company's property, plant and equipment.
 - (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 intangibles assets.
 - (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property,

Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

- (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 4A to the standalone financial statements included in property, plant and equipment are held in the name of the Company. Certain title deeds of the immovable Properties, in the nature of freehold land, as indicated in the below mentioned cases which were acquired pursuant to a Scheme of Amalgamation approved by National Company Law Tribunal's (NCLT) Order dated 14 October 2019, are not individually held in the name of the Company, however the deed of merger has been registered by the Company on 11 November 2019:

Description of property	Gross carrying value (₹ in Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold Land	518.86	Equal Commodeal Private Limited	No	2017-2019	Refer note 4A(a) of the standalone financial Statements

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended 31 March 2026.
- (e) There are no proceedings initiated or are 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 and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts 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) As disclosed in note 44(iii) to the standalone financial statements, the Company has been sanctioned working capital limits in excess of ₹5 crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the standalone financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the audited / unaudited books of accounts of the Company. The Company do not have sanctioned working capital limits in excess of ₹5 crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.
- iii. (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 granted unsecured loans to 7 (seven) subsidiary companies (including step down subsidiaries) and to 75 (seventy five) employees during the year. The Company also has made investments

in equity shares of 6 (six) subsidiary companies, common stock and preference shares of 1(one) body corporate, compulsory convertible notes of 1 (one) body corporate, debentures of 1 (one) body corporate and in 25 (twenty-five) mutual funds during the year. The company has granted guarantee to 1 (one) body corporate in respect of performance of one of its wholly owned subsidiary company during the year. The Company has not made investments in Firms and Limited Liability

Partnerships during the year. Further the company has not granted any advances in the nature of loans, secured or unsecured, to Firms, Limited Liability Partnerships, or any other parties. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to loans granted to its subsidiaries (including step down subsidiaries) and its employees are as per the table given below:

Particulars	Aggregate amount of loan granted /provided and guarantee given during the year	Balance outstanding as a balance sheet date in respect of those cases
Loan to Subsidiary Companies (including step down subsidiaries)	14,462.18	14,130.11
Loan to Others – Employees	68.98	196.64
Performance Guarantee given	- #	- #

Amount of performance guarantee given by the Company is not quantifiable

- (b) During the year the investments made, guarantees provided and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.
- (c) The Company has granted loans during the year to companies, or any other parties, where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) During the year, the Company had renewed / extended loan granted to one employee to settle the loan granted to the party which had fallen due during the year. The aggregate amount of such loan extended is ₹107.21 lakhs and percentage of such loan extended to the total loans granted during the year is 0.73 %.
- (f) 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 to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Companies Act, 2013 in respect of its products manufactured. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, 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 the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) as at 31 March 2026 which have not been deposited on account of a dispute except as below:

Name of the statute	Nature of the dues	Amount under dispute (₹ in lakhs)	Amount paid under protest (₹ in lakhs)	Period	Forum where dispute is pending
Central Sale Tax Act, 1956	Central Sale Tax	322.46	-	2005-06	Appellated and Revision Board
		30.45	7.61	2005 - 06	Sales Tax Appellate Tribunal
		0.89	0.44	2010 - 11	Deputy Commissioner
		0.26	14.42	2017-18	Commissioner (Appeal)
West Bengal Value Added Tax Act, 2003	Value Added Tax	932.40	0	2005-06 to 2006-07, 2009-10	Appellated and Revision Board
Good & Service Tax Act, 2017	GST - Korba	53.11	20.10	2018-19, Apr - Sep 21, 2019-20	Appellate Authority
		15.40	0.85	2020-21	Ld. Dy. Commissioner
		141.65	0.46	2020-21	Ld. Asst. Commissioner
	GST - WB	2.46	2.58	2021-22	Ld. Addl. Commissioner Appeal
	GST Odisha	14.82	0.86	2021-22	First Appellate Authority
The Central Excise Act, 1944	Excise Duty	0.31	0.09	2011-12 to 2014-15	Custom Excise and Service Tax Appellate Tribunal
		6.94	-	Jan 05 to Mar 06	Commissioner (Appeals) of Central Excise
The Custom Act, 1962	Custom Act	28.83	3.00	2000-01	Custom Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	3.35	0.13	2012-13 to 2014-15	Custom Excise and Service Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1,678.16	3.96	AY 2017-18, AY 2018-19 & AY 2023-24	Commissioner of Income Tax (Appeals)

- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate or joint venture.

- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any associate or joint venture. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment of shares during the year. The Company has not made any private placement of shares or issued optionally convertible debentures during the year. The funds raised, have been used for the purposes for which the funds were raised.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor / secretarial auditor or by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) (b) & (c) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Companies Act, 2013. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Companies Act, 2013.
- xiv. (a) The company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 under clause 3(xv) of the Order is 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 Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) As represented by the Management, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in note 44(i) to the standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence

supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) The Company has during the year spent the amount of Corporate Social Responsibility as required under sub section (5) of Section 135 of the Companies Act, 2013. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special

account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 32(c) to the standalone financial statements.

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

For Singhi & Co.
Chartered Accountants
Firm Registration No. - 302049E

Sd/-
Navindra Kumar Surana
Partner
Place: Kolkata
Date: 23 April 2026
Membership No. - 053816
UDIN -26053816KXZHYX3075

Annexure “B” to the independent auditor’s report

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our Independent Auditor’s Report of even date to the Members of Himadri Speciality Chemical Limited on the Standalone Financial Statements as of and for the year ended 31 March 2026)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statements of Himadri Speciality Chemical 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.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI 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 standalone 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to these standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to these standalone financial statements and such internal financial

controls with reference to these standalone financial statements were operating effectively as at 31 March 2026, based on the internal financial control with reference to standalone 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.

For Singhi & Co.
Chartered Accountants
Firm Registration No. - 302049E

Sd/-
Navindra Kumar Surana
Partner
Place: Kolkata
Date: 23 April 2026
Membership No. - 053816
UDIN -26053816KXZHYX3075

Standalone Balance Sheet

as at 31 March 2026

Amount in ₹ lakhs

	Note	31 March 2026	31 March 2025
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4A	1,72,679.48	1,44,822.93
(b) Capital work-in-progress	4B	23,415.60	17,644.98
(c) Right of use assets	5	4,097.51	1,628.56
(d) Intangible assets	6	47.35	69.62
(e) Financial assets			
(i) Investments	7	1,13,393.17	62,776.84
(ii) Loans	11	14,130.11	1,090.00
(iii) Trade receivables	8	1,018.41	1,018.41
(iv) Other financial assets	12	12,690.87	6,097.46
(f) Non-current tax assets (net)	13	900.05	881.39
(g) Other non-current assets	14	6,477.81	4,076.87
Total non-current assets		3,48,850.36	2,40,107.06
(2) Current assets			
(a) Inventories	15	69,520.94	58,592.17
(b) Financial assets			
(i) Investments	7	11,311.80	-
(ii) Trade receivables	8	75,175.92	62,770.16
(iii) Cash and cash equivalents	9	14,396.73	15,302.77
(iv) Bank balances other than (iii) above	10	56,666.99	51,670.64
(v) Loans	11	196.64	182.89
(vi) Other financial assets	12	2,401.67	2,327.55
(c) Other current assets	16	30,205.01	21,262.76
Total current assets		2,59,875.70	2,12,108.94
TOTAL ASSETS		6,08,726.06	4,52,216.00
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	17	5,045.42	4,937.82
(b) Other equity	18	4,57,230.44	3,59,814.73
Total equity		4,62,275.86	3,64,752.55
(2) Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	251.49	220.28
(ii) Lease liabilities	35(e)	72.39	139.95
(iii) Other financial liabilities	22	25.77	25.77
(b) Provisions	24	1,292.11	1,109.17
(c) Deferred tax liabilities (net)	33	28,584.95	26,325.98
Total non-current liabilities		30,226.71	27,821.15
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	71,924.34	30,559.73
(ii) Lease liabilities	35(e)	83.54	89.93
(iii) Trade payables	20		
- total outstanding dues of micro enterprises and small enterprises		620.24	496.70
- total outstanding dues of creditors other than micro enterprises and small enterprises		35,460.20	22,982.07
(iv) Derivatives	21	-	423.83
(v) Other financial liabilities	22	6,793.48	3,374.05
(b) Other current liabilities	23	710.32	715.40
(c) Provisions	24	251.01	44.84
(d) Current tax liabilities (net)	25	380.36	955.75
Total current liabilities		1,16,223.49	59,642.30
TOTAL EQUITY AND LIABILITIES		6,08,726.06	4,52,216.00

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

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm's Registration Number: 302049E

Sd/-

Navindra Kumar Surana

Partner

Membership No. 053816

For and on behalf of the Board of Directors of Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

Sd/-

Anurag Choudhary

Chairman cum Managing Director

& Chief Executive Officer

DIN: 00173934

Sd/-

Kamlesh Kumar Agarwal

Chief Financial Officer

PAN: *****960H

Sd/-

Shyam Sundar Choudhary

Executive Director

DIN: 00173732

Sd/-

Monika Saraswat

Company Secretary

& Compliance Officer

M No. 29322

Place: Kolkata

Date: 23 April 2026

Place: Kolkata

Date: 23 April 2026

Standalone Statement of Profit and Loss for the year ended 31 March 2026

Amount in ₹ lakhs

Sl No.	Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
I.	Revenue from operations	26	4,40,510.57	459,580.34
II.	Other income	27	17,630.11	5,090.14
III.	Total income (I + II)		458,140.68	464,670.48
IV.	Expenses			
	Cost of materials consumed	28	2,67,392.60	3,15,698.98
	Changes in inventories of finished goods and work-in-progress	29	9,361.42	(501.19)
	Employee benefits expense	30	15,095.98	12,436.63
	Finance costs	31	5,840.40	4,457.13
	Depreciation and amortisation expense	4A, 5 and 6	6,081.92	4,961.51
	Other expenses	32	55,232.12	46,843.67
	Total expenses		3,59,004.44	3,83,896.73
V.	Profit before exceptional item and tax (III-IV)		99,136.24	80,773.75
VI.	Exceptional items		-	-
VII.	Profit before tax (V-VI)		99,136.24	80,773.75
VIII.	Tax expenses			
	Current tax	33	21,855.28	14,094.76
	Deferred tax	33	2,274.28	10,780.02
	Income tax related to earlier years		36.82	91.92
	Total tax expenses		24,166.38	24,966.70
IX.	Profit for the year (VII-VIII)		74,969.86	55,807.05
X.	Other comprehensive income	36		
	A. Items that will not be reclassified subsequently to profit or loss			
	(a) Remeasurements of the net defined benefit plan		35.94	(103.21)
	(b) Net gain/ (loss) on investment in equity instruments accounted at fair value		64.88	266.98
	(c) Income-tax relating to items that will not be reclassified to profit or loss		15.31	1,367.28
	Net other comprehensive income not to be reclassified subsequently to profit or loss		116.13	1,531.05
	B. Items that will be reclassified subsequently to profit or loss		-	-
	Net other comprehensive income to be reclassified subsequently to profit or loss		-	-
	Other comprehensive income for the year (net of income tax)		116.13	1,531.05
XI.	Total comprehensive income for the year (IX+X)		75,085.99	57,338.10
XII.	Earnings per equity share	34		
	[Face value of equity share ₹1 each (previous year ₹1 each)]			
	- Basic		15.05	11.31
	- Diluted		14.98	11.22

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

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm's Registration Number: 302049E

For and on behalf of the Board of Directors of Himadri Speciality Chemical Ltd
CIN: L27106WB1987PLC042756

Sd/-

Navindra Kumar Surana

Partner

Membership No. 053816

Sd/-

Anurag Choudhary

Chairman cum Managing Director

& Chief Executive Officer

DIN: 00173934

Sd/-

Kamlesh Kumar Agarwal

Chief Financial Officer

PAN: *****960H

Sd/-

Shyam Sundar Choudhary

Executive Director

DIN: 00173732

Sd/-

Monika Saraswat

Company Secretary

& Compliance Officer

M No. 29322

Place: Kolkata

Date: 23 April 2026

Place: Kolkata

Date: 23 April 2026

Standalone Statement of Changes in Equity for the year ended 31 March 2026

A. Equity share capital

Particulars	Note	Number	Amount
Balance as at 1 April 2024		49,25,94,573	4,925.95
Changes in equity share capital during the year	17	11,87,651	11.87
Balance as at 31 March 2025		49,37,82,224	4,937.82
Equity shares issued during the year	17	1,07,59,375	107.60
Balance as at 31 March 2026		50,45,41,599	5,045.42

B. Other equity

Particulars	Note	Reserves and surplus				Items of Other comprehensive income	Money received against share warrants	Total
		Capital reserve	Securities premium	General reserve	Share option outstanding reserve	Retained earnings	Equity instruments through other comprehensive income	
Balance at 1 April 2024		1,280.50	96,759.21	18,955.61	123.10	1,63,864.25	12,212.37	2,93,195.04
Total comprehensive income for the year ended 31 March 2025		-	-	-	-	-	-	-
Profit for the year 2024-2025		-	-	-	-	55,807.05	-	55,807.05
Remeasurement of net defined benefit plan		-	-	-	-	(77.23)	-	(77.23)
Net change in fair value of Equity investments		-	-	-	-	-	1,608.28	1,608.28
Total comprehensive income for the year		-	-	-	-	55,729.82	1,608.28	57,338.10
Dividends	17I	-	-	-	-	(2,467.58)	-	(2,467.58)
Received on issue of share warrants convertible into equity shares	17H	-	-	-	-	-	8,924.63	8,924.63
Conversion of share warrants into equity shares	17H	-	504.00	-	-	-	(505.60)	(1.60)
On issue of shares to shareholders of Subsidiary Company		-	2,508.80	-	-	-	-	2,508.80
Issue of equity shares on exercise of employee stock option	38	-	47.67	-	(47.67)	-	-	-
Share based payments- Equity settled	38	-	317.34	-	-	-	-	317.34
Balance at 31 March 2025		1,280.50	1,00,137.02	18,955.61	75.43	2,17,126.49	13,820.65	3,59,814.73

Standalone Statement of Changes in Equity for the year ended 31 March 2026

B. Other equity (Contd.)

Particulars	Note	Reserves and surplus				Items of Other comprehensive income	Money received against share warrants	Total
		Capital reserve	Securities premium	General reserve	Share option outstanding reserve	Retained earnings		
Balance at 1 April 2025		1,280.50	1,00,137.02	18,955.61	75.43	217,126.49	8,419.03	359,814.73
Total comprehensive income for the year ended 31 March 2026								
Profit for the year 2025-2026		-	-	-	-	74,969.86	-	74,969.86
Remeasurement of net defined benefit plan		-	-	-	-	11.67	-	11.67
Net change in fair value of Equity investments		-	-	-	-	-	-	104.46
Total comprehensive income for the year		-	-	-	-	74,981.53	-	75,085.99
Dividends	17I	-	-	-	-	(2,963.10)	-	(2,963.10)
Received on issue of share warrants convertible into equity shares	17H	-	-	-	-	-	25,257.09	25,257.09
Conversion of share warrants into equity shares	17H	-	33,569.55	-	-	-	(33,676.12)	(106.57)
On issue of shares to shareholders of Subsidiary Company		-	-	-	-	-	-	-
Issue of equity shares on exercise of employee stock option	38	-	26.20	-	(26.20)	-	-	-
Share based payments- Equity settled	38	-	142.30	-	-	-	-	-
Balance at 31 March 2026		1,280.50	1,33,875.07	18,955.61	49.23	2,89,144.92	-	4,57,230.44

Amount in ₹ lakhs

Standalone Statement of Changes in Equity for the year ended 31 March 2026

B. Other equity (Contd.)

Pursuant to the requirements of Division II to Schedule III, below is the nature and purpose of Reserves:

- (i) **Capital reserve:** Capital reserve represents profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments.
- (ii) **Securities premium:** Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc. In case of equity settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium.
- (iii) **General reserve:** It represents a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of the Companies Act, 1956. Transfer of profit to general reserve is not mandatory under the Companies Act, 2013.
- (iv) **Share option outstanding reserve:** The Company has a stock option scheme under which options to subscribe for the Company's share have been granted to certain executives and senior employees. The share option outstanding reserve is used to recognise the value of equity-settled share based payments provided to employees, including certain key management personnel, as part of their remuneration. (refer note 38).
- (v) **Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- (vi) **Equity instruments through other comprehensive income:** The Company has elected to recognise changes in the fair value of certain investments in equity instruments through other comprehensive income (OCI). These changes are accumulated within the equity instruments through OCI shown under the head other equity. The Company transfers amounts therefrom to retained earnings when the relevant equity instruments are derecognised.
- (vii) **Money received against share warrants:** The Company had issued and allotted warrants, each convertible into one equity share of ₹1 each, on Preferential allotment basis to the Promoter/Promoter Group of the Company and certain identified non-promoter persons, upon receipt of 25% of the issue price as warrant subscription money. Upon receipt of balance 75% of the issue price during the year, each warrant has been converted into fully paid-up equity share of ₹1 each of the Company. On conversion of such warrants into equity shares, the Company transfers the amount therefrom to securities premium and share capital.

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

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm's Registration Number: 302049E

For and on behalf of the Board of Directors of Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

Sd/-

Navindra Kumar Surana

Partner

Membership No. 053816

Sd/-

Anurag Choudhary

Chairman cum Managing Director

& Chief Executive Officer

DIN: 00173934

Sd/-

Shyam Sundar Choudhary

Executive Director

DIN: 00173732

Sd/-

Kamlesh Kumar Agarwal

Chief Financial Officer

PAN: *****960H

Sd/-

Monika Saraswat

Company Secretary

& Compliance Officer

M No. 29322

Place: Kolkata

Date: 23 April 2026

Place: Kolkata

Date: 23 April 2026

Standalone Statement of Cash Flow for the year ended 31 March 2026

Accounting Policy

Cash flows are reported using the indirect method as set out in Ind AS 7 "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013, whereby the profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026		Year ended 31 March 2025	
A. Cash flows from operating activities				
Net profit before tax		99,136.24		80,773.75
Adjustments for:				
Depreciation and amortisation expense	6,081.92		4,961.51	
Finance costs	5,840.40		4,457.13	
Interest income	(6,352.40)		(4,439.82)	
Net (gain)/ loss on fair valuation of investments through profit or loss	(9,957.40)		(343.43)	
Net (gain)/ loss on sale of current investments carried at Fair value through profit and loss (FVTPL)	(169.52)		-	
Unrealised foreign exchange fluctuation (gain)/ losses, net	223.60		134.11	
Loss/ (gain) (net) on sale of property, plant and equipment	(30.02)		0.68	
		(4,363.42)		4,770.18
Cash generated from/ (used in) operations before working capital changes		94,772.82		85,543.93
Movement in working capital:				
(Increase)/ Decrease in inventories	(10,928.77)		12,016.46	
(Increase)/ Decrease in trade receivables	(10,117.43)		3,074.19	
(Increase)/ Decrease in financial and other assets	(17,802.53)		(9,615.02)	
Increase/ (Decrease) in trade payables	12,559.64		(31,012.60)	
Increase/ (Decrease) in financial liabilities (net)	3,086.44		563.91	
Increase/ (Decrease) in other liabilities and provisions (net)	(2,504.25)		(880.54)	
		(25,706.90)		(25,853.60)
Cash generated from/ (used in) operations		69,065.92		59,690.33
Taxes paid		(22,486.15)		(14,186.51)
Net cash generated from/ (used in) operating activities		46,579.77		45,503.82
B. Cash flows from investing activities				
Purchase of property, plant and equipment	(41,814.00)		(16,144.36)	
Proceeds from sale of property, plant and equipment	1,020.16		9.45	
Purchase of intangible assets	(2.68)		(20.78)	
Interest income received	5,428.80		4,962.71	
Loan refunded by subsidiary	1,452.49		100.00	
Loan given to subsidiaries	(14,462.18)		(1,085.00)	
Sale/ (purchase) of current investments (net)	(11,003.05)		-	
Purchase of non-current investments	(39,393.54)		(9,518.02)	
Investment in subsidiaries	(1,339.74)		(2,456.48)	

Standalone Statement of Cash Flow for the year ended 31 March 2026

(Contd.)

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026		Year ended 31 March 2025	
Redemption of bank deposits (having maturity of more than 3 months)	51,107.67		51,606.10	
Investment in bank deposits (having maturity of more than 3 months)	(56,102.15)		(51,607.72)	
Net cash generated from/ (used in) investing activities		(1,05,108.22)		(24,154.10)
C. Cash flows from financing activities				
Proceeds from allotment of equity shares under employee stock options	143.33		319.64	
Proceeds from issue of warrants convertible into equity shares	25,257.09		8,924.63	
Proceeds from non-current borrowings	188.60		-	
Repayment of non-current borrowings	(138.50)		(3,193.00)	
Proceeds from/ (Repayment of) current borrowings (net)	41,345.72		(26,273.17)	
Interest paid	(6,120.87)		(4,182.91)	
Payment of lease liabilities (principal portion)	(73.95)		(90.22)	
Payment of lease liabilities (interest portion)	(15.98)		(19.90)	
Net proceeds/ (Outflow) on settlement of derivative contracts	-		(3.23)	
Dividend paid	(2,963.10)		(2,467.58)	
Net cash generated from/ (used in) financing activities		57,622.34		(26,985.74)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		(906.11)		(5,636.02)
Cash and cash equivalents at the beginning of the year (refer note 9)		15,302.77		20,939.95
Effect of exchange rate fluctuations on cash held in foreign currency (EEFC accounts)		0.07		(1.16)
Cash and cash equivalents at the end of the year (refer note 9)		14,396.73		15,302.77

Standalone Statement of Cash Flow for the year ended 31 March 2026

(Contd.)

Notes:

- Purchase of property, plant and equipment includes movements of capital work-in-progress (including capital advances and liability for capital goods) during the year.
- Changes in liability arising from financing activities: Amount in ₹ lakhs

Particulars	1 April 2025	Cash flow (net)	Foreign exchange movement	Additions	Other changes#	31 March 2026
Borrowings (refer note 19)	30,780.01	41,395.82	-	-	-	72,175.83
Derivative contracts	423.83	-	-	-	(423.83)	-
Lease Liabilities	229.88	(89.93)	-	-	15.98	155.93
Interest accrued	443.94	(6,120.87)	-	5,840.40	(15.98)	147.49

Amount in ₹ lakhs

Particulars	1 April 2024	Cash flow (net)	Foreign exchange movement	Additions	Other changes#	31 March 2025
Borrowings (refer note 19)	60,041.97	(29,466.17)	196.51	-	7.70	30,780.01
Derivative contracts	(101.39)	(3.23)	-	-	528.45	423.83
Lease Liabilities	134.69	(110.12)	-	185.41	19.90	229.88
Interest accrued	407.50	(4,182.91)	(210.18)	4,457.13	(27.60)	443.94

#Other changes with respect to borrowings, lease liabilities and interest accrued represent adjustment for effective interest and for derivative contracts it represents fair value changes.

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

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm's Registration Number: 302049E

For and on behalf of the Board of Directors of **Himadri Speciality Chemical Ltd**
CIN: L27106WB1987PLC042756

Sd/-

Navindra Kumar Surana

Partner

Membership No. 053816

Sd/-

Anurag Choudhary

Chairman cum Managing Director

& Chief Executive Officer

DIN: 00173934

Sd/-

Shyam Sundar Choudhary

Executive Director

DIN: 00173732

Sd/-

Kamlesh Kumar Agarwal

Chief Financial Officer

PAN: *****960H

Sd/-

Monika Saraswat

Company Secretary

& Compliance Officer

M No. 29322

Place: Kolkata

Date: 23 April 2026

Place: Kolkata

Date: 23 April 2026

Notes to the Standalone Financial Statements for the year ended 31 March 2026

1. Reporting entity

Himadri Speciality Chemical Limited ("the Company") is a public company domiciled and headquartered in India, having its registered office situated at 23A, N. S. Road, Kolkata- 700 001 and corporate office situated at 8, India Exchange Place, 2nd floor, Kolkata -700 001. The Company was incorporated on 28 July 1987 and its equity shares are listed on National Stock Exchange of India Ltd (NSE) and BSE Ltd (BSE). The Company is primarily engaged in the manufacturing of carbon materials and chemicals. The Company has operations in India and caters to both domestic and international markets.

The Standalone financial statements were authorised for issue by the Board of Directors of the Company at their meeting held on 23 April 2026.

A. Statement of Compliance

These Standalone financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as the "Ind AS") notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act"), notified under Section 133 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions and presentation requirements of Division II of Schedule III to the Act, as applicable, to the Financial Statements.

B. Recent amendments:

a. New and amended standards adopted by the Company.

Effective 1 April 2025 the Company has applied the following amendments to existing standards which has been notified by the Ministry of Corporate Affairs ("MCA"). The Companies (Indian Accounting Standards) Second Amendment Rules, 2025 on 13 August 2025 (published in the Official Gazette on 19 August 2025), introducing key amendments to:

Ind AS 1 (Classification of liabilities as current or non-current and non-current liabilities with covenants);

Ind AS 7 and Ind AS 107 (Disclosures for supplier finance arrangements); and

Ind AS 12 (Global implementation of OCED Pillar Two model rules).

These amendments primarily relate to the classification of liabilities with covenants, additional disclosures for supplier finance arrangements, and a temporary exception for Pillar Two deferred taxes. The adoption of these amendments did not have a material impact on the measurement of the Company's assets or liabilities, though it resulted in enhanced disclosures and reclassifications in the financial statements."

b. New and amended standards issued but not effective

In exercise of the powers conferred by section 133 read with section 469 of the Companies Act, 2013 (18 of 2013), the Central Government in consultation with the National Financial Reporting Authority have issued certain amendments to the Indian Accounting Standards (Ind AS) that have not yet become effective for the Company's reporting periods at the date of these interim financial statements. The Companies (Indian Accounting Standards) Second Amendment Rules, 2025, notified on 13 August 2025, include amendments that are effective for annual reporting periods beginning on or after 1 April 2026:

Ind AS 1 — Presentation of Financial Statements: Further amendments on classification of liabilities as current or non-current, including requirements relating to breaches of loan covenants, grace periods, and disclosure of related risks (paragraphs 74, 75, 75A and 76).

Ind AS 10 — Events after the Reporting Period: Consequential amendments aligning terminology and treatment with Ind AS 1

Ind AS 12 — Income Taxes: Certain disclosure requirements relating to international tax reform (Pillar Two model rules), including qualitative and quantitative information on exposure to Pillar Two income taxes are mandatory for interim reporting's.

The Company is in the process of evaluating the requirements of these amendments and their impact on the Company's financial statements. The impact, if any, will be given effect to in the period of initial application.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

2. Basis of Preparation and measurement of Standalone financial statements

(a) Basis of preparation and measurement

The Standalone financial statements have been prepared and presented on a going concern basis and under the historical cost convention on the accrual basis, except for certain financial instruments, defined benefit plans and employee share-based payments which are measured at fair value or amortised cost at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of product and time elapsed between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has considered an operating cycle of 12 months for the purpose of non-current and current classification of its assets and liabilities.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Company determines materiality depending on the nature or magnitude of information, or both. Information is material if omitting, misstating or obscuring it could reasonably influence decisions made by the primary users, on the basis of those financial statements.

(b) Functional and presentation currency

The financial statements have been presented in Indian ₹ (INR), which is the Company's Functional Currency. Transactions in foreign currencies are recorded at their respective functional currency at the exchange rates prevailing at the date, the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the exchange rates prevailing 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 that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

All Financial information presented in INR has been rounded off to nearest two decimals of lakhs, unless otherwise indicated.

3. Material Accounting Policies

Material accounting policy information has been identified and disclosed based on the guidance provided under Ind AS 1. The material accounting policy information used in preparation of the standalone financial statements have been disclosed in the respective notes.

3.1 Key accounting estimates and judgements

The preparation of the Company's Standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying notes and disclosures, and the disclosure of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Revisions to accounting estimates are recognised prospectively. The changes in the estimates are reflected in the Standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone financial statements.

Critical accounting estimates and key sources of estimation uncertainty: Key assumptions

(i) Useful lives of Property, plant and equipment and Other intangible assets

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets (refer note 4A and 6).

Notes to the Standalone Financial Statements for the year ended 31 March 2026

3. Material Accounting Policies (Contd.)

(ii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using certain valuation techniques. The inputs to these models are taken from observable market data where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as volatility risk and credit risk (refer note 40).

(iii) Defined benefit plan

The Company provides defined benefit employee retirement plans. Measurement of such plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation (refer note 24).

(iv) Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers at transaction price that reflects the consideration which the Company expects to receive in exchange for those products or services. The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers the terms of the contract in determining the transaction price. For incentives/discounts offered to customers/dealers, the Company makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.

(v) Determination of lease liabilities

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics [refer note 35(e)].

(vi) Determination of Right of use (ROU) assets

Certain key assumptions used in determination of ROU assets and liabilities, incremental borrowing rate and lease term. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets (refer note 5).

4A. Property, plant and equipment

Accounting Policy

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, 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.

Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalised and the carrying amount of the item replaced is derecognised. Similarly, overhaul costs associated with major maintenance which can be measured reliably are capitalised and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognised. All other costs are charged to profit and loss during the reporting period in which they are incurred.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

4A. Property, plant and equipment (Contd.)

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs.

Depreciation is calculated on estimated useful lives using the written down value method for Property, plant and equipment situated at Liluah Unit - I (Howrah), Vapi and Vizag, and on property, plant and equipment situated at other locations are provided on straight line method over the useful lives of assets, at the rates and in the manner specified in Part C of Schedule II of the Act except in respect of certain categories of assets, where the useful life of the assets has been assessed based on a technical evaluation.

The estimated useful life, depreciation method and residual value are reviewed at the end of each annual reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the asset.

Freehold land is not depreciated. Leasehold land (includes development cost) is amortised on a straight-line basis over the period of respective lease, except land acquired on perpetual lease. Useful lives and residual values are reviewed at each financial year end and adjusted, as appropriate. Leasehold improvements are amortised/ depreciated over the remaining tenure of the contract.

The estimated useful lives of items of property, plant and equipment for the current period are as follows:

Asset	Management estimate of useful life (in years)
Buildings	10-60
Plant and equipment	5-60
Office equipment	3-25
Vehicles	8-10
Furniture and fixtures	10

Based on technical assessment done by experts in earlier years and management's estimate:

- Useful life of property, plant and equipment are different than those indicated in Schedule II to the Act, as stated above.
- Residual value on property, plant and equipment has been estimated at 5% of the cost, specified in Schedule II of the Act.

The management believes that these estimated useful lives and residual values are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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).

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss. Impairment losses are reversed in the standalone statement of profit and loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

4A. Property, plant and equipment (Contd.)

Reconciliation of carrying amount

Particulars	Amount in ₹ lakhs								
	Freehold Land	Leasehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Leasehold improvements	Total
Gross carrying amount									
Balance at 1 April 2024	5,731.37	123.53	11,696.56	1,89,404.71	1,221.73	2,002.59	2,736.12	417.56	2,13,334.17
Additions during the year	-	-	27.79	3,102.22	0.88	299.90	151.91	152.94	3,735.64
Discard/ disposals during the year	-	-	-	-	-	(73.57)	-	-	(73.57)
Balance at 31 March 2025	5,731.37	123.53	11,724.35	1,92,506.93	1,222.61	2,228.92	2,888.03	570.50	2,16,996.24
Balance at 1 April 2025	5,731.37	123.53	11,724.35	1,92,506.93	1,222.61	2,228.92	2,888.03	570.50	2,16,996.24
Additions during the year	135.65	-	2,415.70	22,603.68	6,651.95	818.25	277.38	-	32,902.61
Discard/ disposals during the year	-	-	-	-	-	(51.85)	(2.10)	-	(53.95)
Balance at 31 March 2026	5,867.02	123.53	14,140.05	2,15,110.61	7,874.56	2,995.32	3,163.31	570.50	2,49,844.90
Accumulated depreciation									
Balance at 1 April 2024	-	12.40	3,619.68	59,861.30	896.59	916.49	1,915.50	374.37	67,596.33
Depreciation for the year	-	1.55	293.16	3,953.04	38.52	197.46	151.59	5.10	4,640.42
Discard/ disposals for the year	-	-	-	-	-	(63.44)	-	-	(63.44)
Balance at 31 March 2025	-	13.95	3,912.84	63,814.34	935.11	1,050.51	2,067.09	379.47	72,173.31
Balance at 1 April 2025	-	13.95	3,912.84	63,814.34	935.11	1,050.51	2,067.09	379.47	72,173.31
Depreciation for the year	-	1.55	299.06	4,154.46	98.03	259.76	175.75	53.39	5,042.00
Discard/ disposals during the year	-	-	-	-	-	(48.06)	(1.83)	-	(49.89)
Balance at 31 March 2026	-	15.50	4,211.90	67,968.80	1,033.14	1,262.21	2,241.01	432.86	77,165.42
Net carrying amount									
At 31 March 2025	5,731.37	109.58	7,811.51	128,692.59	287.50	1,178.41	820.94	191.03	144,822.93
At 31 March 2026	5,867.02	108.03	9,928.15	1,47,141.81	6,841.42	1,733.11	922.30	137.64	1,72,679.48

Notes to the Standalone Financial Statements for the year ended 31 March 2026

4A. Property, plant and equipment (Contd.)

Notes:

(a) Title deeds of immovable properties not held in the name of the Company:

Amount in ₹ lakhs

Particulars	Description of the 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 or director	Property held since which date	Reason for not being held in the name of the Company
As at 31 March 2026						
Property, plant and equipment	Freehold Land	518.86	Equal Commodeal Private Limited	No	2017-2019	refer note (d) below

- (b) As at 31 March 2026, Property, plant and equipment with net carrying amount of **₹408.66 lakhs** (31 March 2025: ₹1,37,733.16 lakhs) are subject to first charge to secure borrowings (refer note 19).
- (c) Gross carrying amount includes Research and development assets (Building, Plant and equipment, Furniture and fixtures and Office equipment) of **₹3,012.70 lakhs** (31 March 2025: ₹2,830.70 lakhs) and net carrying amount of **₹1,711.64 lakhs** (31 March 2025: ₹1,698.58 lakhs). Additions to the Research and development assets during the year 2025-2026 is **₹182.00 lakhs** (2024-2025: ₹342.11 lakhs).
- (d) The title deeds of leasehold Land are duly registered with appropriate authorities and title deeds of Freehold land amounting to **₹518.86 lakhs**, which were transferred to the Company pursuant to the Scheme of Amalgamation, are in the process of transfer in the name of the Company.
- (e) For contractual commitment with respect to Property, plant and equipment, refer note 35(d).
- (f) The Company has not revalued its property, plant and equipment during the year ended 31 March 2026 and also during previous year ended 31 March 2025.
- (g) The Company has performed an assessment of its property plant and equipment for possible triggering events or circumstances for an indication of impairment and has concluded that there were no triggering events or circumstances that would indicate the property plant and equipment are impaired.
- (h) Addition to plant and machinery include trial and expenses amounting to **₹4,733.08 lakhs** (31 March 2025: Nil).

4B. Capital work-in-progress

Accounting Policy

Capital work-in-progress assets in the course of construction for production or/and supply of goods or services or administrative purposes, or for purposes not yet determined, which are not ready for intended use as on the date of Balance Sheet are disclosed as Capital work-in-progress and are carried at cost, less any recognised impairment loss, if any. Temporarily suspended projects do not include those projects where temporary suspension is a necessary part of the process of getting an asset ready for its intended use.

Directly attributable expenditure (including finance costs relating to borrowed funds/general borrowings for construction or acquisition of property, plant and equipment) incurred on project under implementation are treated as Pre-operative expenses pending allocation to the asset and are shown under CWIP.

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Balance at the beginning of the year	17,644.98	6,651.87
Additions during the year	38,675.91	14,749.53
Capitalised during the year	(32,905.29)	(3,756.42)
Balance at the end of the year	23,415.60	17,644.98

Notes to the Standalone Financial Statements for the year ended 31 March 2026

4B. Capital work-in-progress (Contd.)

Notes:

(a) Capital work-in-progress ageing schedule

Amount in ₹ lakhs

	Amount of CWIP for a period of:				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2026:					
Projects in progress	15,577.46	2,025.79	830.30	4,982.05	23,415.60
As at 31 March 2025:					
Projects in progress	11,684.33	905.92	2,436.25	2,618.48	17,644.98

(b) Details of projects where activity has been suspended - Nil (31 March 2025: Nil)

Capital work-in-progress includes:

Expenditure incurred on addition to manufacturing facility of the Company, given below:

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Balance at the beginning of the year	452.16	316.60
Additions during the year:		
Employee benefits expense	400.32	15.42
Rent	606.73	242.10
Miscellaneous expenses (includes professional fees, inspection charges, testing charges, etc.)	1,552.41	106.34
	2,559.46	363.86
Less: Capitalised during the year	(1,372.38)	(228.30)
Balance at the end of the year	1,639.24	452.16

The Company has performed an assessment of its Capital work in progress for possible triggering events or circumstances for an indication of impairment and has concluded that there were no triggering events or circumstances that would indicate the Capital work in progress are impaired.

Capital Work-in-Progress as at 31 March 2026 mainly comprises of construction of warehouse, office building, plant & equipment related to R&D and other projects. As at 31 March 2025 capital work-in-progress mainly comprises construction of warehouse building, plant & equipment related to speciality carbon black project, R&D and other projects.

5. Right of use assets

Accounting Policy

The Company recognises right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Reconciliation of carrying amount

Amount in ₹ lakhs

Particulars	Land	Buildings	Vehicles	Total
Gross carrying amount				
Balance at 1 April 2024	2,706.44	188.64	-	2,895.08
Additions during the year	-	189.32	-	189.32
Discard/ disposals during the year	-	-	-	-
Balance at 31 March 2025	2,706.44	377.96	-	3,084.40

Notes to the Standalone Financial Statements for the year ended 31 March 2026

5. Right of use assets (Contd.)

Reconciliation of carrying amount

Amount in ₹ lakhs

Particulars	Land	Buildings	Vehicles	Total
Balance at 1 April 2025	2,706.44	377.96	-	3,084.40
Additions during the year	-	-	3,483.92	3,483.92
Discard/ disposals during the year	-	-	-	-
Balance at 31 March 2026	2,706.44	377.96	3,483.92	6,568.32
Accumulated amortisation				
Balance at 1 April 2024	1,033.16	134.97	-	1,168.13
Amortisation during the year	199.65	88.06	-	287.71
Discard/ disposals during the year	-	-	-	-
Balance at 31 March 2025	1,232.81	223.03	-	1,455.84
Balance at 1 April 2025	1,232.81	223.03	-	1,455.84
Amortisation during the year	199.65	68.38	746.94	1,014.97
Discard/ disposals during the year	-	-	-	-
Balance at 31 March 2026	1,432.46	291.41	746.94	2,470.81
Net carrying amount				
At 31 March 2025	1,473.63	154.93	-	1,628.56
At 31 March 2026	1,273.98	86.55	2,736.98	4,097.51

6. Intangible assets

Accounting Policy

Intangible assets acquired are reported at cost less accumulated amortization and accumulated impairment losses, if any. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets are amortized over their estimated useful life using straight line method which reflects the pattern in which the economic benefits are expected to be consumed and have a useful life of 3 to 5 years.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Reconciliation of carrying amount of Computer software

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Gross carrying amount		
Balance at the beginning of the year	433.63	412.85
Additions during the year	2.68	20.78
Discard/ disposals during the year	-	-
Balance at the end of the year	436.31	433.63
Accumulated amortisation		
Balance at the beginning of the year	364.01	330.63
Amortisation during the year	24.95	33.38
Discard/ disposals during the year	-	-
Balance at the end of the year	388.96	364.01
Net carrying amount	47.35	69.62

Intangible assets under development - ₹ Nil

- The Company has not revalued its intangible assets during the year ended 31 March 2026 and also during previous year ended 31 March 2025.
- The Company has performed an assessment of its Intangible assets for possible triggering events or circumstances for an indication of impairment and has concluded that there were no triggering events or circumstances that would indicate the Capital work in progress are impaired.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

7. Financial Assets

Accounting Policy

All financial assets are recognised on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified at fair value through profit or loss (FVTPL) at inception. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Classification of financial assets

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer (under Ind AS 32 Financial Instruments: Presentation). All other non-derivative financial assets are 'debt instruments'.

Initial Recognition and Subsequent Recognition

(i) Amortised Cost

Financial assets are subsequently measured at amortised cost using the effective interest method, if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company may irrevocably elect at initial recognition to classify a debt instrument that meets the amortised cost criteria above as at FVTPL if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortised cost.

Financial assets classified at amortised cost comprise trade receivables, loans, government securities etc.

(ii) Fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

On initial recognition, the Company has an irrevocable option to present changes in the fair value of equity investments not held for trading in OCI. This option is made on an investment-by-investment basis.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in other Equity. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the other Equity is directly reclassified to retained earnings.

(iii) Fair value through profit and loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in standalone statement of profit and loss.

Disclosure related to Fair value measurement of financial instruments (refer note 40).

(iv) Investments in subsidiaries are carried at cost and tested for impairment in accordance with Ind AS 36 'Impairment of Assets'.

De-recognition of Financial Assets:

The Company derecognises financial assets on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial assets and substantially all the risks and rewards of ownership to another entity or when it retains contractual rights to retain contractual cash flows from asset, but assumes a contractual obligation to pay the cash flows to one or more recipient.

Impairment of Financial Assets

At each reporting date, the Company assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment loss or gain in the standalone statement of profit and loss.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

7. Financial Assets (Contd.)

Investments

A. Non-current investments

(All the investments are fully paid, unless otherwise stated)

Amount in ₹ lakhs

Particulars	Face Value (₹)	Number 31 March 2026	Number 31 March 2025	31 March 2026	31 March 2025
Investments in subsidiaries carried at cost					
Equity Shares (Unquoted)					
Himadri Agro Tech Specialities Limited (formerly Combe Projects Private Limited, Combe Projects Limited)	10	15,60,000	97,500	156.55	10.30
Himadri Clean Energy Limited	10	45,00,000	45,00,000	450.00	450.00
Invati Creations Private Limited (refer note e)	10	4,861	4,861	4,516.13	4,516.13
Birla Tyres Limited (refer note b)	10	30,10,000	-	314.02	-
Himadri Speciality Inc.	USD 1	10,000	-	8.63	-
Trancemarine and Confreight Logistics Private Limited	10	11,76,000	-	423.36	-
Himadri Birla Tyre Manufacturer Private Limited (refer note c)	10	1,44,118	-	14.15	-
Himadri Advance New Energy Material Limited (formerly Elixir Carbo Limited, Elixir Carbo Private Limited)	10	6,00,000	-	750.00	-
Himadri Integrated Minerals and Resources Limited (formerly Himadri Power Limited)	10	50,000	-	2.50	-
				6,635.34	4,976.43
AAT Global Limited	HKD 1	7,07,83,680	7,07,83,680	5,244.64	5,244.64
Less: Impairment of investment in equity shares of AAT Global Limited (refer note a)				(5,244.64)	(5,244.64)
				-	-
				6,635.34	4,976.43
Optionally Convertible Debentures (OCDs) (unquoted)					
0.01% Secured Optionally Convertible Debentures (OCDs) of Birla Tyres Limited (refer note b)	10	19,99,999	-	203.35	-
0.01% Secured Optionally Convertible Debentures (OCDs) of Himadri Birla Tyre Manufacturer Private Limited (refer note c)	10	1,50,00,000	-	1,473.80	-
0.01% Unsecured Optionally Convertible Debentures (OCDs) of Himadri Birla Tyre Manufacturer Private Limited (refer note c)	10	11,78,55,882	-	11,567.05	-
				13,244.20	-

Notes to the Standalone Financial Statements for the year ended 31 March 2026

7. Financial Assets (Contd.)

(All the investments are fully paid, unless otherwise stated)

Amount in ₹ lakhs

Particulars	Face Value (₹)	Number 31 March 2026	Number 31 March 2025	31 March 2026	31 March 2025
Investments carried at fair value through other comprehensive income (FVOCI)					
Equity instruments					
Quoted					
Himadri Credit & Finance Limited	10	3,34,900	3,34,900	1,255.88	1,202.29
Transchem Limited	10	8,000	8,000	13.01	2.65
				1,268.89	1,204.94
Unquoted					
Himadri e-Carbon Limited	10	17,000	17,000	2.72	2.67
Modern Hi-Rise Private Limited	10	22	22	28.98	28.08
Birla Tyres Limited (refer note b)	10	-	1	-	0.00#
				31.70	30.75
Preference shares (unquoted)					
1% Non-cumulative optionally convertible preference shares of Modern Hi-Rise Private Limited (refer note h)	10	12,48,774	12,48,774	18,257.08	18,257.08
				18,257.08	18,257.08
Investments carried at fair value through profit or loss (FVTPL)					
Equity instruments (Unquoted)					
International Battery Company Inc.	USD 0.00001	27,00,000	-	7,743.67	-
				7,743.67	
Preference shares (unquoted)					
8% Redeemable Preference Share of of Dalmia Bharat Refractories Limited (refer note g) #	10	1	1	0.00	0.00
Class A Preference shares of Sicona Battery Technologies Pty Ltd	AUD 1	42,41,143	42,41,143	6,766.25	5,543.44
Series A Preferred stock of International Battery Company, Inc.	USD 0.00001	5,68,762	-	1,631.22	-
				8,397.47	5,543.44
Compulsorily Convertible Notes (CCN)					
Unsecured Compulsorily Convertible Notes (CCN) of Sicona Battery Technologies Pty Ltd (refer note f)	AUD 1	1,41,94,000	9,00,000	9,159.95	476.26

Notes to the Standalone Financial Statements for the year ended 31 March 2026

7. Financial Assets (Contd.)

(All the investments are fully paid, unless otherwise stated)

Amount in ₹ lakhs

Particulars	Face Value (₹)	Number 31 March 2026	Number 31 March 2025	31 March 2026	31 March 2025
Optionally Convertible Debentures (OCDs) (unquoted)					
0.01% Secured Optionally Convertible Debentures (OCDs) of Birla Tyres Limited (refer note b)	10	-	49,99,999	-	508.37
0.01% Secured Optionally Convertible Debentures (OCDs) of Himadri Birla Tyre Manufacturer Private Limited (refer note c)	10	-	1,50,00,000	-	1,473.80
0.01% Unsecured Optionally Convertible Debentures (OCDs) of Himadri Birla Tyre Manufacturer Private Limited (refer note c)	10	-	11,80,00,000	-	11,581.20
Non convertible debenture (NCDs) (unquoted)					
0.001% Secured, redeemable Non-Convertible Debentures ("NCDs") of Dalmia Bharat Refractories Limited (refer note d)	10	44,94,00,000	17,94,00,000	48,654.80	18,724.50
Government securities (unquoted) carried at amortised cost					
Kisan Vikas Patra (deposited with sales tax authorities)	-	1	1	0.07	0.07
				1,13,393.17	62,776.84
Aggregate book value of quoted investments				1,268.89	1,204.94
Aggregate market value of quoted investments				1,268.89	1,204.94
Aggregate value of unquoted investments (net of impairment)				1,04,380.61	61,571.90
Aggregate amount of impairment in book value of unquoted investments				(5,244.64)	(5,244.64)
Investment carried at amortised cost				19,879.61	4,976.50
Investment carried at fair value through profit or loss (FVTPL)				73,955.89	38,307.57
Investment carried at fair value through other comprehensive income (FVOCI)				19,557.67	19,492.77

Below rounding off norms of the Company

- (a) The Company had made investments in equity shares and given loans and advances to its wholly owned subsidiary, AAT Global Limited ('AAT'), Hongkong. AAT, in turn, invested in equity shares and had given loans and advances to its subsidiary, Shandong Dawn Himadri Chemical Industry Limited ('SDHCIL'), China. There had been shortfall in the business performance of both AAT and SDHCIL as compared with budgets and further changes in the technology, market, economic environment have had adverse impact on the value of the investments and recoverability of loans and advances given. Due to the on-going size of operations and cost-benefit trend, both AAT and SDHCIL had been incurring losses and their net worth are fully eroded. Accordingly, the Company's investments in equity shares of AAT, amounting to ₹5,244.64 lakhs, had been fully impaired and loans and advances given to AAT, amounting to ₹7,554.01 lakhs, had been fully provided during the year ended 31 March 2020.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

7. Financial Assets (Contd.)

- (b) Optionally Convertible Debentures (OCDs) issued by Birla Tyres Limited (Issuer) are Convertible into equal number of equity shares at the option of the Debenture Holder any time within 5 years from the date of allotment. OCDs shall be redeemed upon expiry of 5 years from the date of allotment, if not converted by Debenture Holder, at a premium as may be fixed by the Issuer at the time of redemption.

On 1 April 2025, the Company has converted 30,00,000 number of optionally convertible debentures (OCDs) of Birla Tyres Limited (BTL) having fair value of ₹305.02 lakhs into equal number of equity shares of BTL. Subsequently on 7 April 2025 the Holding Company has also acquired balance 9,999 equity shares of Birla Tyres Limited from Dalmia Bharat Refractories Ltd for a total consideration of ₹9.00 lakhs, thereby Birla Tyres Limited has become wholly owned subsidiary of the Company.

- (c) Optionally Convertible Debentures (OCDs) issued by Himadri Birla Tyre Manufacturer Private Limited (Issuer) are Convertible into equal number of equity shares at the option of the Debenture Holder any time within 5 years from the date of allotment. OCDs shall be redeemed upon expiry of 5 years from the date of allotment, if not converted by Debenture Holder, at a premium as may be fixed by the Issuer at the time of redemption.

On 1 April 2025, the Company has converted 1,44,118 number of optionally convertible debentures (OCDs) of Himadri Birla Tyre Manufacturer Private Limited (HBTMPL) having fair value of ₹14.41 lakhs into equal number of equity shares and thereby its holding in HBTMPL became 49%. This voting right does not qualify HBTMPL as a subsidiary under Section 2(87) of the Companies Act, 2013. However based on contractual rights (including potential voting right), the Company has the power to make decisions concerning relevant activities and thus has control over HBTMPL and consequently, the management of the Company has decided to consider investment in HBTMPL as investment in subsidiary company.

- (d) Redeemable Non-Convertible Debentures (NCDs) issued by Dalmia Bharat Refractories Limited (Issuer) are redeemable on expiry of 5 years from the date of Allotment unless mutually extended by the Issuer and Debenture

Holder. However, both parties may mutually agree for part redemption of debentures. NCDs shall be subject to such other terms and conditions (including redemption premium, if any) as may be agreed between the Issuer and Debenture Holder.

- (e) The Company on 17 May 2024, has acquired 40% paid-up equity share capital of Invati Creations Private Limited ("Target Company"), for a total purchase consideration of ₹4,516.13 lakhs. The purchase consideration has been discharged in the following manner –

- i. ₹1,999.36 lakhs has been paid in cash against fresh issue of 2,152 equity shares of ₹10.00 each constituting 17.71% stake, of the Target Company; and
- ii. ₹2,516.77 lakhs payable for acquiring 2,709 equity shares of ₹10.00 each, constituting 22.29% stake, of the Target Company from the existing shareholders of the Target Company for consideration other than cash has been settled by way of issue and allotment of 7,96,446 equity shares of the Company having face value of ₹1 each, at a price of ₹316.00 per equity share (including a premium of ₹315.00 per equity share) to the existing shareholders of the Target Company.

This voting right does not qualify ICPL as a subsidiary under Section 2(87) of the Companies Act, 2013. However based on contractual rights (including potential voting right combined with 40% voting right), the Company has the power to make decisions concerning relevant activities and thus has control over ICPL as per IND AS 110: "Consolidated Financial Statements." Consequently, the management of the Company has decided to consider the investment in ICPL as investment in subsidiary Company.

- (f) The Compulsorily Convertible Notes (CCNs) issued by Sicona Battery Technologies Pty Ltd (Issuer) are convertible into Ordinary Shares as per the specific terms prescribed under the Compulsorily Convertible Note Agreement entered into the Company and the Issuer as on September 2024. The CCNs shall be converted into Ordinary Shares of the Issuer as per the time frame outlined under Compulsorily Convertible Note Agreement.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

7. Financial Assets (Contd.)

- (g) 8% Redeemable Preference Share of Dalmia Bharat Refractories Limited was issued and allotted against discharge of Purchase Consideration for demerger of Tyre Undertaking of Birla Tyres Limited, in accordance with the approved resolution plan (as defined in Schedule 8 scheme of demerger therein) and NCLT order dated 19 October 2023, w.e.f. 6 May 2022.

The aforesaid redeemable Preference Share are redeemable at the option of Redeemable Preference shareholder anytime within 5 years at Par. The aforesaid redeemable Preference Share carry dividend @8% p.a. on its face value on Non-Cumulative basis.

- (h) Non-cumulative optionally convertible Preference shares (OCPS) of Modern HI-Rise Private Limited (MHPL) are convertible/redeemable at any time before the expiry of 20 years from the date of allotment (i.e. 1 March 2019) at the option of the Issuer. Each OCPS, if

not opted for conversion shall be redeemable at value equal to fair market value (post considering the market value of underlying assets) of the proportionate equity shares of the Issuer (if it were converted) as on 1 June 2018 (i.e. amalgamation appointed dated). The outstanding OCPS, if not redeemed, would be converted into equity shares at any time at the option of the Issuer, but not later than 20 years from the date of allotment at the option of the Issuer in a manner that the Company would obtain same proportion of equity shareholding (ownership) of the Issuer as on 1 June 2018 i.e. 7.7% of the total outstanding as on 1 June 2018 and would be subject to any dilution thereof pursuant to fresh allotment by MHPL. In case conversion is made by the Issuer, the OCPS will be converted into 6,253 equity shares (i.e. fixed number of equity shares) whenever converted.

Information about the Company's fair value measurement and exposure to credit and market risks are disclosed in note 40 and 41.

B. Current investments

Amount in ₹ lakhs

Particulars	No of Units 31 March 2026	No of Units 31 March 2025	31 March 2026	31 March 2025
Mutual funds (quoted) carried at fair value through profit or loss				
Aditya Birla Sun Life Liquid Fund - growth-Regular plan	3,43,902.253	-	1,510.80	-
DSP Ultra Short Fund - Regular Plan - Growth	47,924.058	-	1,698.21	-
Mirae Asset Low Duration Fund - Regular Plan - Growth	1,08,068.822	-	2,539.05	-
Nippon India Crisil-IBX Financial Services - Growth Plan	1,99,99,000.050	-	2,006.62	-
Kotak Low Duration Fund Standard Growth (Regular Plan)	73,010.908	-	2,541.14	-
Mahindra Manulife Low Duration Fund - Regular - Growth	59,771.411	-	1,015.98	-
			11,311.80	-
Aggregate book value of quoted investments			11,311.80	-
Aggregate market value of quoted investments			11,311.80	-

Investments in mutual funds amounting to ₹ Nil (31 March 2025: ₹ Nil) are pledged with banks against various credit facilities availed by the Company.

Information about the Company's exposure to fair value measurement, credit and market risk and are included in note 40 and note 41.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

7. Financial Assets (Contd.)

C. Investments designated at fair value

Amount in ₹ lakhs

Particulars	Fair value as at 31 March 2026	Dividend income recognised during 2025-2026	Fair value as at 31 March 2025	Dividend income recognised during 2024-2025	Fair value as at 1 April 2024
Fair value through other comprehensive income					
Equity shares					
Investment in Himadri Credit & Finance Limited	1,255.88	-	1,202.29	-	944.42
Investment in Transchem Limited	13.01	-	2.65	-	2.24
Investment in Modern Hi-Rise Private Limited	28.98	-	28.08	-	20.19
Investment in Himadri e-Carbon Limited	2.72	-	2.67	-	1.87
Investment in Birla Tyres Limited *	-	-	0 #	-	0 #
Preference shares					
Investment in Modern Hi-Rise Private Limited	18,257.08	-	18,257.08	-	18,257.08
Fair value through profit or loss (FVTPL)					
Equity shares					
Investment in International Battery Company, Inc.	7,743.67	-	-	-	-
Preference shares					
Investment in Dalmia Bharat Refractories Limited #	0.00	-	0.00	-	0.00
Investment in Sicona Battery Technologies Pty Ltd	6,766.25	-	5,543.44	-	5,611.01
Investment in International Battery Company Inc.	1,631.22	-	-	-	-
Compulsorily Convertible Notes (CCN)					
Investment in Sicona Battery Technologies Pty Ltd	9,159.95	-	476.26	-	-
Optionally convertible debentures (OCDs)					
Investment in Birla Tyres Limited *	-	-	508.37	-	718.50
Investment in Himadri Birla Tyre Manufacturer Private Limited *	-	-	13,055.00	-	12,982.80
Non convertible debentures (NCDs)					
Investment in Dalmia Bharat Refractories Limited	48,654.80	-	18,724.50	-	9,133.80
	93,513.56	-	57,800.34	-	47,671.91

Below rounding off norms of the Company

* w.e.f April 1, 2025 Birla Tyres Ltd and Himadri Birla Tyre Manufacturer Private Ltd became subsidiaries of the company and the fair value of OCDs on the date of conversion has been treated as cost.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

8. Trade receivables

Accounting Policy

Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 115. Trade receivables are held with the objective of collecting the contractual cash flows and therefore are subsequently measured at amortised cost less loss allowance, if any.

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Trade receivable considered good - secured	2,272.86	2,595.71
Trade receivable considered good - unsecured	74,821.47	62,092.86
	77,094.33	64,688.57
Less: Loss allowance	(900.00)	(900.00)
	76,194.33	63,788.57
Non-current	1,018.41	1,018.41
Current	75,175.92	62,770.16
	76,194.33	63,788.57

(a) Movement in loss allowance

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Balance as at beginning of the year	900.00	900.00
Change in loss allowances during the year	-	-
Balance as at the end of the year	900.00	900.00

(b) Trade receivables ageing schedule is as follows:

Amount in ₹ lakhs

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2026							
(i) Undisputed Trade receivables:							
- considered good	62,391.64	11,975.99	827.11	274.46	125.09	136.41	75,730.70
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
(ii) Disputed Trade receivables:							
- considered good	-	-	-	-	-	1,018.41	1,018.41
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	345.22	345.22
Total	62,391.64	11,975.99	827.11	274.46	125.09	1,500.04	77,094.33

Notes to the Standalone Financial Statements for the year ended 31 March 2026

8. Trade receivables (Contd.)

Amount in ₹ lakhs

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2025							
(i) Undisputed Trade receivables:							
- considered good	53,741.36	9,007.10	284.68	144.79	3.73	158.28	63,339.94
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
(ii) Disputed Trade receivables:							
- considered good	-	-	-	-	-	1,018.41	1,018.41
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	41.22	289.00	330.22
Total	53,741.36	9,007.10	284.68	144.79	44.95	1,465.69	64,688.57

- (c) For trade receivables given as security for borrowings, refer note 19.
- (d) Non-current trade receivables represent an amount of **₹1,018.41 lakhs** (31 March 2025: ₹1,018.41 lakhs) due from a customer which is currently under arbitration proceedings. Based on the merits of the case and independent legal opinion obtained by the Company, the Company continues to believe that the outcome of the said proceedings would be in favour of the Company.
- (e) No trade receivables are due from directors of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
- (f) Information about the Company's exposure to credit, market and currency risks, and loss allowances related to trade receivables are disclosed in note 41.

9. Cash and cash equivalents

Accounting Policy

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, and have maturities of less than 3 months from the date of such deposits, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Cash on hand	51.32	48.84
Balances with banks		
- On current accounts	10,453.97	2,917.00
- On cash credit accounts (debit balance)	1,143.55	1,143.55
- On EEFC accounts	2,747.89	693.38
- On deposit account (with original maturities less than 3 months) [refer note below]	-	10,500.00
	14,396.73	15,302.77

Notes to the Standalone Financial Statements for the year ended 31 March 2026

9. Cash and cash equivalents (Contd.)

Balances with banks on current accounts includes earmarked balances of ₹ Nil (31 March 2025: ₹39.39 lakhs) lying in CSR account.

Bank deposits of ₹ Nil (31 March 2025: ₹ Nil) have been pledged with the banks against various credit facilities availed by the Company.

10. Bank balances other than cash and cash equivalents

Accounting Policy

The Company considers balances and deposits with banks having maturity of more than three months but less than 12 months to be bank balances other than Cash & Cash Equivalents.

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Bank deposits due to mature after 3 months of original maturities but within 12 months of the reporting date [refer note (a) below]	56,611.01	51,616.07
Earmarked balances with banks		
- Earmarked balances with banks for unpaid dividend accounts	55.71	54.30
- Other deposits [refer note (b) below]	0.27	0.27
	56,666.99	51,670.64

(a) Bank deposits of ₹51,111.12 lakhs (31 March 2025: ₹51,109.18 lakhs) have been pledged with various banks against various credit facilities availed by the Company.

(b) Earmarked balances with banks of ₹0.27 lakh (31 March 2025: ₹0.27 lakh) is held as security against various credit facilities availed by the Company.

11. Loans

Accounting policy (refer note 7)

(Unsecured and considered good, unless otherwise stated)

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Non-current		
Loan given		
- to wholly owned subsidiaries (including step-down subsidiaries)	20,429.09	7,388.98
	20,429.09	7,388.98
Less: Loss allowance	(6,298.98)	(6,298.98)
	14,130.11	1,090.00
Current		
Loan given		
- to employees	85.62	69.88
- to related party	111.02	113.01
	196.64	182.89
	14,326.75	1,272.89
Loan receivables considered good - secured	-	-
Loan receivables considered good - unsecured	14,326.75	1,272.89
Loan receivables which have significant increase in credit risk	6,298.98	6,298.98
Loan receivables - loss allowance	(6,298.98)	(6,298.98)
	14,326.75	1,272.89

Notes to the Standalone Financial Statements for the year ended 31 March 2026

11. Loans (Contd.)

A. Disclosures pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013.

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
(a) Loans and advances in the nature of loan to subsidiaries		
(i) AAT Global Limited		
Amount outstanding as at year ended	6,298.98	6,298.98
Less: loss allowances	(6,298.98)	(6,298.98)
Maximum balance of loan outstanding during the year	6,298.98	6,298.98
Loan given for business purpose		
Percentage of total loan	-	-
(ii) Himadri Agro Tech Specialities Limited		
Amount outstanding as at year ended	-	-
Less: loss allowances	-	-
Maximum balance of loan outstanding during the year	-	100.00
Loan given for business purpose		
Percentage of total loan	0%	0%
(iii) Himadri Clean Energy Limited		
Amount outstanding as at year ended	820.00	270.00
Less: loss allowances	-	-
Maximum balance of loan outstanding during the year	1,270.00	270.00
Loan given for business purpose		
Percentage of total loan	6%	21%
(iv) Himadri Green Innovation Technologies Limited		
Amount outstanding as at year ended	1,172.00	570.00
Less: loss allowances	-	-
Maximum balance of loan outstanding during the year	1,172.00	570.00
Loan given for business purpose		
Percentage of total loan	8%	45%
(v) Himadri Future Material Technology Limited		
Amount outstanding as at year ended	425.00	250.00
Less: loss allowances	-	-
Maximum balance of loan outstanding during the year	425.00	250.00
Loan given for business purpose		
Percentage of total loan	3%	20%
(vi) Sturdy Niketan Private Limited		
Amount outstanding as at year ended	9,000.00	-
Less: loss allowances	-	-
Maximum balance of loan outstanding during the year	10,000.00	-
Loan given for business purpose		
Percentage of total loan	63%	0%
(vii) Himadri Advance New Energy Material Limited		
Amount outstanding as at year ended	2,125.00	-
Less: loss allowances	-	-
Maximum balance of loan outstanding during the year	2,125.00	-
Loan given for business purpose		
Percentage of total loan	15%	0%

Notes to the Standalone Financial Statements for the year ended 31 March 2026

11. Loans (Contd.)

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
(viii) Himadri Speciality Inc.		
Amount outstanding as at year ended	518.11	-
Less: loss allowances	-	-
Maximum balance of loan outstanding during the year	518.11	-
Loan given for business purpose		
Percentage of total loan	4%	0%
(ix) Himadri Birla Tyre Manufacturer Private Limited		
Amount outstanding as at year ended	70.00	-
Less: loss allowances	-	-
Maximum balance of loan outstanding during the year	70.00	-
Loan given for business purpose		
Percentage of total loan	0%	0%
(b) Loans and advances in the nature of loan to KMPs		
Amount outstanding as at year ended	111.02	113.01
Less: loss allowances	-	-
Maximum balance of loan outstanding during the year	113.01	116.20
Loan given		
Percentage of total loan	1%	9%

(c) **Details of investments:** Particulars of investments as required under Section 186(4) of the Companies Act, 2013 have been disclosed in note 7.

B. Information about the Company's exposure to credit and market risks are disclosed in note 41.

12. Other financial assets

Accounting policy (refer note 7)

(Unsecured and considered good, unless otherwise stated)

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Non-current		
Security and other deposits	12,690.87	6,096.92
Bank deposits due to mature after 12 months of the reporting date	-	0.46
Interest accrued on bank deposits	-	0.08
	12,690.87	6,097.46
Current		
Receivable from parties other than related parties		
Security and other deposits	535.16	535.16
Interest accrued on bank deposits	1,119.87	981.62
Insurance claim receivable	45.43	71.15
Export incentive receivable	16.67	24.92
Government grants receivable	557.06	557.06
Other receivable	127.48	157.64
	2,401.67	2,327.55
	15,092.54	8,425.01

Security and other deposits includes ₹12,400.00 lakhs of deposit provided to one of transport service provider for procurement of specialised dedicated fleet of tankers exclusively for the company use. The same has been fair valued and right to use assets has been recognised as per Ind-AS 116 (refer note 5).

Bank deposits of ₹ Nil (31 March 2025: ₹0.46 lakh) have been pledged with various banks against various credit facilities availed by the Company.

Information about the Company's exposure to credit and market risks are disclosed in note 41.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

13. Non-current tax assets (net)

Accounting policy (refer note 33)

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Advance income tax	900.05	881.39
[net of provision for income tax ₹ Nil (31 March 2025: ₹ 31,138.41 lakhs)]		
	900.05	881.39

14. Other non-current assets

(Unsecured, considered good)

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Capital advances*		
Other than related party	5,867.97	3,085.25
Deposits with government authorities (Custom, excise etc.)	609.84	950.07
Prepaid expenses	-	41.55
	6,477.81	4,076.87

* Represents advances paid towards acquisition of Property, plant and equipment.

15. Inventories

Accounting Policy

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out (FIFO) cost basis. Cost of raw material and traded goods comprises of Cost of purchases and also include all other costs incurred in bringing the inventories to their present location and condition and are net of rebates and discounts. The cost of finished goods and work in progress includes raw materials, direct labour, other direct costs and related production overheads. The comparison of cost and net realisable value is made on an item-by-item basis.

Raw materials and 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.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Raw materials [including goods-in-transit ₹2,837.96 lakhs (31 March 2025: ₹2,121.54 lakhs)]	41,523.62	21,688.00
Work-in-progress	6,018.61	7,823.56
Finished goods	16,393.75	24,562.11
Packing materials	740.85	690.91
Stores and spares	4,844.11	3,827.59
	69,520.94	58,592.17

Carrying amount of inventories pledged as securities for borrowings (refer note 19).

16. Other current assets

(Unsecured considered good unless otherwise stated)

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Parties other than related parties		
Advances to suppliers		
Unsecured, considered good [refer note (b) below]	20,688.75	14,062.97
Unsecured, considered doubtful	216.75	216.75
	20,905.50	14,279.72

Notes to the Standalone Financial Statements for the year ended 31 March 2026

16. Other current assets (Contd.)

(Unsecured considered good unless otherwise stated)

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Less: Allowances for unsecured advances [refer note (a) below]	(216.75)	(216.75)
	20,688.75	14,062.97
Others		
Balance with government authorities	7,097.21	4,838.47
Others (prepaid expenses and other receivables)	1,711.04	811.64
To related party		
Advance for supplies: AAT Global Limited (refer note 39)	1,963.04	2,804.71
Less: Allowances for advances [refer note (a) below]	(1,255.03)	(1,255.03)
	708.01	1,549.68
	30,205.01	21,262.76
(a) Movement in allowances for unsecured advances		
Balance as at beginning of the year	1,471.78	1,471.78
Changes in allowances for advances during the year	-	-
Balance as at the end of the year	1,471.78	1,471.78

(b) Advances to suppliers includes ₹206.75 lakhs (31 March 2025: ₹206.75 lakhs) as advance given in earlier years to a supplier against supply of raw materials which is currently under arbitration proceedings. Based on the merits of the case and independent legal opinion obtained, the Company continues to believe that the outcome of the said proceedings would be in favour of the Company.

(c) For financial instrument details refer note 40 & for details of financial risk management refer note 41.

17. Equity share capital

Accounting Policy

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Authorised		
70,01,00,000 (31 March 2025: 70,01,00,000) equity shares of ₹1 each	7,001.00	7,001.00
Issued, subscribed and fully paid-up		
50,45,41,599 (31 March 2025: 49,37,82,224) equity shares of ₹1 each	5,045.42	4,937.82
	5,045.42	4,937.82

A. Reconciliation of equity shares (ordinary shares) outstanding at the beginning and at the end of the reporting year

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Number	Amount	Number	Amount
At the beginning of the year	49,37,82,224	4,937.82	49,25,94,573	4,925.95
Add: Equity shares issued on exercise of employee stock option (refer note 38)	1,02,375	1.03	2,31,205	2.31
Add: Equity shares issued against conversion of warrants (refer note H)	1,06,57,000	106.57	1,60,000	1.60
Add: Equity shares issued in consideration other than cash (refer note G)	-	-	7,96,446	7.96
At the end of the year	50,45,41,599	5,045.42	49,37,82,224	4,937.82

Notes to the Standalone Financial Statements for the year ended 31 March 2026

17. Equity share capital (Contd.)

B. Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares with par value of ₹1 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared by the Company from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Equity shares held by Investor Education and Protection Fund do not have voting rights.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

C. Equity shares held by upstream associates (shareholders of the Company) having significant influence over the Company

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Number	Amount	Number	Amount
Modern Hi-Rise Private Limited	18,54,07,559	1,854.08	18,54,07,559	1,854.08

D. Details of equity shareholders holding more than 5% shares of fully paid up equity shares of the aggregate equity shares of the Company

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Number	% of total shares in the class	Number	% of total shares in the class
Equity shares of ₹1 each fully paid up held by:				
Modern Hi-Rise Private Limited	18,54,07,559	36.75%	18,54,07,559	37.55%
Anurag Choudhary	4,33,17,676	8.59%	3,73,17,676	7.56%

E. Shareholding of promoters are as follows:

Particulars	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares in the class	% change during the year
As at 31 March 2026					
Equity shares of ₹1 each fully paid up held by:					
Modern Hi-Rise Private Limited*	18,54,07,559	-	18,54,07,559	36.75%	-
Himadri Credit & Finance Limited*	14,84,067	-	14,84,067	0.29%	-
Anurag Choudhary	3,73,17,676	60,00,000	4,33,17,676	8.59%	16.08%
Shyam Sundar Choudhary*	82,50,000	-	82,50,000	1.64%	-
Shikha Choudhary*	37,00,000	-	37,00,000	0.73%	-
Sheela Devi Choudhary*	30,00,000	-	30,00,000	0.59%	-
Amit Choudhary	1,37,50,000	40,00,000	1,77,50,000	3.52%	29.09%
Rinku Choudhary	8,50,000	-	8,50,000	0.17%	-
Anooshka C Bathwal	11,00,000	-	11,00,000	0.22%	-
	25,48,59,302	1,00,00,000	26,48,59,302	52.50%	

Notes to the Standalone Financial Statements for the year ended 31 March 2026

17. Equity share capital (Contd.)

Particulars	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares in the class	% change during the year
As at 31 March 2025					
Equity shares of ₹1 each fully paid up held by:					
Modern Hi-Rise Private Limited	18,25,99,607	28,07,952	18,54,07,559	37.55%	1.54%
Himadri Credit & Finance Limited	14,84,067	-	14,84,067	0.30%	-
Anurag Choudhary	3,30,00,000	43,17,676	3,73,17,676	7.56%	13.08%
Shyam Sundar Choudhary	82,50,000	-	82,50,000	1.67%	-
Shikha Choudhary	37,00,000	-	37,00,000	0.75%	-
Sheela Devi Choudhary	30,00,000	-	30,00,000	0.61%	-
Amit Choudhary	1,37,50,000	-	1,37,50,000	2.78%	-
Rinku Choudhary	8,50,000	-	8,50,000	0.17%	-
Anooshka C Bathwal	11,00,000	-	11,00,000	0.22%	-
	24,77,33,674	71,25,628	25,48,59,302	51.61%	

* Change in percentage is due to increase in equity share capital of the Company during the year.

F. Shares reserved for issue under options

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Number	Amount	Number	Amount
Under Employee Stock Option Plan, 2016 (ESOP 2016) equity shares of ₹1 each	92,944	0.93	2,05,244	2.05

Information of stock options granted to employees are disclosed in note 38 regarding share based payments.

G. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

The Company, on 17 May 2024 had allotted 7,96,446 equity shares having face value of ₹1 each, at a price of ₹316.00 per equity share (including a premium of ₹315.00) per equity share on a preferential basis for consideration other than cash towards payment of ₹2,516.77 Lakhs ("Purchase Consideration"), payable by the Company to the Allottees, as consideration for acquisition of 2,709 equity shares of ₹10 each of Invati Creations Private Limited.

H. Equity Shares issued on conversion of warrants

During the financial year 2024-25, the Company had issued and allotted 1,08,17,000 warrants, each convertible into one equity share of ₹1 each, on Preferential allotment basis at an issue price of ₹316.00 per warrant, to the Promoters and certain other identified persons, upon receipt of 25% of the issue price (i.e. ₹79.00 per warrant) as warrant subscription money. Balance 75% of the issue price (i.e. ₹237.00 per warrant) shall be payable within 18 months from the date of allotment i.e. 14 May 2024, at the time of exercising the option to apply for fully paid-up equity share of ₹1 each of the Company, against each warrant held by the warrant holder. Subsequently the Company upon receipt of balance 75% of the issue price (i.e., ₹237.00 per warrant) for 1,60,000 warrants, has allotted equal no. of fully paid-up equity shares against conversion of said warrants exercised by the warrant holder.

The allottees has exercised their option for conversion of the warrants into equity shares for the remaining 1,06,57,000 warrants, and on receipt of balance 75% money, such warrants has been converted into equal number of equity shares of the Company during the financial year 2025-26. As a result of such allotment, the paid-up equity share capital of the Company has increased by 1,06,57,000 equity shares of face value of ₹1 each.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

17. Equity share capital (Contd.)

I. Distribution made and proposed dividend on equity shares

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Dividend on equity shares declared and paid during the year		
Final dividend for the year ended on 31 March 2025: ₹0.60 per share (31 March 2024: ₹0.50 per share)	2,963.10	2,467.58
Proposed dividend on equity shares not recognised as liability		
Final dividend for the year ended on 31 March 2026: ₹0.80 per share (31 March 2025: ₹0.60 per share)	4,036.33	2,963.10

Proposed dividend on equity shares is subject to the approval of the equity shareholders of the Company at the Annual General Meeting and not recognised as a liability as at Standalone Balance Sheet date.

18. Other equity

Refer Standalone statement of changes in equity for detailed movement in other equity balance.

A. Movement in other equity balance

Amount in ₹ lakhs

Components	1 April 2024	Movement during the year	31 March 2025	Movement during the year	31 March 2026
Capital reserve	1,280.50	-	1,280.50	-	1,280.50
Securities premium	96,759.21	3,377.81	1,00,137.02	33,738.05	1,33,875.07
General reserve	18,955.61	-	18,955.61	-	18,955.61
Share option outstanding reserve*	123.10	(47.67)	75.43	(26.20)	49.23
Money received against share warrants	-	8,419.03	8,419.03	(8,419.03)	-
Retained earnings	1,63,864.25	53,262.24	2,17,126.49	72,018.43	2,89,144.92
Items of other comprehensive income:					
- Equity instruments through Other Comprehensive income	12,212.37	1,608.28	13,820.65	104.46	13,925.11
	2,93,195.04	66,619.69	3,59,814.73	97,415.71	4,57,230.44

* Disclosure of share based payments (refer note 38).

B. Other comprehensive income accumulated in other equity (net of income-tax)

The disaggregation of changes in other comprehensive income by each type of reserve in equity is shown below:

Amount in ₹ lakhs

Components	Equity instruments through other comprehensive income
As at 1 April 2024	12,212.37
Equity instruments through other comprehensive income - net change in fair value	266.98
Tax on above items	1,341.30
As at 31 March 2025	13,820.65
Equity instruments through other comprehensive income - net change in fair value	64.88
Tax on above items (refer note below)	39.58
As at 31 March 2026	13,925.11

Pursuant to amendment in The Finance Act, 2024, resulting in withdrawal of indexation benefit on long term capital gain & consequential change in capital gain tax rate, the Company has written back deferred tax liability amounting to ₹1,381.00 lakhs. It has been recorded under tax expense under other comprehensive income in the standalone statement of profit & loss for the previous year ended 31 March 2025.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

19. Financial Liabilities

Accounting Policy

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value measured on initial recognition of financial liability. They are measured at amortised cost using the effective interest method.

Financial liabilities are measured at fair value through profit and loss (FVTPL) when it is either held for trading or it is designated as at FVTPL.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or have expired.

Disclosure related to Fair value measurement of financial instruments (refer Note 40).

Borrowings

Amount in ₹ lakhs

Particulars	Interest	Maturity	31 March 2026	31 March 2025
Non-current borrowings				
Secured				
Term loans				
Rupee term loan (secured)				
Loan against vehicles and equipments [refer note A(i) below]	7%-8.6%	2026-2029	336.58	286.48
			336.58	286.48
Less: Current maturities of non-current borrowings			(85.09)	(66.20)
			251.49	220.28

Amount in ₹ lakhs

Particulars	Interest	31 March 2026	31 March 2025
Current borrowings			
Secured			
From banks (repayable on demand)			
Rupee loans	6.05%-8.15%	53,271.45	2,500.00
Foreign currency loans		-	27,993.53
		53,271.45	30,493.53
Current maturities of non-current borrowings		85.09	66.20
Unsecured			
From banks (repayable on demand)			
Rupee loans	6.05%-6.50%	18,567.80	-
		71,924.34	30,559.73

Information about the Company's exposure to fair value measurement, interest rate, currency and liquidity risks related to borrowings are disclosed in note 40 and 41.

A. Terms of repayment/ conversion/ redemption

- Loans against vehicles and equipments are for a period of three to seven years and repayable by way of equated monthly instalments.

B. Details of security

- Loans against vehicles and equipments are secured by way of hypothecation of the respective underlying asset financed.
- Current borrowings from banks aggregating to ₹53,271.45 lakhs (31 March 2025: ₹30,493.53 lakhs) are secured by hypothecation of current assets of the Company both present and future on pari passu basis.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

19. Financial Liabilities (Contd.)

C. Compliance with Loan Covenants

The Company has various financial and non-financial covenants (including maintenance of debt-related ratios and reporting requirements) in respect of its borrowings. As at 31 March 2026 the Company is in compliance with all such covenants as stipulated in the respective loan agreements/sanction letters.

20. Trade payables

Accounting Policy

Trade payables represent liabilities for goods and services provided to the Company and are unpaid at the reporting period. The amounts are unsecured and usually paid within time limits as contracted. Trade and other payables are presented as current liabilities unless the payment is not due within 12 months after the reporting period.

They are recognised initially at their transactional value which represents the fair value and subsequently measured at amortised cost using the effective interest method wherever applicable.

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Trade payable for goods and services		
- total outstanding dues of micro enterprises and small enterprises [refer note (b) below]	620.24	496.70
- total outstanding dues of creditors other than micro enterprises and small enterprises	35,460.20	22,924.29
Acceptances from banks	-	57.78
	36,080.44	23,478.77
Non-current	-	-
Current	36,080.44	23,478.77
	36,080.44	23,478.77

(a) Trade payables ageing:

Amount in ₹ lakhs

Particulars	Outstanding for following periods from the transaction date				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2026					
(i) MSME	620.24	-	-	-	620.24
(ii) Others	25,319.75	173.74	13.04	228.57	25,735.10
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-
Total	25,939.99	173.74	13.04	228.57	26,355.34
Add: Accrued Liabilities					9,725.10
Add: Acceptances from banks					-
					36,080.44

Amount in ₹ lakhs

Particulars	Outstanding for following periods from the transaction date				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2025					
(i) MSME	496.70	-	-	-	496.70
(ii) Others	12,327.15	18.03	3,436.97	1,353.93	17,136.08
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-
Total	12,823.85	18.03	3,436.97	1,353.93	17,632.78
Add: Accrued Liabilities					5,788.21
Add: Acceptances from banks					57.78
					23,478.77

Notes to the Standalone Financial Statements for the year ended 31 March 2026

20. Trade payables (Contd.)

(b) Due to micro enterprises and medium enterprises

The disclosure pursuant to the Micro, Small and Medium enterprise development Act, 2006 (MSMED Act) for dues to Micro enterprises and Small enterprises as at 31 March 2026 and 31 March 2025 are as under

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
(i) The amounts remaining unpaid to micro and small suppliers as at the end of each accounting year:		
- Principal	620.24	496.70
- Interest	-	-
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii) 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.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

- (c) Information about the Company's exposure to currency and liquidity risks related to trade payables are disclosed in note 41.

21. Derivatives

Accounting Policy

Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments, such as foreign currency forward contracts, interest rate swaps, cross currency swap and option contracts to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately, if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in Standalone Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Mark to market on derivative contracts	-	423.83
	-	423.83
Non-current	-	-
Current	-	423.83
	-	423.83

Information about the Company's exposure to currency risks related to derivatives are disclosed in note 41.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

22. Other financial liabilities

Accounting policy (refer note 19)

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Non-current		
Security deposits	25.77	25.77
	25.77	25.77
Current		
Interest accrued but not due on borrowings	147.49	443.94
Unclaimed dividend	55.71	54.30
Liability for capital goods	1,637.48	1,009.45
Others (Refer note c below)	4,952.80	1,866.36
	6,793.48	3,374.05

- (a) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (b) Information about the Company's exposure to currency and liquidity risks related to the above financial liabilities are disclosed in note 41.
- (c) Other Current financial liabilities includes Liability towards cancellation of forward contracts, Employee related liabilities, deferred income and Security deposits.

23. Other current liabilities

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Statutory dues (including provident fund, tax deducted at source, goods and services tax and others)	500.08	385.42
Contract Liabilities		
- Advance from customers	210.24	329.98
	710.32	715.40

(a) Reconciliation of contract liabilities for the periods presented:

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Balance at beginning of the year	329.98	1,368.00
Amount received during the year against which revenue has not been recognized	210.24	329.98
Revenue recognized during the year		
i) Contract liabilities at the beginning of the year	(329.98)	(1,368.00)
ii) Performance obligations satisfied in previous years	-	-
Balance at end of the year	210.24	329.98

24. Provisions

Accounting Policy

(a) Employee benefits - refer note 30

(b) Other Provisions

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flows to settle the present obligation, its carrying amount is the present value of those cash flows. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

24. Provisions (Contd.)

The amortisation or “unwinding” of the discount applied in establishing the provision is charged to the income statement in each accounting period. The amortisation of the discount is shown within finance costs in the standalone Statement of profit or loss.

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Non-current		
Net defined benefit liability - Gratuity [refer note (A) below]	773.02	588.17
Liability for compensated absences [refer note (B) below]	440.67	442.58
Provision for litigation [refer note (B) below]	78.42	78.42
	1,292.11	1,109.17
Current		
Liability for compensated absences [refer note (B) below]	251.01	44.84
	251.01	44.84

The Company has classified the various benefits provided to employees as under:

A. Defined benefits - Gratuity

The Company's gratuity benefit scheme for its employees in India is a defined benefit plan (funded).

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

Inherent risk

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk. These defined benefit plans expose the Company to actuarial risks, such as interest rate risk, salary inflation risk, demographic risk and market (investment) risk.

The following tables analyse present value of defined benefit obligations, expense recognised in Standalone Statement of Profit and Loss, actuarial assumptions and other information.

(i) Reconciliation of present value of defined benefit obligation

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
(a) Balance at the beginning of the year	1,133.11	914.46
(b) Current service cost	150.38	115.06
(c) Interest cost	76.85	61.85
(d) Actuarial (gains)/ losses recognised in other comprehensive income	(35.94)	103.21
(e) Past service cost - plan amendments [Refer note 30(b)]	224.00	-
(f) Benefits paid	(54.49)	(61.47)
Balance at the end of the year	1,493.91	1,133.11

(ii) Reconciliation of fair value of plan assets

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
(a) Balance at the beginning of the year	544.94	438.17
(b) Expected return on plan asset	40.44	33.24
(c) Actual return on plan asset less interest on plan asset	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2026

24. Provisions (Contd.)

(ii) Reconciliation of fair value of plan assets (Contd.)

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
(d) Contributions by the employer	190.00	135.00
(e) Benefits paid	(54.49)	(61.47)
Balance at the end of the year	720.89	544.94

(iii) Net liability recognised in the Standalone Balance Sheet

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
(a) Present value of defined benefit obligation	(1,493.91)	(1,133.11)
(b) Fair value of plan assets	720.89	544.94
Net asstes/liability recognised in the Standalone Balance Sheet	(773.02)	(588.17)

(iv) Expense recognised in Standalone Statement of Profit or Loss

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
(a) Current service cost	150.38	115.06
(b) Past service cost - plan amendments	224.00	-
(c) Interest cost	76.85	61.85
(d) Expected return on plan assets	(40.44)	(33.24)
Amount charged to Standalone Statement of Profit or Loss	410.79	143.67

(v) Remeasurements recognised in Standalone Other Comprehensive Income

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
(a) Actuarial loss/ (gain) arising on defined benefit obligation from		
- financial assumptions	(104.59)	49.67
- experience adjustment	68.65	53.54
(b) Actual return on plan asset less interest on plan asset	-	-
Amount recognised in Standalone Other Comprehensive Income	(35.94)	103.21

(vi) The sensitivity of the overall plan obligation to changes in the weighted key assumptions are:

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Impact on defined benefit obligation on discount rate plus 100 basis points	(152.42)	(118.11)
Impact on defined benefit obligation on discount rate minus 100 basis points	180.61	140.42
Impact on defined benefit obligation on salary growth rate plus 100 basis points	150.73	121.16
Impact on defined benefit obligation on salary growth rate minus 100 basis points	(132.84)	(108.53)

The above sensitivity analysis have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method is used to calculate the liability recognised in the Standalone Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

24. Provisions (Contd.)

(vii) Actuarial assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Standalone Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Financial assumptions

Particulars	31 March 2026	31 March 2025
Discount rate	7.20%	6.60%
Expected rate of salary increase	7.00%	7.00%
Retirement age (years)	60	60
Attrition rate based on different age group of employees:		
ages from 20-25	5%	5%
ages from 25-30	3%	3%
ages from 30-35	2%	2%
ages from 35-50	1%	1%
ages from 50-55	2%	2%
ages from 55-58	3%	3%

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employee market.

Demographic assumptions

Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2006-2008) Ultimate.

(viii) Maturity profile of defined benefit obligation (undiscounted)

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Within next 12 months	42.71	52.13
1-2 year	81.70	47.66
2-3 year	108.13	60.91
3-4 year	102.21	77.89
4-5 year	58.96	73.77
Thereafter	506.36	330.47

Particulars	31 March 2026	31 March 2025
(ix) Weighted average duration of defined benefit obligation	12 years	12 years

(x) The Company expects to pay ₹ Nil in contribution to its defined benefit plans during the year 2026-2027.

(xi) Asset liability matching strategy:

The defined benefit plans are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies. Thus, the composition of each major category of plan assets has not been disclosed.

There is no compulsion on the part of the Company to fully prefund the liability of the plan. The Company's philosophy is to fund these benefits based on its own liquidity and the level of underfunding of the plan.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

24. Provisions (Contd.)

B. Other Provisions

Amount in ₹ lakhs

Particulars	Liability for compensated absences	Provision for litigation
Balance as at 1 April 2024	455.87	78.42
Add: Provisions made during the year 2024-2025	120.26	-
Less: Amount utilised/ reversed during the year 2024-2025	(88.71)	-
Balance as at 31 March 2025	487.42	78.42
Add: Provisions made during the year 2025-2026	304.01	-
Less: Amount utilised/ reversed during the year 2025-2026	(99.75)	-
Balance as at 31 March 2026	691.68	78.42

Movement of provision for litigation during the year as required by Ind AS 37: "Provisions, Contingent Liabilities and Contingent Asset" specified under Section 133 of the Companies Act, 2013, the Company as a prudent measure had made provisions in the earlier year amounting to ₹78.42 lakhs representing estimates made mainly for probable claims arising out of disputes pending with the sales tax authorities. The probability and timing of the outflow with regard to these matters depend upon the ultimate settlement with the relevant authorities.

25. Current tax liabilities (net)

Accounting policy (refer note 33)

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Income-tax liabilities	380.36	955.75
[net of advance tax ₹21,474.92 lakhs (31 March 2025: ₹13,139.01 lakhs)]	380.36	955.75

26. Revenue from operations

Accounting Policy

The Company's revenue primarily from sale of Carbon materials and chemicals, and power (generation and distribution). Revenue excludes any taxes and duties collected on behalf of the Government.

Revenue from sale of products is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the products.

Revenue from sale of services is recognised over the period of time when the services are rendered to the customer.

At contract inception, the Company assess the goods promised in a contract with a customer and identifies as a performance obligation of each promise to transfer to the customer. Revenue from contracts with customers is recognized when control of goods is transferred to customers and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivables, net of returns and allowances and trade discounts.

The Company's derives its power revenue from the production and sale of electricity based on long-term Power Purchase Agreements. Revenue is recognised upon delivery of electricity produced to the electricity grid based on the agreed tariff rate.

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Sale of products	4,38,781.08	4,59,259.08
Sale of Services	1,436.53	-
Other operating revenue		
- Export incentive	292.96	321.26
Total revenue from operations	4,40,510.57	4,59,580.34

Notes to the Standalone Financial Statements for the year ended 31 March 2026

26. Revenue from operations (Contd.)

- (i) Sales are net of price adjustments settled during the year by the Company, discounts and Goods and Services tax (GST) etc.

- (ii) Revenue disaggregation is as follows:

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
(a) Disaggregation of goods and services		
- Carbon materials and chemicals	4,36,851.13	4,56,890.66
- Power	1,929.95	2,368.42
	4,38,781.08	4,59,259.08
- Sale of services	1,436.53	-
	4,40,217.61	4,59,259.08
(b) Disaggregation based on geography		
India	3,01,270.94	3,36,040.66
Outside India	1,38,946.67	1,23,218.42
	4,40,217.61	4,59,259.08
Geographical location is based on the location of customers excluding export incentives		
(c) Reconciliation of Revenue from sale of products with the contracted price		
Contracted price	4,45,781.70	4,55,020.92
Add/(less): Adjustment for variable consideration	(5,564.09)	4,238.16
	4,40,217.61	4,59,259.08
(d) Timing of revenue recognition		
- at a point in time	4,38,781.08	4,59,259.08
- over time	1,436.53	-
	4,40,217.61	4,59,259.08
(e) Information about major customers (refer note 41)		
(f) Contract balances		
Trade receivables (refer note 8)	76,194.33	63,788.57
Contract assets	-	-
Contract Liabilities (refer note 23)		
- Advance from customers	210.24	329.98

27. Other income

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest income under the effective interest method:		
- Interest on bank deposits	4,365.61	4,199.14
- Others	31.97	10.46
- Income from related parties (refer note 39):		
- On loan given to subsidiaries (including step-down subsidiaries)	1,163.39	50.23
- Others	6.00	5.99
- Unwinding of discount on security deposits and others	785.43	174.00
Gain on sale proceeds of current investments measured at fair value through profit or loss	169.52	-
Insurance claims	76.53	19.63

Notes to the Standalone Financial Statements for the year ended 31 March 2026

27. Other income (Contd.)

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Gain on fair valuation of non current investments measured at fair value through profit or loss	9,957.40	343.43
Miscellaneous income*	1,074.26	287.26
	17,630.11	5,090.14

* Miscellaneous income includes amount received under keyman insurance policy of ₹614.46 lakhs (31 March 2025: Nil)

28. Cost of materials consumed

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Inventory of raw materials at the beginning of the year	21,688.00	34,421.08
Add: Purchases during the year	2,91,349.41	3,02,965.90
	3,13,037.41	3,37,386.98
Less: Inventory of raw materials at the end of the year	(41,523.62)	(21,688.00)
Less: Material captively consumed in capital projects	(4,121.19)	-
Cost of materials consumed	2,67,392.60	3,15,698.98

29. Change in inventories of finished goods and work-in-progress

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Opening inventories		
Finished goods	24,562.11	23,408.16
Work-in-progress	7,823.56	8,476.32
	32,385.67	31,884.48
Closing inventories		
Finished goods	16,393.75	24,562.11
Work-in-progress	6,018.61	7,823.56
	22,412.36	32,385.67
Less: Material captively consumed in capital projects	(611.89)	-
Change in inventories of finished goods and work-in-progress	9,361.42	(501.19)

30. Employee benefits expense

Accounting Policy

Retirement benefit costs and termination benefits

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of government bonds having terms approximating to the terms of related obligation. The gratuity fund is being managed by Life Insurance Corporation of India.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

30. Employee benefits expense (Contd.)

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss. Past service cost is recognised in the standalone statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the standalone statement of profit and loss in the period in which they arise. Expense on non-accumulating compensated absences is recognized in the period in which they arise.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation at the present value of the obligation as on the reporting date.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, Bonus etc. in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Particulars	Amount in ₹ lakhs	
	Year ended 31 March 2026	Year ended 31 March 2025
Salaries, wages and bonus	12,454.62	10,255.11
Contribution to provident and other funds	690.00	625.58
Defined benefit plan expenses - Gratuity [refer note 24 (b)]*	356.63	115.06
Staff welfare expenses	1,594.73	1,440.88
	15,095.98	12,436.63

* Net of capitalisation of ₹17.75 lakhs (31 March 2025: Nil)

- (a) Salaries, wages and bonus includes ₹1,082.53 lakhs (31 March 2025: ₹819.58 lakhs) relating to outsource manpower cost.
- (b) 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, and 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 changes in regulations.

The Company has re-assessed its liability for Gratuity and Leave Encashment using this revised wage base. The resulting increase in the Present Value of Defined Benefit Obligation (PVDBO) has been recognized as a past service cost. In accordance with the ICAI FAQ on Labour codes, the total impact of ₹224.00 lakhs has been debited to the standalone statement of Profit and Loss for the period ended 31 March 2026. A corresponding Deferred Tax Asset has been recognized under Ind AS 12, as these costs are tax-deductible only upon actual payment.

The Company has evaluated the impact of the OSHWC Code, 2020 regarding contract labour. Based on this assessment and existing service contracts, there is no financial impact on the current reporting period. "The contractual obligation for statutory contributions and wage payments rests with the respective licensed contractors. The Company has monitored compliance and concluded that no secondary liability has devolved upon it during the reporting period." As the Company does not engage contract labour for "core activities," no additional direct liability or permanent employment obligations have been triggered under the new framework.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

30. Employee benefits expense (Contd.)

- (c) The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident and Pension Fund and Employee State Insurance ('ESI') which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are recognised in the Standalone Statement of Profit and Loss as they accrue.

The expense for defined contribution plans amounts to **₹462.54 lakhs** (31 March 2025: ₹405.59 lakhs). Out of these, **₹454.27 lakhs** (31 March 2025: ₹394.83 lakhs) pertains to provident fund plan and **₹8.27 lakhs** (31 March 2025: ₹10.76 lakhs) pertains to ESI.

31. Finance costs

Accounting Policy

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.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest expense on financial liabilities measured at amortised cost	5,666.68	4,047.73
Exchange difference regarded as an adjustment to borrowing costs	-	210.18
Other borrowing costs	157.74	179.32
Interest cost on lease liability [refer note 35(e)]	15.98	19.90
	5,840.40	4,457.13

32. Other expenses

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Consumption of stores and spares	737.07	866.62
Power and fuel* [refer note (a) below]	1,629.80	1,273.67
Rent	2,733.44	2,732.81
Rates and taxes	386.25	499.27
Repairs to*:		
- Building	83.18	126.16
- Plant and equipment	2,812.62	2,243.66
- Others	878.76	727.81
Payment to auditors' [refer note (b) below]	103.16	84.19
Insurance	717.23	363.24
Packing expenses	4,006.33	3,739.01
Freight and forwarding expenses	24,028.49	23,949.30
Commission on sales	1,316.99	1,470.58
Net foreign exchange loss/ (gain)	4,381.11	(747.42)
Expenditure on corporate social responsibility [refer note (c) below]	1,120.77	648.70
Miscellaneous expenses	10,296.92	8,866.07
	55,232.12	46,843.67
* includes stores and spares consumed	2,002.67	1,368.66

Notes to the Standalone Financial Statements for the year ended 31 March 2026

32. Other expenses (Contd.)

(a) Power and fuel includes expenses incurred on operation of the power plant

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Consumption of stores and spares	302.64	189.40
Repairs	133.43	117.76
Other operational expenses	54.95	53.28
	491.02	360.44

(b) Payment to auditors'

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
As auditors':		
- Statutory audit fees	60.00	53.50
- Limited review of quarterly results	30.00	21.50
- Certification fees	10.20	6.55
Reimbursement-Out of pocket expenses	2.96	2.64
	103.16	84.19

(c) Expenditure on corporate social responsibility (CSR)

As per Section 135 of the Act, a Company meeting the applicability threshold, is required to spend at least 2% of its average net profit for the immediate preceding three financial years on CSR activities. The area of CSR activities are eradicating hunger, poverty and malnutrition, promoting education, promoting healthcare including preventive healthcare. A CSR committee has been formed by the Company under the Act.

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
A. Gross amount required to be spent by the Company	1,120.77	648.70
B. Amount spent during the year (in cash)		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	790.66	486.08
C. Related party transactions in relation to corporate social responsibility (refer note 39)	845.39	607.30
D. Provision movement during the year of ongoing project		
Opening provision	39.39	142.19
Add: Amount required to be spent on ongoing projects	247.11	-
Less: Utilised during the year	(39.39)	(102.80)
Closing provision	247.11	39.39
E. Details of other projects		
(a) Opening unspent amount brought forward	-	-
(b) Amount of excess CSR spent brought forward for set-off	83.00	245.64
(c) Amount required to be spent by the Company for the year	1,120.77	648.70
(d) Amount spent during the year from Company's bank account	(790.66)	(486.06)
(e) Amount transferred to CSR for ongoing projects	(247.11)	-
(f) Amount of excess CSR spent carried forward for set-off*	-	83.00
Closing balance	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2026

32. Other expenses (Contd.)

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Closing balance:		
(a) With Company**	247.11	-
(b) In CSR unspent account	-	39.39

Nature of major CSR activities undertaken :

- (a) Promoting Education
- (b) Eradicating hunger, poverty and malnutrition, distribution of food, drinking water and cloth.
- (c) Health Care
- (d) Rural Development

* In compliance with the provisions laid under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, there was no amount unspent for other than ongoing projects for the year ended 31 March 2026. Amount available for set off in succeeding financial years ₹ Nil (31 March 2025: ₹83.00 lakhs).

** The unspent CSR amount related to ongoing projects of ₹247.11 lakhs for the year 31 March 2026 was deposited to CSR bank account on 21 April 2026.

33. Income tax

Accounting Policy

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Taxable profit differs from 'profit before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities using a weighted average probability.

Deferred tax

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax on the deductible temporary difference and taxable temporary differences in respect of carrying value of right of use assets and lease liability and their respective tax bases are recognised separately. The measurement of deferred tax liabilities and assets 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.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current and deferred tax for the period

Current and deferred tax are recognised in the standalone statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

33. Income tax (Contd.)

A. Reconciliation of effective tax rate

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026		Year ended 31 March 2025	
	Percentage	Amount	Percentage	Amount
Profit before tax		99,136.24		80,773.75
Statutory income-tax rate	25.17%	24,950.61	34.94%	28,225.58
Tax Effects of:				
Reversal of deferred tax liabilities (net) due to re-measurement of deferred tax assets / liabilities as per Ind AS 12 "Income Taxes"	0.00%	-	(0.37%)	(301.10)
Non - deductible expenses for tax purposes	0.29%	291.58	0.11%	87.83
Tax exempt income/ additional deduction as per income-tax	0.00%	-	(4.33%)	(3,494.20)
Income chargeable at lower tax rate	(1.11%)	(1,100.59)	0.00%	-
Unutilised balance of MAT charged to deferred tax expense	0.00%	-	0.44%	356.67
Others	0.00%	(12.04)	0.00%	-
Income tax related to earlier years	0.04%	36.82	0.11%	91.92
	24.39%	24,166.38	30.91%	24,966.70
Amount recognised in profit or loss				
- Current tax		21,855.28		14,094.76
- Deferred tax		2,274.28		10,780.02
- Income tax related to earlier years		36.82		91.92
Total tax expenses		24,166.38		24,966.70

- B. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations 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 continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the Standalone financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

C. Movement in deferred tax assets and liabilities

Amount in ₹ lakhs

Movement during the year ended 31 March 2025	Balance as on 1 April 2024	Charge / (credit) to profit or loss	Charge / (credit) to OCI	Balance as on 31 March 2025
Deferred tax (assets)/liabilities:				
Property, plant and equipment	24,324.50	28.81	-	24,353.31
Trade receivables	(314.50)	87.99	-	(226.51)
Right of use assets	603.47	(193.59)	-	409.88
Loans	(760.05)	255.44	-	(504.61)
Other assets	(34.66)	9.37	-	(25.29)
Borrowings	2.53	(2.53)	-	-
Other liabilities	(47.11)	(10.75)	-	(57.86)
Other financial liabilities	-	(172.07)	-	(172.07)
Share based payments- Equity-settled	(43.01)	24.03	-	(18.98)
Provisions	(193.52)	(86.17)	(25.98)	(305.67)
MAT credit entitlement	(10,889.69)	10,889.69	-	-
Gain/ loss on fair valuation of Investments in equity instruments	4,265.28	(50.20)	(1,341.30)	2,873.78
Net deferred tax liabilities	16,913.24	10,780.02	(1,367.28)	26,325.98

Notes to the Standalone Financial Statements for the year ended 31 March 2026

33. Income tax (Contd.)

Amount in ₹ lakhs

Movement during the year ended 31 March 2026	Balance as on 1 April 2025	Charge / (credit) to profit or loss	Charge / (credit) to OCI	Balance as on 31 March 2026
Deferred tax (assets)/liabilities:				
Property, plant and equipment	24,353.31	819.99	-	25,173.30
Trade receivables	(226.51)	-	-	(226.51)
Right of use assets	409.88	621.38	-	1,031.26
Loans	(504.61)	(679.15)	-	(1,183.76)
Other assets	(25.29)	(0.33)	-	(25.62)
Other liabilities	(57.86)	18.62	-	(39.24)
Other financial liabilities	(172.07)	172.07	-	-
Share based payments- Equity-settled	(18.98)	6.59	-	(12.39)
Provisions	(305.67)	(106.97)	24.27	(388.37)
Gain/ loss on fair valuation of Investments in equity instruments	2,873.78	1,422.08	(39.58)	4,256.28
Net deferred tax liabilities	26,325.98	2,274.28	(15.31)	28,584.95

- a) Deferred tax assets is not recognised on certain items [such as investment impairment, loss allowances on advances and capital loss] due to lack of reasonable certainty.
- b) Section 115 BAA of the Income-tax Act, 1961, introduced by the Taxation Laws (Amendment) Act, 2019 gives a one-time irreversible option for payment of income-tax at reduced rate with effect from financial year commencing 1 April 2019 subject to certain conditions.

The Company continued with existing tax regime till the financial year 2024-25 to utilise the accumulated Minimum Alternative Tax ('MAT'). Accordingly the Company has reversed net deferred tax liability of ₹301.10 lakhs and unutilised balance of MAT of ₹356.67 lakhs has been charged to deferred tax expense in the standalone statement of profit and loss during the previous year ended 31 March 2025. Effective 01 April 2025 the Company has migrated to the Lower Tax Regime as prescribed under section 115BAA of the Income Tax Act 1961.

34. Earnings per equity share (EPS)

Accounting Policy

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
A. Basic earnings per equity share		
(i) Profit for the year, attributable to the equity share holders of the Company (before exceptional items) in ₹ lakhs	74,969.86	55,807.05
(ii) Profit for the year, attributable to the equity share holders of the Company (after exceptional items) in ₹ lakhs	74,969.86	55,807.05
(iii) Weighted average number of equity shares (basic) (number)	49,81,79,152	49,35,07,929
Basic earnings per equity share (before exceptional items) [(i)/ (iii)] in ₹	15.05	11.31
Basic earnings per equity share (after exceptional items) [(ii)/ (iii)] in ₹	15.05	11.31

Notes to the Standalone Financial Statements for the year ended 31 March 2026

34. Earnings per equity share (EPS) (Contd.)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
B. Diluted earnings per equity share		
(i) Weighted average number of equity shares (basic) (number)	49,81,79,152	49,35,07,929
(ii) Effect of dilutive potential equity shares on account of employee stock options & convertible warrants (number)	21,35,532	37,03,593
(iii) Weighted average number of equity shares (diluted) for the year (i+ii)	50,03,14,684	49,72,11,522
Diluted earnings per equity share (before exceptional items) [(A) (i)/ (B) (iii)] in ₹	14.98	11.22
Diluted earnings per equity share (after exceptional items) [(A) (ii)/ (B) (iii)] in ₹	14.98	11.22

35. Contingent liability and commitments

(to the extent not provided for)

Accounting Policy

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
(a) Contingent liabilities		
<i>Claim against the Company not acknowledged as debts</i>		
Sales tax/VAT matters in dispute/ under appeal	1,208.03	2,729.14
GST matters in dispute/ under appeal	227.43	474.43
Excise/ Service Tax matters in dispute/under appeal	10.60	10.60
Custom duty matter in dispute/ under appeal	28.83	28.83
Entry tax in dispute/ under appeal - Chhattisgarh	-	507.78
Income tax in dispute/ under appeal	1,678.16	1,042.70
Others [refer note (ii) below]	266.71	266.71

Note:

- Cash outflows for the above are determinable only on receipt of final judgments pending at various forums/ authorities. 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 the outcome of these proceedings to have a materially adverse effect on its financial position.
- Others represents dispute with a lessor in respect of arrear dues. The Company based on independent legal opinion, does not foresee any significant financial liability on this account.
- The Company imported capital goods under the EPCG scheme at zero customs duty. The total duty saved against these imports amounts to ₹1,709.44 lakhs (31 March 2025: ₹249.27 lakhs). As of 31 March 2026, the Company has an outstanding export obligation of ₹1041.92 lakhs (31 March 2025: Nil). The Company is confident of meeting these obligations within the stipulated time frame of 6 years from the respective dates of authorisation.
- The Company has issued performance guarantees to a supplier on behalf of one of its subsidiary, for the due and punctual performance of contractual obligations. Management considers the likelihood of a default by the subsidiary to be remote. Consequently, no provision has been recognised in the financial statements.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

35. Contingent liability and commitments (Contd.)

(d) Commitments

		Amount in ₹ lakhs	
Particulars	31 March 2026	31 March 2025	
Capital and other commitments			
Estimated amount of contracts in capital account remaining to be executed and not provided for (net of capital advance)	7,569.86	11,070.79	

(e) Leases (Ind AS 116)

Accounting Policy

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the company uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk and makes adjustments specific to the lease, e.g. term, security etc.

Carrying value of right of use assets at the end of the reporting period by class (refer note 5).

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026				Year ended 31 March 2025			
	Land	Buildings	Vehicles	Amount	Land	Buildings	Vehicles	Amount
Balance at the beginning of the year	1,473.63	154.93	-	1,628.56	1,673.28	53.67	-	1,726.95
Addition during the year	-	-	3,483.92	3,483.92	-	189.32	-	189.32
Amortisation during the year	(199.65)	(68.38)	(746.94)	(1,014.97)	(199.65)	(88.06)	-	(287.71)
Balance at the end of the year	1,273.98	86.55	2,736.98	4,097.51	1,473.63	154.93	-	1,628.56

Movement in lease liabilities

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Balance at the beginning of the year	229.88	134.69
Additions during the year	-	185.41
Finance cost accrued during the year (refer note 31)	15.98	19.90
Payment of lease liabilities during the year (including interest)	(89.93)	(110.12)
Balance at the end of the year	155.93	229.88
Lease liabilities - Non-current	72.39	139.95
Lease liabilities - Current	83.54	89.93

Notes to the Standalone Financial Statements for the year ended 31 March 2026

35. Contingent liability and commitments (Contd.)

Maturity analysis of lease liabilities

Amount in ₹ lakhs

Maturity analysis – contractual undiscounted cash flows	31 March 2026	31 March 2025
Less than one year	83.54	89.93
One to five years	74.36	147.17
More than five years	32.77	43.50
Total undiscounted lease liabilities at the end of the year	190.67	280.60

Amount recognised in Standalone Statement of Profit and Loss

Amount in ₹ lakhs

	Year ended 31 March 2026	Year ended 31 March 2025
Interest on lease liabilities	15.98	19.90
Amortisation during the year	1,014.97	287.71
Expenses relating to short-term leases and low value assets	2,733.44	2,732.81

Amount recognised in the Standalone Statement of Cash Flows

Amount in ₹ lakhs

	Year ended 31 March 2026	Year ended 31 March 2025
Interest expenses recognised during the year (refer note 31)	15.98	19.90
Lease payments reflected in Standalone Statement of Cash Flows	73.95	90.22

36. Other comprehensive income

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Items that will not be reclassified subsequently to profit or loss		
Re-measurement of Defined Benefit Plans	35.94	(103.21)
Income Tax relating to items that will not be reclassified to profit or loss	(24.27)	25.98
	11.67	(77.23)
Equity Instrument at Fair Value through Other Comprehensive Income	64.88	266.98
Income Tax relating to items that will not be reclassified to profit or loss	39.58	1,341.30
	104.46	1,608.28
Items that will be reclassified subsequently to profit or loss	-	-
	-	-
Other comprehensive income for the year (net of income tax)	116.13	1,531.05

37. Research and development expenses

Research and development expenses aggregating to ₹6,255.30 lakhs (31 March 2025: ₹3,587.78 lakhs) in the nature of revenue expenditure and addition of ₹182.00 lakhs (31 March 2025: ₹342.11 lakhs) in the nature of capital expenditure during the year have been included under the relevant account heads. In addition to the above expenses, research and development expenses in the nature of capital expenditure on identified project of ₹6,368.82 lakhs (31 March 2025: ₹183.13 lakhs) have been incurred during the year and is included in capital work in progress as on 31 March 2026.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

38. Share based payments

A. Description of share-based payment arrangement

Himadri Employees Stock Option Plan 2016 (equity-settled)

The Company at its 28th Annual General Meeting held on 24 September 2016, has approved "Himadri Employees Stock Option Plan 2016" (ESOP 2016 or Plan) for granting 40,00,000 Employees Stock Options to certain "eligible employees". The Plan is administered by the Nomination and Remuneration Committee of the Board ("the Committee") in compliance with the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other applicable provisions of the Companies Act, 2013 for the time being in force. The option granted to certain eligible employees including certain key management personnel on vesting condition of time basis, Company performance and individual performance as specified in the grant letter issued to each employee.

Scheme	Vesting Period	Exercise Period	Year	Date of grant	Number of options granted	Exercise price ₹ per equity share
ESOP 2016 Plan (Tranche I)	Vested after 1 year but not later than 5	Any time within a period of 5 years from the date of vesting and will be settled by way of equity shares in accordance with the aforesaid plan.	2016-2017	05 January 2017	13,04,600	19
ESOP 2016 Plan (Tranche II)	years from the date of grant of options.		2018-2019	08 May 2018	26,95,000	140

B. Measurement of fair values

Equity-settled share based payment arrangements

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 plan are as follows:

Particulars	ESOP 2016 (Tranche I)		ESOP 2016 (Tranche II)	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Fair value at grant date	₹24.94	₹24.94	₹23.01	₹23.01
Share price at grant date	₹36.70	₹36.70	₹121.15	₹121.15
Exercise price	₹19.00	₹19.00	₹140.00	₹140.00
Expected volatility* (weighted average volatility)	57.57%	57.57%	23.77%	23.77%
Expected life (expected weighted average life)	4.39 years	4.39 years	3.07 years	3.07 years
Expected dividends**	0.27%	0.27%	0.41%	0.41%
Risk-free interest rate (based on government bonds)	6.48%	6.48%	7.35%	7.35%

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

Expected life of the options has been calculated on the assumption that options would exercise within one year from the date of vesting.

The fair value of option on the date of grant have been done by an independent valuer appointed by the management using the Black Scholes Merton Model.

* Expected volatility on the Company's stock price on National Stock Exchange of India Ltd based on the data commensurate with the expected life of the options up to the date of grant.

** Expected dividend on underlying shares is taken as 10% on market price as on the date of grant.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

38. Share based payments (Contd.)

C. Reconciliation of outstanding share options

The number and weighted average exercise prices of share option under the share option plan (refer A above) are as follows.

Particulars	31 March 2026		31 March 2025	
	Weighted average exercise price per option (in ₹)	Number of options	Weighted average exercise price per option (in ₹)	Number of options
Outstanding at 1 April	136.18	2,05,244	137.28	4,36,449
Granted during the year	-	-	-	-
Forfeited during the year	140.00	9,925	-	-
Exercised during the year	140.00	1,02,375	138.26	2,31,205
Outstanding at 31 March	131.57	92,944	136.18	2,05,244
Exercisable at 31 March	131.57	92,944	136.18	2,05,244

A weighted average remaining contractual life of **1.11** years (31 March 2025: 1.60 years).

The weighted average share price at the date of exercise for share options exercised during the year 2025-2026 was **₹423.69** (2024-2025: ₹351.59).

Weighted average fair value of the options granted during the year 2025-2026 was **₹ Nil** (2024-2025: ₹ Nil).

D. Expense recognised in Standalone Statement of Profit and Loss

During the year ended 31 March 2026, the Company has charged **₹ Nil** (31 March 2025: ₹ Nil) as share based payment equity-settled expenses.

E. Details of the liabilities arising out of the share based payments to employees - Equity settled were as follows:

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Total carrying amount	49.23	75.43

39. Related party disclosure

A. Enterprises where control exists:

i) Subsidiaries

Name of the related party	Principal place of business	% of shareholding and voting power	
		31 March 2026	31 March 2025
AAT Global Limited (AAT), Wholly owned subsidiary	Hongkong	100	100
Shandong Dawn Himadri Chemical Industry Limited (SDHCIL), subsidiary of AAT	China	94	94
Himadri Speciality Inc (HSI), Wholly owned subsidiary (w.e.f. 07 February 2025)	U.S.A	100	100
Himadri Agro Tech Specialities Limited (formerly Combe Projects Limited, Combe Projects Private Limited), a wholly-owned subsidiary	India	100	100
Himadri Clean Energy Limited (HCEL), Wholly owned subsidiary	India	100	100
Himadri Future Material Technology Limited (HFMTL), Wholly owned subsidiary of HCEL	India	100	100
Himadri Green Technologies Innovation Limited (HGTIL), Wholly owned subsidiary of HCEL	India	100	100

Notes to the Standalone Financial Statements for the year ended 31 March 2026

39. Related party disclosure (Contd.)

Name of the related party	Principal place of business	% of shareholding and voting power	
		31 March 2026	31 March 2025
Invati Creations Private Limited (ICPL), subsidiary of Company	India	40	40
Birla Tyres Limited (BTL), Wholly owned subsidiary (w.e.f. 01 April 2025)	India	100	0
Himadri Birla Tyre Manufacturer Private Limited, subsidiary (w.e.f. 01 April 2025)	India	49	0
Trancemarine and Confreight Logistics Private Limited (TCLPL), subsidiary (w.e.f. 04 April 2025)	India	60	0
Sturdy Niketan Private Limited, subsidiary of TCLPL (w.e.f. 04 April 2025)	India	99	0
Himadri Advance New Energy Material Limited (formerly known as Elixir Carbo Limited, Elixir Carbo Private Limited) (w.e.f. 22 April 2025)	India	100	0
Himadri Integrated Minerals and Resources Limited (formerly known as Himadri Power Limited) (w.e.f. 11 February 2026)	India	100	0

ii) Other related parties with whom transactions have taken place during the year

a) Key Management Personnel (KMP) and close family members of KMP

Name of the related parties	Relationship
Mr. Shyam Sundar Choudhary, Executive Director	Key Management Personnel
Mr. Anurag Choudhary, Chairman cum Managing Director & Chief Executive Officer	Key Management Personnel
Mr. Amit Choudhary, Executive Director	Key Management Personnel
Mr. Kamlesh Kumar Agarwal, Chief Financial Officer	Key Management Personnel
Mrs. Monika Saraswat, Company Secretary & Compliance Officer	Key Management Personnel
Mrs. Sheela Devi Choudhary	Relative of KMPs (wife of Mr. Shyam Sundar Choudhary)
Mrs. Shikha Choudhary	Relative of KMPs (wife of Mr. Anurag Choudhary)
Mrs. Rinku Choudhary	Relative of KMPs (wife of Mr. Amit Choudhary)
Mrs. Anooshka C Bathwal	Relative of KMPs (daughter of Mr. Anurag Choudhary)
Mr. Amrithesh Choudhary	Relative of KMPs (son of Mr. Amit Choudhary)
Mr. Samridh Choudhary	Relative of KMPs (son of Mr. Anurag Choudhary)
Mr. Soham Bathwal	Relative of KMPs (son-in-law of Mr. Anurag Choudhary)

b) Non-executive Directors

Name of the related parties

Mr. Santimoy Dey, Non-Executive Independent Director (upto 23 September 2024)
 Mrs. Rita Bhattacharya, Non-Executive Independent Director
 Mr. Girish Paman Vanvari, Non-Executive Independent Director
 Mr. Gopal Ajay Malpani, Non-Executive Independent Director
 Mr. Amitabh Srivastava, Non-Executive Independent Director (w.e.f 21 April 2025)

Notes to the Standalone Financial Statements for the year ended 31 March 2026

39. Related party disclosure (Contd.)

iii) Enterprises controlled by the Key Managerial Personnel or close family members of KMP or both

Himadri Credit & Finance Limited

Sri Agro Himghar Limited

Himadri e-Carbon Limited

Bharat Seva Nidhi (New)

Himadri Foundation

Tuaman Engineering Limited

Himadri Birla Tyre Manufacturer Private Limited (formerly: Dalmia Mining & Services Pvt Ltd) (upto 31 March 2025)

Next Generation Traders Private Limited

Birla Tyres Limited (upto 31 March 2025)

iv) Entities with significant influence over the Company

Modern Hi-Rise Private Limited

v) Firm in which director is a partner

Transaction Square LLP

B. Disclosure of transactions between the Company and related parties other than Key Managerial Persons

Amount in ₹ lakhs

Name of the related party	Nature of transaction	Year ended 31 March 2026	Year ended 31 March 2025
AAT Global Limited	Purchase of raw materials	32,847.52	52,534.32
	Payment for supplies	31,780.67	73,061.35
	Sales of finished goods	3,109.84	-
	Corporate Guarantee released	-	(27,513.39)
Himadri Agro Tech Specialities Limited	Refund of Loan	-	(100.00)
	Interest income on loan given	-	3.89
	Purchase of share	146.25	8.12
Himadri Clean Energy Limited	Loan given	1,000.00	265.00
	Refund of Loan	(450.00)	-
	Interest income on loan given	49.40	17.33
	Purchase of share	-	449.00
	Corporate Guarantee issued (including renewals)	5,000.00	-
Himadri Green Technologies Innovation Limited	Loan given	602.00	570.00
	Interest income on loan given	74.19	23.98
Himadri Future Material Technology Limited	Loan given	175.00	250.00
	Interest income on loan given	29.70	5.03
Himadri Birla Tyre Manufacturer Private Limited	OCD conversion to Equity share	14.41	-
	Interest income on investments	1.33	1.33
	Loan given	70.00	-
	Interest income on loan given	0.54	-
Birla Tyres Limited	OCD conversion to Equity share	300.00	-
	Interest income on investments	0.02	0.05
Himadri Advance New Energy Material Limited	Loan given	2,125.00	-
	Interest income on loan given	57.09	-
	Sale of capital goods	863.65	-
	Payment Received	863.65	-

Notes to the Standalone Financial Statements for the year ended 31 March 2026

39. Related party disclosure (Contd.)

Amount in ₹ lakhs			
Name of the related party	Nature of transaction	Year ended 31 March 2026	Year ended 31 March 2025
Sturdy Niketan Private Limited	Loan given	10,000.00	-
	Interest income on loan given	936.21	-
	Refund of Loan	(1,000.00)	-
Himadri Speciality Inc	Purchase of shares	8.63	-
	Loan given	490.18	-
	Interest income on loan given	16.27	-
	Refund of Loan	(2.49)	-
	Sale of finished goods	12,641.46	-
	Payment recd against sale of goods	2,737.97	-
Modern Hi-Rise Private Limited	Rent paid	0.14	0.14
Sri Agro Himghar Limited	Rent paid	0.06	0.06
Next Generation Traders Pvt Ltd	Rent paid	1,440.00	1,440.00
Transaction Square LLP	Consultancy expenses	165.00	120.00
Mr. Samridh Choudhary	Training/ Educational expenses	59.13	-
Himadri Foundation	Donation/Expenditure on corporate social responsibility	806.00	607.30
Modern Hi-Rise Private Limited	Dividend paid	1,112.45	913.00
Himadri Credit & Finance Limited	Dividend paid	8.90	7.42

C. Disclosure of transactions with Key Management Personnel & close family members of KMP

Key management personnels (KMP) remuneration comprised of the following:

Amount in ₹ lakhs		
Nature of transaction	Year ended 31 March 2026	Year ended 31 March 2025
Short-term employee benefits	1,496.47	1,348.80
Other long-term benefits	10.50	9.12
Total remuneration paid to key management personnel	1,506.97	1,357.92
Sitting fees paid	41.25	33.50
Refund of Loan to KMP	(8.00)	(3.19)
Interest income on loan to KMPs	6.00	5.99
Purchase of shares	2.50	0.63
Received against issue of share warrants, convertible into equity shares	23,846.94	7,948.98
Dividend paid	420.88	327.71

As the future liability for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable and, therefore, not included above.

Based on the recommendation of the Nomination and Remuneration Committee, all decisions relating to the remuneration of the KMP's are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

The above transactions are exclusive of GST, wherever applicable.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

39. Related party disclosure (Contd.)

D. Outstanding balances

		Amount in ₹ lakhs	
Name of the related party	Nature of transaction	31 March 2026	31 March 2025
AAT Global Limited	Loan given (including interest receivable)	6,298.98	6,298.98
	Loss allowance for loan (including interest receivable)	(6,298.98)	(6,298.98)
	Advance/ (Payable) for supplies (net)	1,963.05	2,804.72
	Loss allowance for advances	(1,255.03)	(1,255.03)
	Trade Receivable	3,241.85	-
Himadri Agro Tech Specialities Limited	Investment in Shares	156.55	10.30
Himadri Clean Energy Limited	Loan given (including interest receivable)	820.00	270.00
	Investment in Shares	450.00	450.00
	Corporate Guarantee	5,000.00	-
Himadri Green Technologies Innovation Limited	Loan given (including interest receivable)	1,172.00	570.00
Himadri Future Material Technology Limited	Loan given (including interest receivable)	425.00	250.00
Himadri Advance New Energy Material Limited	Investment in Shares	750.00	-
	Loan given (including interest receivable)	2,125.00	-
Birla Tyres Limited	Investment in Shares	314.02	0.00#
	Investment in OCDs (including interest receivable)*	200.00	500.00
Himadri Birla Tyre Manufacturer Private Limited	Investment in OCDs (including interest receivable)**	13,285.59	13,300.00
	Investment in Shares	14.15	-
	Loan given (including interest receivable)	70.00	-
Invati Creations Private Limited	Investment in Shares	4,516.13	4,516.13
Trancemarine and Confreight Logistics Private Limited	Investment in Shares	423.36	-
Sturdy Niketan Private Limited	Loan given (including interest receivable)	9,000.00	-
Himadri Speciality Inc	Investment in Shares	8.63	-
	Loan given (including interest receivable)	518.11	-
	Trade Receivable	10,957.94	-
Himadri Integrated Minerals and Resources Limited	Investment in Shares	2.50	-
Himadri e-Carbon Limited	Investment in Shares	2.72	2.67
Modern Hi-Rise Private Limited	Investment in Shares	28.98	28.08
	Investment in OCPs	18,257.08	18,257.08
KMPs	Loan given (including interest receivable)	111.02	113.01
Transaction Square LLP	Consultancy expenses	-	37.81

* Fair value of OCD ₹203.35 lakhs (31 March 2025: ₹508.37 lakhs).

** Fair value of OCD ₹13,040.85 lakhs (31 March 2025: ₹13,055.00 lakhs).

Below rounding off norms of the Company

E. Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of business and are on arm's length basis. Outstanding balances at the year-end is unsecured and settlement occurs in cash.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

40. Financial Instrument

Accounting Policy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The Company has an established control framework with respect to the measurement of fair values. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Fair value for measurement and/or disclosure purposes in the financial statement is determined on such a basis, except for share-based payment transactions, leasing transactions and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Inventories or value in use in Impairment of Assets.

The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

A. Fair value measurement of financial instrument

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their level in the fair value hierarchy.

Amount in ₹ lakhs

As on 31 March 2026	Note	Carrying value				Fair value measurement using		
		Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Financial assets:								
Investment in preference shares (unquoted)	7	-	8,397.47	18,257.08	26,654.55	-	26,654.55	-
Investment in equity instruments (unquoted)	7	-	7,743.67	31.70	7,775.37	-	7,772.65	2.72
Investment in equity instruments (quoted)*	7	-	-	1,268.89	1,268.89	13.01	-	1,255.88
Investment in mutual funds (quoted)	7	-	11,311.80	-	11,311.80	11,311.80	-	-
Investment in debentures (unquoted)	7	-	48,654.80	-	48,654.80	-	48,654.80	-
Investment in Compulsorily Convertible Notes (unquoted)	7	-	9,159.95	-	9,159.95	-	9,159.95	-

Notes to the Standalone Financial Statements for the year ended 31 March 2026

40. Financial Instrument (Contd.)

Amount in ₹ lakhs

As on 31 March 2026	Note	Carrying value				Fair value measurement using		
		Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Investment in government securities	7	0.07	-	-	0.07	-	-	-
Trade receivables	8	76,194.33	-	-	76,194.33	-	-	-
Cash and cash equivalents	9	14,396.73	-	-	14,396.73	-	-	-
Bank balances other than cash and cash equivalents	10	56,666.99	-	-	56,666.99	-	-	-
Loans	11	14,326.75	-	-	14,326.75	-	-	-
Other financial assets	12	15,092.54	-	-	15,092.54	-	-	-
Financial liabilities:								
Borrowings	19	72,175.83	-	-	72,175.83	-	-	-
Trade payables	20	36,080.44	-	-	36,080.44	-	-	-
Derivatives	21	-	-	-	-	-	-	-
Lease liabilities	35(e)	155.93	-	-	155.93	-	-	-
Other financial liabilities	22	6,819.25	-	-	6,819.25	-	-	-

Amount in ₹ lakhs

As on 31 March 2025	Note	Carrying value				Fair value measurement using		
		Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Financial assets:								
Investment in preference shares (unquoted)	7	-	-	18,257.08	18,257.08	-	18,257.08	-
Investment in equity instruments (unquoted)	7	-	-	30.75	30.75	-	28.08	2.67
Investment in equity instruments (quoted)*	7	-	-	1,204.94	1,204.94	2.65	-	1,202.29
Investment in debentures (unquoted)	7	-	37,831.31	-	37,831.31	-	37,831.31	-
Investment in Compulsorily Convertible Notes (unquoted)	7	-	476.26	-	476.26	-	476.26	-
Investment in government securities	7	0.07	-	-	0.07	-	-	-
Trade receivables	8	63,788.57	-	-	63,788.57	-	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2026

40. Financial Instrument (Contd.)

Amount in ₹ lakhs

As on 31 March 2025	Note	Carrying value				Fair value measurement using		
		Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Cash and cash equivalents	9	15,302.77	-	-	15,302.77	-	-	-
Bank balances other than cash and cash equivalents	10	51,670.64	-	-	51,670.64	-	-	-
Loans	11	1,272.89	-	-	1,272.89	-	-	-
Other financial assets	12	8,425.01	-	-	8,425.01	-	-	-
Financial liabilities:								
Borrowings	19	30,780.01	-	-	30,780.01	-	-	-
Trade payables	20	23,478.77	-	-	23,478.77	-	-	-
Derivatives	21	-	423.83	-	423.83	-	423.83	-
Lease liabilities	35(e)	229.88	-	-	229.88	-	-	-
Other financial liabilities	22	3,399.82	-	-	3,399.82	-	-	-

Investment in subsidiaries are carried at cost and hence not considered for above disclosure.

*Investment in equity instrument of Himadri Credit & Finance Limited has been considered as level 3 as no market price (quote) is available in active market in Calcutta stock exchange.

B. Fair value hierarchy

The Company has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted (adjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. Unquoted mutual fund units are valued using the closing net asset value. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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

- The fair value of the quoted investments are based on market price at the respective reporting date.
- The fair value of the unquoted investments included in level 2 has been determined using valuation techniques with market observable inputs. The model incorporate various inputs including prevailing market value of investments in listed company.
- The fair value of the quoted /unquoted investments included in level 3 are based on the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.
- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.
- The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies and interest rate curves.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

40. Financial Instrument (Contd.)

- (f) The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rate used is based on the Company's estimates.
- (g) The fair value of the commodity hedge is determined using the commodity rates existing as at the end of the reporting period.

The significant observable inputs used in the fair value measurement of the fair value hierarchy of level 3 inputs like discounted cash flows, market multiple method, option pricing model etc.

There were no transfer of financial assets or liabilities measured at fair value between level 1 and level 2, or transfer into or out of level 3 during the year ended 31 March 2026 and 31 March 2025.

Reconciliation of level 3 fair value measurements

The following table shows a reconciliation from opening balances to closing balances for level 3 for fair values on a recurring basis.

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Balance as at beginning of the year	1,204.96	946.29
Change in value of investment in equity instruments measured at FVTOCI (unrealised)	53.64	258.67
Change in value due to sale of investment in equity instruments measured at FVTPL (realised)	-	-
Balance as at end of the year	1,258.60	1,204.96

Calculation of fair values

The fair values of the financial assets and liabilities are defined as the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31 March 2025.

Financial assets and liabilities measured at fair value as at Standalone Balance Sheet date

1. The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
2. The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.

Other financial assets and liabilities

- Cash and Cash equivalents, trade receivables, investments in term deposits, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) have fair values that approximate to their carrying amounts.
- Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Significant unobservable inputs used in level 3 fair values

Certain investments are valued using level 3 techniques. A change in one or more of the inputs to reasonably possible alternative assumptions would not change the value significantly.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

4.1. Financial risk management

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

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

Risk management framework

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company operations. The Company's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The key risks and mitigating actions are also placed before the audit committee of the Company.

The sources of risks which the Company is exposed to and their management is given below:

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, Investments, Derivative financial instruments, Loans	Ageing analysis, Credit rating	Credit limit and credit worthiness monitoring, credit based approval process
Liquidity risk	Borrowings and Other liabilities	Rolling cash flow forecasts	Adequate unused credit lines and borrowing facilities
Market risk			
Foreign exchange risk	Committed commercial transaction Financial asset and liabilities not denominated in INR	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts. Foreign currency options principal only/currency swaps
Interest rate	Long term borrowings at variable rates and other debt securities	Sensitivity analysis Interest rate movements	Interest rate swaps
Commodity price risk	Movement in prices of raw materials	Commodity price tracking	Maintaining inventory at optimum level
Security prices	Investment in equity instruments	Sensitivity analysis	Portfolio diversification

The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and restricts the exposure in equity markets.

(i) Credit risk

Credit risk is the risk of financial loss of 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 and loans. Credit arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with bank, investments in debt securities and foreign exchange transactions. The carrying amount of financial assets represent the maximum credit risk exposure.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

4.1. Financial risk management (Contd.)

Trade receivable

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. All trade receivables are reviewed and assessed for default on a quarterly basis. Our historical experience of collecting receivables indicate a low credit risk.

Exposure to credit risks

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However the Company also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customer operates. The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of three months for customers.

Details of concentration percentage of revenue generated from a top customer and top five customers are stated below:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from a top customer	10%	10%
Revenue from top five customers	34%	41%

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. The Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the credit loss allowance for trade receivables.

Movement in impairment loss:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Balance at the beginning of the year	900.00	900.00
Add: Provided during the year	-	-
Less: Utilised during the year	-	-
Balance at the end of the year	900.00	900.00

Amount in ₹ lakhs

Particulars	Not Due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	Over 180 days	Total
As at 31 March 2026							
Gross carrying amount - current	62,391.64	2,484.50	4,101.92	2,342.21	3,047.36	1,708.29	76,075.92
Gross carrying amount - non-current	-	-	-	-	-	1,018.41	1,018.41
Average expected loss rate on current	0.00%	0.00%	0.00%	0.00%	0.00%	52.68%	1.18%
Expected credit loss provision*	-	-	-	-	-	900.00	900.00
Carrying amount of trade receivable (net of expected credit loss provision)	62,391.64	2,484.50	4,101.92	2,342.21	3,047.36	1,826.70	76,194.33

Amount in ₹ lakhs

Notes to the Standalone Financial Statements for the year ended 31 March 2026

41. Financial risk management (Contd.)

Amount in ₹ lakhs

Particulars	Not Due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	Over 180 days	Total
As at 31 March 2025							
Gross carrying amount - current	53,741.36	7,709.26	1,044.86	152.34	100.64	921.70	63,670.16
Gross carrying amount - non-current	-	-	-	-	-	1,018.41	1,018.41
Average expected loss rate on current	0.00%	0.00%	0.00%	43.07%	75.00%	82.34%	1.41%
Expected credit loss provision*	-	-	-	65.61	75.48	758.91	900.00
Carrying amount of trade receivable (net of expected credit loss provision)	53,741.36	7,709.26	1,044.86	86.73	25.16	1,181.20	63,788.57

*The non-current debtors are under arbitration and matter has been awarded in Co.'s favour and accordingly no ECL has been considered on non-current debtors.

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, finding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

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.

Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Amount in ₹ lakhs

31 March 2026	Carrying amount	Less than 1 year	1-2 years	2-3 years	3-5 years	> 5 years	Total
Borrowings (including estimated interest)	72,175.83	72,223.00	107.07	68.52	110.97	-	72,509.56
Trade payables (including acceptances)	36,080.44	36,080.44	-	-	-	-	36,080.44
Other financial liabilities	6,819.25	6,793.48	-	-	-	25.77	6,819.25
Lease liabilities including lease interest	155.93	83.54	25.03	25.72	23.61	32.77	190.67

Notes to the Standalone Financial Statements for the year ended 31 March 2026

41. Financial risk management (Contd.)

Amount in ₹ lakhs

31 March 2025	Carrying amount	Less than 1 year	1-2 years	2-3 years	3-5 years	> 5 years	Total
Borrowings (including estimated interest)	30,780.01	30,807.60	133.20	71.50	32.95	-	31,045.25
Trade payables (including acceptances)	23,478.77	23,478.77	-	-	-	-	23,478.77
Other financial liabilities	3,399.82	3,374.05	-	-	-	25.77	3,399.82
Lease liabilities including lease interest	229.88	89.93	83.55	25.03	38.59	43.50	280.60

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

All such transactions are carried out within the guidelines set by the management. Generally, the Company seeks to apply hedge accounting to manage volatility in other comprehensive income.

(a) Currency risk

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of raw materials and spare parts, capital expenditure, exports of finished goods. The currency in which these transactions are primarily denominated is USD. The Company manages currency exposures within prescribed limits, through use of forward exchange contracts and cross currency swap. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point of time.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency swaps and forwards to hedge exposure to foreign currency risk. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

Exposure to currency risk

The Company's exposure to foreign currency expressed in Indian ₹ as at the end of the reporting period are as follows:

Amount in ₹ lakhs

31 March 2026	USD	AUD	EURO	JPY	Total
Financial Assets					
Investments	9,374.89	15,926.20	-	-	25,301.09
Loans	518.11	-	-	-	518.11
Trade receivables	31,580.81	-	3,878.53	-	35,459.34
Cash and cash equivalents	2,747.89	-	-	-	2,747.89
	44,221.70	15,926.20	3,878.53	-	64,026.43
Financial Liabilities					
Trade payables	19,848.62	-	7.83	-	19,856.45
Other financial liabilities	230.17	-	-	9.79	239.96
	20,078.79	-	7.83	9.79	20,096.41
Net exposure in respect of recognised financial assets and financial liabilities	24,142.91	15,926.20	3,870.70	(9.79)	43,930.02

Notes to the Standalone Financial Statements for the year ended 31 March 2026

41. Financial risk management (Contd.)

Amount in ₹ lakhs

31 March 2025	USD	AUD	EURO	JPY	Total
Financial Assets					
Trade receivables	13,666.45	-	1,174.68	-	14,841.13
Cash and cash equivalents	693.38	-	-	-	693.38
	14,359.83	-	1,174.68	-	15,534.51
Financial Liabilities					
Borrowings	27,993.53	-	-	-	27,993.53
Trade payables	5,066.45	-	-	-	5,066.45
Other financial liabilities	569.32	-	41.55	-	610.87
Less: Forward currency call options	(47,069.77)	-	-	-	(47,069.77)
	(13,440.47)	-	41.55	-	(13,398.92)
Net exposure in respect of recognised financial assets and financial liabilities	27,800.30	-	1,133.13	-	28,933.43

Note : Loans and advances given to subsidiary company has not been considered in the above table as the same stands impaired in the books.

Sensitivity analysis

A reasonably possible strengthening (weakening) of the foreign currency against Indian rupee 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 amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Amount in ₹ lakhs

	Profit or (loss)		Equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2026				
USD (5% Movement)	(1,207.15)	1,207.15	(903.33)	903.33
AUD (5% Movement)	(796.31)	796.31	(595.89)	595.89
EURO (5% Movement)	(193.54)	193.54	(144.83)	144.83
JPY (5% Movement)	0.49	(0.49)	0.37	(0.37)
31 March 2025				
USD (5% Movement)	(1,390.02)	1,390.02	(904.29)	904.29
AUD (5% Movement)	-	-	-	-
EURO (5% Movement)	(56.66)	56.66	(36.86)	36.86
JPY (5% Movement)	-	-	-	-

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates related primarily to the Company's current borrowings with floating interest rates. For all non-current borrowings with floating rates, the risk of variation in the interest rates is mitigated through interest rate swaps. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

41. Financial risk management (Contd.)

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Fixed rate instruments		
Financial assets	70,938.03	63,389.42
Financial liabilities	(404.38)	(28,280.01)
	70,533.65	35,109.41
Variable rate instruments		
Financial assets	-	-
Financial liabilities	(71,771.45)	(2,500.00)
	(71,771.45)	(2,500.00)

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitivity analysis.

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

	Profit or (loss)		Equity (net of tax)	
	Decrease in rate	Increase in rate	Decrease in rate	Increase in rate
31 March 2026				
Variable rate instruments (1% Movement)	717.71	(717.71)	537.08	(537.08)
Cash flow sensitivity (net)	717.71	(717.71)	537.08	(537.08)
31 March 2025				
Variable rate instruments (1% Movement)	25.00	(25.00)	16.26	(16.26)
Cash flow sensitivity (net)	25.00	(25.00)	16.26	(16.26)

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period and all other variables, in particular foreign currency exchange rates, remain constant. Further, the calculation for the unhedged floating rate borrowing have been done on the notional value of the foreign currency.

(c) Equity price risks

The Company's quoted and unquoted equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The senior management reviews and approves all equity investment decisions.

Sensitivity analysis

Investment in equity instruments made by the Company are listed on the BSE Ltd (BSE), National Stock Exchange of India Ltd (NSE) and Calcutta Stock Exchange (CSE) in India. There is no significant investment outstanding as at 31 March 2026. Hence, sensitivity analysis is not given.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

41. Financial risk management (Contd.)

(d) The following table gives details in respect of outstanding foreign currency forward, cross currency swaps, interest rate swaps and option contracts:

Particulars	Currency pair	Position	31 March 2026		31 March 2025	
			Amount in foreign currency in lakhs	Amount in ₹ in lakhs	Amount in foreign currency in lakhs	Amount in ₹ in lakhs
Forward contracts [Nil, (previous year Nil)]	USD/INR	Sell	-	-	-	-
Forward contracts [Nil, (previous year 5)]	USD/INR	Buy	-	-	550.00	47,069.77

The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the Standalone Balance Sheet date:

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Not later than one month	-	-
Later than one month and not later than three months	-	(423.83)
Later than three months and not later than one year	-	-
	-	(423.83)

The following table provides quantitative information about offsetting of derivative financial assets and derivative financial liabilities:

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
	Derivative financial asset	Derivative financial liability
Gross amount of recognised financial asset/ liability	-	-
Net amount presented in Standalone Balance Sheet	-	-

42. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders. The Company's objective when managing capital are to: (a) maximise shareholders value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital. The Company may take appropriate steps in order to maintain or adjust its capital structure.

The Company monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

Particulars#		Amount in ₹ lakhs	
		31 March 2026	31 March 2025
Borrowings	A	72,175.83	30,780.01
Cash and bank balances	B	82,375.52	66,973.41
TOTAL	C = A-B	(10,199.69)	(36,193.40)
Equity	D	4,62,275.86	3,64,752.55
Debt to Equity	E = A / D	0.16	0.08
Debt to Equity (net)	F = C / D	(0.02)	(0.10)

For the purpose of the Company's capital management

Notes to the Standalone Financial Statements for the year ended 31 March 2026

42. Capital management (Contd.)

- (a) Borrowings include as non-current borrowings, current borrowings and current maturities of non-current borrowings as described in note 19
- (b) Equity includes issued, subscribed and fully paid-up equity share capital and other equity attributable to the equity holders of the Company as described in note 17 and 18.
- (c) Cash and bank balances include cash and cash equivalents, mutual funds and Bank balances other than cash and cash equivalents (refer note 7, 9 and 10)

43. Segment information

The Company has presented segment information in the Consolidated financial statements which are presented in the same annual report. Accordingly, in terms of paragraph 4 of Ind AS 108 'Operating segment', no disclosures related to segments are presented in these Standalone financial statements.

44. Other Additional Regulatory Information

(i) Ratios to disclosed as per requirement of Schedule III to the Act

		Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	% of variance	Explanation for change in the ratio by more than 25%
	Liquidity Ratio						
(a)	Current ratio (times)	Current assets	Current liabilities	2.24	3.56	(37.08%)	Increase in current liabilities resulted into decrease in current ratio
	Solvency Ratio						
(b)	Debt-equity ratio (times)	Total Debt (Including lease liabilities)	Shareholder's Equity	0.16	0.09	77.78%	Increase in debt & increase in net worth on account of higher profitability.
(c)	Net Debt-equity ratio (times)	Net Debt (Including lease liabilities)	Shareholder's Equity	0.02#	(0.10)	(80.00%)	Increase in debt & increase in net worth on account of higher profitability.
(d)	Debt service coverage ratio (times)	Earning for Debt Service (i.e. Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets + Loss allowances for doubtful trade receivables etc.)	Debt service (i.e. Interest & Lease Payments + Principal Repayments excluding Prepayments)	12.74	8.61	47.97%	Increase in profitability resulted into improvement in Debt service coverage ratio

Notes to the Standalone Financial Statements for the year ended 31 March 2026

44. Other Additional Regulatory Information (Contd.)

		Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	% of variance	Explanation for change in the ratio by more than 25%
	Profitability ratio						
(e)	Net profit ratio (%)	Net profit after tax	Net sales	17.03%	12.15%	40.15%	Higher profitability on account of operational efficiency
(f)	Return on equity ratio (%)	Net profit after taxes - preference dividend (if any)	Average shareholder's equity	18.13%	16.84%	7.67%	Not applicable
(g)	Return on Capital employed (%)	Earning before interest and tax	Capital employed (i.e. tangible net worth-Capital work-in-progress + total debt+Lease liability-Cash and Bank Balances + deferred tax liability)	22.95%	25.26%	-9.14%	Not applicable
(h)	Return on Investment (%)	Income from investments incl. fair value gain/ (loss) on current and non-current investments through P/L and OCI	Average investments (current and non-current)	10.88%	1.12%	874.67%	Mainly on account of fair value gain on investments
	Utilization ratio						
(i)	Trade Receivables turnover ratio (times)	Net Credit Sales	Average trade receivables	6.29	7.05	(10.78%)	Not applicable
(j)	Inventory turnover ratio (times)	Cost of goods sold	Average inventory	4.32	4.88	(11.48%)	Not applicable
(k)	Trade payables turnover ratio (times)	Net credit purchases	Average trade payables	9.78	7.77	25.87%	Increase in trade payable resulted into higher trade payable ratio
(l)	Net capital turnover ratio (times)	Net sales	Working capital	3.06	3.01	1.66%	Not applicable

Amount being lower than two digits after decimal.

Notes to the Standalone Financial Statements for the year ended 31 March 2026

44. Other Additional Regulatory Information (Contd.)

(ii) Details of benami property held

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

(iii) Borrowing secured against current assets

The Company has taken working capital borrowings from banks on the basis of security of current assets. The quarterly statement filed to the banks are in agreement with the books of accounts. The company has not availed any working capital borrowing from financial institutions during the year.

(iv) Willful defaulter

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

(v) Relationship with struck off companies

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

Name of the struck off Company	Nature of transactions with struck off Company	Relationship with the struck off Companies	Number of shares outstanding 31 March 2026	Number of shares outstanding 31 March 2025	31 March 2026	31 March 2025
Frohar Trading Private Limited	Shares held by struck off Company	NA	1,700	1,700	0.01	0.01
Trishul Vintrade Private Limited	Shares held by struck off Company	NA	-	590	-	0.00
Nipu Commercial Private Limited	Shares held by struck off Company	NA	-	650	-	0.00
V G Finvest Ltd	Shares held by struck off Company	NA	100	-	0.00	-
Arvind Securities P Ltd	Shares held by struck off Company	NA	250	-	0.00	-

(vi) Compliance with number of layers of companies

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

(vii) Compliance with approved scheme(s) of arrangements

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

(viii) Utilisation of borrowed funds and share premium

No funds have been advanced or loaned or invested funds (either 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). 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 to or on behalf of the Ultimate Beneficiaries.

(ix) Undisclosed income

The Company do not have any such transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Notes to the Standalone Financial Statements for the year ended 31 March 2026

44. Other Additional Regulatory Information (Contd.)

(x) Details of crypto currency or virtual currency

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

(xi) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xii) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xiii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

(xiv) The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered and the audit trail has been preserved by the company as per the statutory requirements for record retention.

45. The management has evaluated all activities of the Company till 23 April 2026 and concluded that there were no additional subsequent events required to be reflected in the company's financial statements except the following:

On 23 April 2026, the Company achieved a milestone with the commencement of its first anode material production facility at Mahistikry, Hooghly, West Bengal, with an initial capacity of 200 MTPA.

46. The Company has evaluated the impact of the ongoing geopolitical conflict in the Middle East involving the USA and Iran, which escalated in February 2026. Based on the Company's current assessment of its operations, supply chains, and financial exposure, there has been no material impact on the business operations or financial results for the year ended 31 March 2026. The Company continues to monitor the situation closely for any potential long-term indirect effects on energy prices or global trade routes that could influence future reporting periods.

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm's Registration Number: 302049E

For and on behalf of the Board of Directors of Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

Sd/-

Navindra Kumar Surana

Partner

Membership No. 053816

Sd/-

Anurag Choudhary

Chairman cum Managing Director

& Chief Executive Officer

DIN: 00173934

Sd/-

Shyam Sundar Choudhary

Executive Director

DIN: 00173732

Sd/-

Kamlesh Kumar Agarwal

Chief Financial Officer

PAN: *****960H

Sd/-

Monika Saraswat

Company Secretary

& Compliance Officer

Place: Kolkata

Date: 23 April 2026

Place: Kolkata

Date: 23 April 2026

Independent Auditor's Report

To
The Members of
Himadri Speciality Chemical Ltd

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Himadri Speciality Chemical Ltd ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding and its subsidiaries together referred to as "the Group") which comprise the consolidated balance sheet as at 31 March 2026, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements including material accounting informations and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2026, their consolidated total comprehensive income (comprising consolidated profit and consolidated other comprehensive income) their consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards 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, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India 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 and the ICAI's Code of Ethic. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in paragraph 15 of the other matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, 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. For each matter below, our description of how our audit addressed the matter is provided in that context:

Descriptions of Key Audit Matter	How we addressed the matter in our audit
Revenue Recognition Refer to note 26 to the consolidated financial statements. Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year. Revenue is recognized when the control of the underlying products has been transferred to customer along with the satisfaction of the Company's performance obligation under a contract with customer. Terms of sales	As part of our audit, we understood the Company's policies and processes, control mechanisms and methods in relation to the revenue recognition, estimation of discounts, rebates and price adjustments and evaluated the design and operative effectiveness of the financial controls for the above through our test of control procedures. Our audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures.

Descriptions of Key Audit Matter	How we addressed the matter in our audit
arrangements, including the timing of transfer of control, delivery specifications including Incoterms in case of exports, timing of recognition of sales require significant judgment in determining revenues. The risk is, therefore, that revenue may not get recognised in the correct period. The estimation of discounts, and price adjustments to be recognised based on sales made during the year is material and considered to be judgmental. Due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers' and the judgments and estimates involved in making the estimation of discounts, and price adjustments, we determined the recognition of revenue, estimation of discounts, & price adjustments as a key audit matter.	▪ Performing procedures to ensure that the revenue recognition criteria adopted by Company for all major revenue streams is appropriate and in line with the Company's accounting policies. ▪ Obtaining and inspecting, on a sample basis, supporting documentation for discounts, rebates and price adjustments recorded and disbursed / allowed during the year as well as credit notes issued after the year end to determine whether these were recorded appropriately. ▪ Our audit procedures included, among other things, the evaluation of the process to calculate the provision for price adjustments and the evaluation of the relevant assumptions and their derivation for the measurement of the provisions. ▪ We also compared costs incurred to the previously recognized provisions to assess the quality of the management estimates ▪ Based on the evidence obtained, we concluded that management's process for identifying and quantifying the provision for rebates and price adjustments was appropriate and that the resulting provision was reasonable. ▪ Performed procedures to identify any unusual trends of revenue recognition. ▪ Traced disclosure information to accounting records and other supporting documentation.

Information Other than the consolidated financial statements and Auditor's Report Thereon

5. The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements, that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting fraud 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. 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.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the 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 financial 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 Holding Company and its Subsidiary Companies which are companies incorporated in India, has adequate internal financial controls with reference to Consolidated 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 management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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 information of the entities or business activities within the Group 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 entities included in the consolidated financial statements of which we are the independent auditors. For the other entities 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 15 of the section titled "Other Matters" in this audit report.
11. Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.
12. 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.

13. 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.
14. 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 for the financial year ended 31 March 2026 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

15. (a) We did not audit the financial statements of 3 foreign subsidiaries (including 1 step down foreign subsidiary), whose financial statements reflects total assets (before consolidation adjustments) of ₹23,962.61 lakhs and net assets of ₹ (-)14,750.57 lakhs as at 31 March 2026, total revenues (before consolidation adjustments) of ₹44,321.99 lakhs, total Net profit after tax (before consolidation adjustments) of ₹130.26 lakhs, total comprehensive income (before consolidation adjustments) of ₹130.26 lakhs for the year ended 31 March 2026 and net cash inflows (before consolidation adjustments) amounting to ₹271.92 lakhs for the financial year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports 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 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 reports of the other auditors.

These subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally

accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

- (b) We did not audit the financial statements of 1 subsidiary company included in the Statement, whose financial statements (before consolidation adjustment) reflect total assets of ₹2.11 lakhs and net assets of ₹1.86 lakhs as of 31 March 2026, total revenues of ₹ Nil, total net profit after tax of ₹ (-) 0.65 lakh, total comprehensive income of ₹ (-) 0.65 lakh for the period from February 11, 2026 to 31 March 2026 and net cash outflow amounting to ₹5.42 lakhs for the period from 11 February 2026 to 31 March 2026 as considered in the consolidated financial statement. This financial statements / financial information has been audited by other auditors as per Indian GAAP whose reports have been furnished to us and in our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary are based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. 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 (xxi) of the Order, to the extent applicable.
17. As required by section 143 (3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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 report of the other auditor.

- c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flow statement 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;
- e) On the basis of the written representations received from the directors of the Holding Company, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its Subsidiary Companies incorporated in India, none of the directors of the Holding Company, its Subsidiary Companies, incorporated in India are disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" which is based on the auditors' reports of the Holding Company and its Subsidiary Companies incorporated in India.
- g) 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 during the current year by the Holding Company to its directors is in accordance with the provisions of 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.
- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact, if any, of pending litigations as at 31 March 2026 on the consolidated financial position of the group – Refer Note 8(d), 16(b), 24(B) and 35(a) to the consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as on 31 March 2026.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Subsidiary Companies incorporated in India.
- iv. (a) The respective Managements of the Holding Company and its Subsidiary Company which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such Subsidiary Company that, to the best of their knowledge and belief, as disclosed in Note 45(vii) to the consolidated financial statement, 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 or any of such subsidiary to or in any other person or entity, 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 or any of such Subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Holding Company and its Subsidiary Company which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such Subsidiary Company that, to the best of their knowledge and belief, as disclosed in Note 45(vii) to the consolidated financial statement, no funds have been received by the Company or any of such subsidiary from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances and performed by us and those performed by the auditors of the Subsidiary Company,

which is company incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. (a) The final dividend proposed in the previous year, declared, and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The Board of Directors of the Holding Company has proposed dividend for the year, which is subject to the approval of the Members of the Holding Company at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
- vi. Based on our examination and the reports of other auditors, the Holding Company and its subsidiaries incorporated in India have used

accounting software with an audit trail (edit log) feature that operated throughout the year for all relevant transactions, with no instances of tampering observed; furthermore, the audit trail has been preserved in accordance with statutory requirements for record retention, except for two subsidiary companies during the periods 20 July 2023 to 8 May 2024 and 1 February 2024 to 8 May 2024, respectively.

For Singhi & Co.
Chartered Accountants
Firm Registration No. - 302049E

Sd/-
Navindra Kumar Surana
Partner
Membership No. - 053816
UDIN- 26053816HYBIRB7306

Place: Kolkata
Date: 23 April 2026

Annexure “A” to the independent auditor’s report

(Referred to in paragraph 16 under ‘Report on Other Legal and Regulatory Requirements’ section of our Independent Auditor’s Report of even date to the Members of Himadri Speciality Chemical Limited on the consolidated financial statements as of and for the year ended 31 March 2026)

(xxi)As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies have given comments in their CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company.

SL	Name of Company	CIN	Holding Company/ Subsidiary/ Associate	Date of Respective Auditor’s Report	Paragraph number in the respective CARO Reports
1	Himadri Speciality Chemical Limited	L27106WB1987PLC042756	Holding Company	23-04-2026	3(i)(c)*
2	Himadri Agro Tech Specialities Limited	U70101WB2010PTC153215	Subsidiary Company	14-04-2026	3(xvii)**
3	Himadri Future Material Technology Limited	U20296WB2023PLC261076	Step-down Subsidiary Company	14-04-2026	3(xvii)**
4	Himadri Green Technologies Innovation Limited	U39000WB2023PLC265424	Step-down Subsidiary Company	14-04-2026	3(xvii)**
5	Birla Tyres Limited	U25209WB2018PLC228915	Subsidiary Company	14-04-2026	3(i)(c)*** & 3(xvii)**
6	Himadri Birla Tyre Manufacturer Private Limited	U22119WB2016PTC271245	Subsidiary Company	14-04-2026	3(i)(c)*** & 3(xvii)**
7	Himadri Advance New Energy Material Limited	U23100WB2022PLC286629	Subsidiary Company	14-04-2026	3(xvii)**
8	Trancemarine and Confreight Logistics Private Limited	U45400MH2011PTC217748	Subsidiary Company	22-04-2026	3(xvii)**

* Reporting related to immovables property acquired through scheme of amalgamation in earlier year not transferred in the name of the company.

** Represents reporting of cash loss incurred by the company during the year and preceding year.

*** Reporting related to immovables property acquired through NCLT in earlier year not transferred in the name of the company.

For Singhi & Co.
Chartered Accountants
Firm Registration No. - 302049E

Sd/-
Navindra Kumar Surana
Partner
Membership No. – 053816
UDIN - 26053816HYBIRB7306

Place: Kolkata
Date: 23 April 2026

Annexure “B” to the independent auditor’s report

(Referred to in paragraph 17(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our Independent Auditor’s Report of even date to the Members of Himadri Speciality Chemical Limited on the consolidated financial statements as of and for the year ended 31 March 2026)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Holding Company, as of and for the year ended 31 March 2026, we have audited the internal financial controls of Himadri Speciality Chemical Limited (“the Holding Company”) as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Boards of Directors of the Holding Company and its Subsidiary Companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by Holding Company and Subsidiary Companies 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 “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its Subsidiary Companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”) and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Consolidated 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 these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with respect to these consolidated financial statements included obtaining an understanding of internal financial controls with reference to these consolidated 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditor of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in ‘Other Matter’ paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company’s internal financial controls over financial reporting with reference to consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to these consolidated 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 these consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our and according to information provided to us and based on the considerations of the reports of the other auditors as referred in Other Matters paragraph below, the Holding Company and its Subsidiary Companies which are companies incorporated in India, have in all material respects, an adequate internal financial controls system with reference to these consolidated financial statements and such internal financial controls with reference to these consolidated financial statements were operating effectively as at 31st March 2026, based on the internal financial control over financial reporting criteria established by the Holding 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.

Other Matters

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 consolidated financial statements in so far as it relates to one Subsidiary Company, incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For Singhi & Co.

Chartered Accountants
Firm Registration No. - 302049E

Sd/-

Navindra Kumar Surana

Partner

Place: Kolkata
Date: 23 April 2026

Membership No. - 053816
UDIN- 26053816HYBIRB7306

Consolidated Balance Sheet

as at 31 March 2026

Amount in ₹ lakhs

Particulars	Note	As at 31 March 2026	As at 31 March 2025
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4A	1,81,151.38	1,50,242.91
(b) Capital work-in-progress	4B	37,218.06	18,524.82
(c) Right of use assets	5	4,585.00	2,127.45
(d) Goodwill	6	2,442.91	1,809.63
(e) Intangible assets	6	5,972.97	6,331.07
(f) Financial assets			
(i) Investments	7	93,513.64	57,800.41
(ii) Trade receivables	8	1,018.41	1,018.41
(iii) Other financial assets	12	14,423.73	7,613.42
(g) Non-current tax assets (net)	13	1,341.00	930.65
(h) Other non-current assets	14	6,620.03	4,077.82
Total non-current assets		3,48,287.13	2,50,476.59
(2) Current assets			
(a) Inventories	15	76,296.12	58,520.28
(b) Financial assets			
(i) Investments	7	12,476.86	416.65
(ii) Trade receivables	8	69,642.09	63,282.23
(iii) Cash and cash equivalents	9	16,476.07	15,510.61
(iv) Bank balances other than (iii) above	10	57,071.12	51,670.64
(v) Loans	11	1,437.40	208.52
(vi) Other financial assets	12	2,704.02	2,419.22
(c) Other current assets	16	46,247.73	23,096.51
Total current assets		2,82,351.41	2,15,124.66
TOTAL ASSETS		6,30,638.54	4,65,601.25
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	17	5,045.42	4,937.82
(b) Other equity	18	4,65,622.90	3,67,236.08
Equity attributable to the owners of the Company		4,70,668.32	3,72,173.90
Non-controlling interests		5,540.45	4,919.75
Total equity		4,76,208.77	3,77,093.65
(2) Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	445.44	272.58
(ii) Lease liabilities	35(d)	150.43	291.92
(iii) Other financial liabilities	22	25.77	25.77
(b) Provisions	24	1,406.14	1,109.92
(c) Deferred tax liabilities (net)	33	28,788.61	26,322.27
Total non-current liabilities		30,816.39	28,022.46
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	76,211.26	30,597.60
(ii) Lease liabilities	35(d)	190.85	181.90
(iii) Trade payables	20		
- total outstanding dues of micro enterprises and small enterprises		623.24	496.70
- total outstanding dues of creditors other than micro enterprises and small enterprises		36,916.55	23,435.13
(iv) Derivatives	21	-	423.83
(v) Other financial liabilities	22	7,469.32	3,508.40
(b) Other current liabilities	23	1,238.10	788.13
(c) Provisions	24	293.88	97.70
(d) Current tax liabilities (net)	25	670.18	955.75
Total current liabilities		1,23,613.38	60,485.14
TOTAL EQUITY AND LIABILITIES		6,30,638.54	4,65,601.25

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

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm's Registration Number: 302049E

Sd/-

Navindra Kumar Surana

Partner

Membership No. 053816

For and on behalf of the Board of Directors of Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

Sd/-

Anurag Choudhary

Chairman cum Managing Director

& Chief Executive Officer

DIN: 00173934

Sd/-

Kamlesh Kumar Agarwal

Chief Financial Officer

PAN: *****960H

Sd/-

Shyam Sundar Choudhary

Executive Director

DIN: 00173732

Sd/-

Monika Saraswat

Company Secretary

& Compliance Officer

M No. 29322

Place: Kolkata

Date: 23 April 2026

Place: Kolkata

Date: 23 April 2026

Consolidated Statement of Profit and Loss for the year ended 31 March 2026

Amount in ₹ lakhs

Sl No.	Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
I.	Revenue from operations	26	4,66,069.87	4,61,263.12
II.	Other income	27	17,129.53	5,169.18
III.	Total income (I + II)		4,83,199.40	4,66,432.30
IV.	Expenses			
	Cost of materials consumed	28	2,66,983.81	3,15,210.53
	Changes in inventories of finished goods and work-in-progress	29	3,237.48	(507.60)
	Purchase of trading goods		19,766.44	-
	Employee benefits expense	30	19,385.63	13,938.55
	Finance costs	31	6,437.05	4,477.24
	Depreciation and amortisation expense	4A, 5 and 6	6,816.14	5,496.52
	Other expenses	32	60,482.31	47,198.97
	Total expenses		3,83,108.86	3,85,814.21
V.	Profit before exceptional item and tax (III-IV)		1,00,090.54	80,618.09
VI.	Exceptional items		-	-
VII.	Profit before tax (V-VI)		1,00,090.54	80,618.09
VIII.	Tax expenses			
	Current tax	33	22,341.27	14,229.71
	Deferred tax	33	2,190.62	10,778.99
	Income tax related to earlier years		51.49	99.42
	Total tax expenses		24,583.38	25,108.12
IX.	Profit for the year (VII-VIII)		75,507.16	55,509.97
X.	Other comprehensive income	36		
A.	Items that will not be reclassified subsequently to profit or loss			
	(a) Remeasurements of the net defined benefit plan		37.89	(103.21)
	(b) Net gain/ (loss) on investment in equity instruments accounted at fair value		64.88	266.98
	(c) Income-tax relating to items that will not be reclassified to profit or loss		14.73	1,367.28
	Net other comprehensive income not to be reclassified subsequently to profit or loss		117.50	1,531.05
B.	Items that will be reclassified subsequently to profit or loss			
	(a) Exchange differences in translating financial statements of foreign operations		756.18	422.18
	Net other comprehensive income to be reclassified subsequently to profit or loss		756.18	422.18
	Other comprehensive income for the year (net of income tax)		873.68	1,953.23
XI.	Total comprehensive income for the year (IX+X)		76,380.84	57,463.20
XII.	Profit attributable to:			
	Owners of the Company		75,133.68	55,563.36
	Non-controlling interests		373.48	(53.39)
	Profit after tax for the year		75,507.16	55,509.97
XIII.	Other comprehensive income attributable to:			
	Owners of the Company		923.42	1,959.90
	Non-controlling interests		(49.74)	(6.67)
	Other comprehensive income for the year		873.68	1,953.23
XIV.	Total comprehensive income attributable to:			
	Owners of the Company		76,057.10	57,523.26
	Non-controlling interests		323.74	(60.06)
	Total comprehensive income for the year		76,380.84	57,463.20
XV.	Earnings per equity share	34		
	[Face value of equity share ₹1 each (previous year ₹1 each)]			
	- Basic		15.08	11.26
	- Diluted		15.02	11.17

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

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm's Registration Number: 302049E

Sd/-

Navindra Kumar Surana

Partner

Membership No. 053816

For and on behalf of the Board of Directors of Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

Sd/-

Anurag Choudhary

Chairman cum Managing Director

& Chief Executive Officer

DIN: 00173934

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Sd/-

Shyam Sundar Choudhary

Executive Director

DIN: 00173732

Sd/-

Monika Saraswat

Company Secretary

& Compliance Officer

M No. 29322

Place: Kolkata

Date: 23 April 2026

Place: Kolkata

Date: 23 April 2026

Consolidated Statement of Changes in Equity for the year ended 31 March 2026

A. Equity share capital

Particulars	Note	Number	Amount
Balance as at 1 April 2024		49,25,94,573	4,925.95
Changes in equity share capital during the year	17	11,87,651	11.87
Balance as at 31 March 2025		49,37,82,224	4,937.82
Changes in equity share capital during the year	17	1,07,59,375	107.60
Balance as at 31 March 2026		50,45,41,599	5,045.42

B. Other equity

Particulars	Note	Reserves and surplus				Items of Other comprehensive income		Money received against share warrants	Total attributable to the owners of the Company	Attributable to Non-controlling interests	Total
		Capital reserve	Securities premium	General reserve	Share option outstanding reserve	Retained earnings	Currency translation reserve	Equity instruments through other comprehensive income			
Balance at 1 April 2024		1,280.50	96,759.21	18,955.61	123.10	1,72,822.77	(2,521.99)	12,212.37	2,99,631.57	(279.43)	2,99,352.14
Total comprehensive income for the year ended 31 March 2025											
Profit for the year 2024-2025		-	-	-	-	55,563.36	-	-	55,563.36	(53.39)	55,509.97
Remeasurement of net defined benefit plan		-	-	-	-	(77.23)	-	-	(77.23)	-	(77.23)
Net change in fair value of Equity investments		-	-	-	-	-	428.85	1,608.28	2,037.13	(6.67)	2,030.46
Total comprehensive income for the year		-	-	-	-	55,486.13	428.85	1,608.28	57,523.26	(60.06)	57,463.20
Dividends	17i	-	-	-	-	(2,467.58)	-	-	(2,467.58)	-	(2,467.58)

Consolidated Statement of Changes in Equity for the year ended 31 March 2026

B. Other equity (Contd.)

Particulars	Note	Reserves and surplus					Items of Other comprehensive income		Money received against share warrants	Total attributable to the owners of the Company	Attributable to Non-controlling interests	Total
		Capital reserve	Securities premium	General reserve	Share option outstanding reserve	Retained earnings	Currency translation reserve	Equity instruments through other comprehensive income				
Reserve acquired on acquisition of Subsidiary		-	799.66	-	-	-	-	-	-	799.66	5,259.24	6,058.90
Received on issue of share warrants convertible into equity shares	17H	-	-	-	-	-	-	-	8,924.63	8,924.63	-	8,924.63
Conversion of share warrants into equity shares	17H	-	504.00	-	-	-	-	-	(505.60)	(1.60)	-	(1.60)
On issue of shares to shareholders of Subsidiary Company		-	2,508.80	-	-	-	-	-	-	2,508.80	-	2,508.80
Issue of equity shares on exercise of employee stock option	38	-	47.67	-	(47.67)	-	-	-	-	-	-	-
Share based payments-Equity settled	38	-	317.34	-	-	-	-	-	-	317.34	-	317.34
Balance at 31 March 2025		1,280.50	1,00,936.68	18,955.61	75.43	2,25,841.32	(2,093.14)	13,820.65	8,419.03	3,67,236.08	4,919.75	3,72,155.83

Consolidated Statement of Changes in Equity for the year ended 31 March 2026

B. Other equity (Contd.)

B. Other equity (Contd.)											Amount in ₹ lakhs			
Particulars	Note	Reserves and surplus						Items of Other comprehensive income			Money received against share warrants	Total attributable to the owners of the Company	Attributable to Non-controlling interests	Total
		Capital reserve	Securities premium	General reserve	Share option outstanding reserve	Retained earnings	Currency translation reserve	Equity instruments through other comprehensive income						
Balance at 1 April 2025		1,280.50	1,00,936.68	18,955.61	75.43	2,25,841.32	(2,093.14)	13,820.65	8,419.03	3,67,236.08	4,919.75	3,72,155.83		
Total comprehensive income for the year ended 31 March 2026														
Profit for the year 2025-2026		-	-	-	-	75,133.68	-	-	-	-	75,133.68	373.48	75,507.16	
Remeasurement of net defined benefit plan		-	-	-	-	13.04	-	-	-	-	13.04	-	13.04	
Net change in fair value of Equity investments		-	-	-	-	-	805.92	104.46	-	-	910.38	(49.74)	860.64	
Total comprehensive income for the year		-	-	-	-	75,146.72	805.92	104.46	-	-	76,057.10	323.74	76,380.84	
Dividends	17I	-	-	-	-	(2,963.10)	-	-	-	-	(2,963.10)	-	(2,963.10)	
Reserve acquired on acquisition of Subsidiary		-	-	-	-	-	-	-	-	-	296.96	296.96	296.96	
Received on issue of share warrants convertible into equity shares	17H	-	-	-	-	-	-	-	25,257.09	25,257.09	-	-	25,257.09	
Conversion of share warrants into equity shares	17H	-	33,569.55	-	-	-	-	-	(33,676.12)	(106.57)	-	-	(106.57)	
Issue of equity shares on exercise of employee stock option	38	-	26.20	-	(26.20)	-	-	-	-	-	-	-	-	
Share based payments-Equity settled	38	-	142.30	-	-	-	-	-	-	142.30	-	-	142.30	
Balance at 31 March 2026		1,280.50	1,34,674.73	18,955.61	49.23	2,98,024.94	(1,287.22)	13,925.11	-	4,65,622.90	5,540.45	4,71,163.35		

Amount in ₹ lakhs

Consolidated Statement of Changes in Equity for the year ended 31 March 2026

B. Other equity (Contd.)

Pursuant to the requirements of Division II to Schedule III, below is the nature and purpose of Reserves:

- (i) **Capital reserve:** Capital reserve represents profit or loss on purchase, sale, issue or cancellation of the Holding Company's own equity instruments.
- (ii) **Securities premium:** Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc. In case of equity settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium.
- (iii) **General reserve:** It represents a portion of the net profit of the Group before declaring dividend to general reserve pursuant to the earlier provisions of the Companies Act, 1956. Transfer of profit to general reserve is not mandatory under the Companies Act, 2013.
- (iv) **Share option outstanding reserve:** The Holding Company has a stock option scheme under which options to subscribe for the Holding Company's share have been granted to certain executives and senior employees. The share option outstanding reserve is used to recognise the value of equity-settled share based payments provided to employees, including certain key management personnel, as part of their remuneration. (refer note 38).
- (v) **Retained earnings:** Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to equity shareholders.
- (vi) **Equity instruments through other comprehensive income:** The Group has elected to recognise changes in the fair value of certain investments in equity instruments through other comprehensive income (OCI). These changes are accumulated within the equity instruments through OCI shown under the head other equity. The Group transfers amounts therefrom to retained earnings when the relevant equity instruments are derecognised.
- (vii) **Money received against share warrants:** The Holding Company had issued and allotted warrants, each convertible into one equity share of ₹1 each, on Preferential allotment basis to the Promoter/ Promoter Group of the Holding Company and certain identified non-promoter persons / entity, upon receipt of 25% of the issue price as warrant subscription money. Upon receipt of balance 75% of the issue price during the year, each warrant has been converted into fully paid-up equity share of ₹1 each of the Holding Company. On conversion of such warrants into equity shares, the Holding Company transfers the amount therefrom to securities premium and share capital.

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

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm's Registration Number: 302049E

For and on behalf of the Board of Directors of Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

Sd/-

Navindra Kumar Surana

Partner

Membership No. 053816

Sd/-

Anurag Choudhary

Chairman cum Managing Director

& Chief Executive Officer

DIN: 00173934

Sd/-

Shyam Sundar Choudhary

Executive Director

DIN: 00173732

Sd/-

Kamlesh Kumar Agarwal

Chief Financial Officer

PAN: *****960H

Sd/-

Monika Saraswat

Company Secretary

& Compliance Officer

M No. 29322

Place: Kolkata

Date: 23 April 2026

Place: Kolkata

Date: 23 April 2026

Consolidated Statement of Cash Flow for the year ended 31 March 2026

Accounting Policy

Cash flows are reported using the indirect method as set out in Ind AS 7 "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013, whereby the profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026		Year ended 31 March 2025	
A. Cash flows from operating activities				
Net profit before tax		1,00,090.54		80,618.09
Adjustments for:				
Depreciation and amortisation expense	6,816.14		5,496.52	
Finance costs	6,437.05		4,477.24	
Interest income	(5,414.29)		(4,389.59)	
Net (gain)/ loss on fair valuation of investments through profit or loss	(10,003.04)		(343.43)	
Net (gain)/ loss on sale of current investments carried at Fair value through profit and loss (FVTPL)	(193.12)		(15.07)	
Unrealised foreign exchange fluctuation (gain)/ losses, net	248.72		134.11	
Exchange differences in translating financial statements of foreign operations (gain)/ losses, net	266.12		286.01	
Loss/ (gain) (net) on sale of property, plant and equipment	44.74		0.68	
		(1,797.68)		5,646.47
Cash generated from/ (used in) operations before working capital changes		98,292.86		86,264.56
Movement in working capital:				
(Increase)/ Decrease in inventories	(17,719.90)		11,742.77	
(Increase)/ Decrease in trade receivables	(3,643.65)		2,700.51	
(Increase)/ Decrease in financial and other assets	(30,219.12)		(8,349.90)	
Increase/ (Decrease) in trade payables	13,111.95		(33,120.62)	
Increase/ (Decrease) in financial liabilities (net)	3,627.93		693.62	
Increase/ (Decrease) in other liabilities and provisions (net)	(2,162.80)		(813.21)	
		(37,005.60)		(27,146.83)
Cash generated from/ (used in) operations		61,287.27		59,117.73
Taxes paid		(23,086.61)		(14,431.86)
Net cash generated from/ (used in) operating activities		38,200.65		44,685.87
B. Cash flows from investing activities				
Purchase of property, plant and equipment	(44,970.89)		(17,059.68)	
Proceeds from sale of property, plant and equipment	498.78		9.45	
Purchase of intangible assets	(2.68)		(25.00)	
Interest income received	4,478.66		4,815.85	

Consolidated Statement of Cash Flow for the year ended 31 March 2026

(Contd.)

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026		Year ended 31 March 2025	
Sale/ (Purchase) of current investments (net)	(11,492.98)		(243.17)	
Purchase of non-current investments	(39,393.54)		(9,518.02)	
Redemption of bank deposits (having maturity of more than 3 months)	51,107.67		51,606.10	
Investment in bank deposits (having maturity of more than 3 months)	(56,606.47)		(53,105.58)	
Net cash generated from/ (used in) investing activities		(96,381.45)		(23,520.05)
C. Cash flows from financing activities				
Proceeds from allotment of equity shares under employee stock options	143.33		319.64	
Proceeds from issue of warrants convertible into equity shares	25,257.09		8,924.63	
Proceeds from non-current borrowings	5,541.35		-	
Repayment of non-current borrowings	(5,451.42)		(3,285.11)	
Proceeds from/ (Repayment of) current borrowings (net)	43,397.25		(26,243.07)	
Interest paid	(6,710.23)		(4,193.73)	
Payment of lease liabilities (principal portion)	(164.90)		(171.84)	
Payment of lease liabilities (interest portion)	(23.27)		(29.19)	
Net proceeds/ (Outflow) on settlement of derivative contracts	-		(3.23)	
Dividend paid	(2,963.10)		(2,467.58)	
Net cash generated from/ (used in) financing activities		59,026.10		(27,149.48)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		845.30		(5,983.66)
Cash and cash equivalents at the beginning of the year (refer note 9)		15,510.61		21,488.41
Cash acquired on acquisition of subsidiaries		120.09		7.02
Effect of exchange rate fluctuations on cash held in foreign currency (EEFC accounts)		0.07		(1.16)
Cash and cash equivalents at the end of the year (refer note 9)		16,476.07		15,510.61

Notes:

- Purchase of property, plant and equipment includes movements of capital work-in-progress (including capital advances and liability for capital goods) during the year.
- Changes in liability arising from financing activities:

Amount in ₹ lakhs

Particulars	1 April 2025	Cash flow (net)	Foreign exchange movement	Additions	Other changes##	31 March 2026
Borrowings (refer note 19)	30,870.18	43,487.18	-	2,299.34	-	76,656.70
Derivative contracts	423.83	-	-	-	(423.83)	-
Lease Liabilities	473.82	(188.17)	32.36	-	23.27	341.28
Interest accrued	443.94	(6,710.23)	-	6,437.05	(23.27)	147.49

Consolidated Statement of Cash Flow for the year ended 31 March 2026

(Contd.)

Amount in ₹ lakhs

Particulars	1 April 2024	Cash flow (net)	Foreign exchange movement	Additions	Other changes##	31 March 2025
Borrowings (refer note 19)	60,041.97	(29,528.18)	196.51	152.18#	7.70	30,870.18
Derivative contracts	(101.39)	(3.23)	-	-	528.45	423.83
Lease Liabilities	453.69	(201.03)	6.56	185.41	29.19	473.82
Interest accrued	407.50	(4,193.73)	(210.18)	4,477.24	(36.89)	443.94

#Additions with respect to borrowings represent addition on account of acquisition of subsidiary Company.

##Other changes with respect to borrowings, lease liabilities and interest accrued represent adjustment for effective interest and for derivative contracts, it represents fair value changes.

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

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm's Registration Number: 302049E

For and on behalf of the Board of Directors of Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

Sd/-

Navindra Kumar Surana

Partner

Membership No. 053816

Sd/-

Anurag Choudhary

Chairman cum Managing Director

& Chief Executive Officer

DIN: 00173934

Sd/-

Shyam Sundar Choudhary

Executive Director

DIN: 00173732

Sd/-

Kamlesh Kumar Agarwal

Chief Financial Officer

PAN: *****960H

Sd/-

Monika Saraswat

Company Secretary

& Compliance Officer

M No. 29322

Place: Kolkata

Date: 23 April 2026

Place: Kolkata

Date: 23 April 2026

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

1. Reporting entity

Himadri Speciality Chemical Limited ("the Holding Company" or "the Company") is a public company domiciled and headquartered in India, having its registered office situated at 23A, N. S. Road, Kolkata - 700 001 and corporate office situated at 8, India Exchange Place, 2nd floor, Kolkata - 700 001. The Holding Company was originally incorporated on 28 July 1987 and its equity shares are listed on National Stock Exchange of India Ltd (NSE) and BSE Ltd (BSE). The Holding Company is primarily engaged in the manufacturing of carbon materials and chemicals. The Holding Company has operations in India and caters to both domestic and international markets.

The Group comprises of the Holding Company and its fourteen subsidiaries and step-down subsidiaries, including eleven entities incorporated in India and three entities incorporated outside India (Refer Para 3.2(i) below for details of subsidiaries and shareholding).

The Consolidated financial statements were authorised for issue by the Board of Directors of the Holding Company at their meeting held on 23 April 2026.

A. Statement of Compliance

These Consolidated financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as the "Ind AS") notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act"), notified under Section 133 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions and presentation requirements of Division II of Schedule III to the Act, as applicable, to the Financial Statements.

B. Recent amendments:

a. New and amended standards adopted by the Company.

Effective 1 April 2025 the Company has applied the following amendments to existing standards which has been notified by the Ministry of Corporate Affairs ("MCA"). The Companies (Indian Accounting Standards) Second Amendment Rules, 2025 on 13 August 2025 (published in the Official Gazette on 19 August 2025), introducing key amendments to:

Ind AS 1 (Classification of liabilities as current or non-current and non-current liabilities with covenants);

Ind AS 7 and Ind AS 107 (Disclosures for supplier finance arrangements); and

Ind AS 12 (Global implementation of OCED Pillar Two model rules).

These amendments primarily relate to the classification of liabilities with covenants, additional disclosures for supplier finance arrangements, and a temporary exception for Pillar Two deferred taxes. The adoption of these amendments did not have a material impact on the measurement of the Group's assets or liabilities, though it resulted in enhanced disclosures and reclassifications in the financial statements."

b. New and amended standards issued but not effective

In exercise of the powers conferred by section 133 read with section 469 of the Companies Act, 2013 (18 of 2013), the Central Government in consultation with the National Financial Reporting Authority have issued certain amendments to the Indian Accounting Standards (Ind AS) that have not yet become effective for the Company's reporting periods at the date of these interim financial statements. The Companies (Indian Accounting Standards) Second Amendment Rules, 2025, notified on 13 August 2025, include amendments that are effective for annual reporting periods beginning on or after 1 April 2026:

Ind AS 1 — Presentation of Financial Statements: Further amendments on classification of liabilities as current or non-current, including requirements relating to breaches of loan covenants, grace periods, and disclosure of related risks (paragraphs 74, 75, 75A and 76).

Ind AS 10 — Events after the Reporting Period: Consequential amendments aligning terminology and treatment with Ind AS 1

Ind AS 12 — Income Taxes: Certain disclosure requirements relating to international tax reform (Pillar Two model rules), including qualitative and quantitative information on exposure to Pillar Two income taxes are mandatory for interim reporting's.

The Group is in the process of evaluating the requirements of these amendments and their impact on the Consolidated financial statements. The impact, if any, will be given effect to in the period of initial application.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

2. Basis of preparation and measurement of Consolidated financial statements

(a) Basis of preparation and measurement

The Consolidated financial statements have been prepared on historical cost convention on the accrual basis, except for certain financial instruments, defined benefit plans and employee share-based payments which are measured at fair value or amortised cost at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of product and time elapsed between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has considered an operating cycle of 12 months for the purpose of non-current and current classification of its assets and liabilities.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Group determines materiality depending on the nature or magnitude of information, or both. Information is material if omitting, misstating or obscuring it could reasonably influence decisions made by the primary users, on the basis of those financial statements.

(b) Functional and presentation currency

These Consolidated financial statements are presented in Indian ₹ (INR), which is also the Holding Company's functional currency.

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at an average rate which approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into 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 that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

All Financial information presented in INR has been rounded off to nearest two decimals of lakhs, unless otherwise indicated.

3. Material Accounting Policies

Material accounting policy information has been identified and disclosed based on the guidance provided under Ind AS 1. The material accounting policy information used in preparation of the Consolidated financial statements have been disclosed in the respective notes.

3.1 Key accounting estimates and judgements

The preparation of the Group's Consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Revisions to accounting estimates are recognised prospectively. The changes in the estimates are reflected in the Consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

Critical accounting estimates and key sources of estimation uncertainty: Key assumptions

(i) Useful lives of Property, plant and equipment and Other intangible assets

The Group uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets (refer note 4A and 6).

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(ii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using certain valuation techniques. The inputs to these models are taken from observable market data where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as volatility risk and credit risk (refer note 41).

(iii) Defined benefit plan

The Group provides defined benefit employee retirement plans. Measurement of such plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation (refer note 24).

(iv) Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers at transaction price that reflects the consideration which the Group expects to receive in exchange for those products or services. The Group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers the terms of the contract in determining the transaction price. For incentives/ discounts offered to customers/dealers, the Group makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.

(v) Determination of lease liabilities

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics [refer note 35(d)].

(vi) Determination of Right of use (ROU) assets

Certain key assumptions used in determination of ROU assets and liabilities, incremental borrowing rate and lease term. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets (refer note 5).

3.2 Basis of consolidation

(i) Subsidiaries

These Consolidated financial statements are prepared in accordance with Ind AS on "Consolidated Financial Statements" (Ind AS 110), specified under Section 133 of the Act.

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. Subsidiaries considered in the Consolidated financial statements are:

Name of the Company	Country of incorporation	31 March 2026 shareholding %	31 March 2025 shareholding %
Incorporated outside India			
AAT Global Limited	Hong Kong	100%	100%
Shandong Dawn Himadri Chemical Industry Limited - subsidiary of AAT Global Limited	China	94%	94%
Himadri Speciality Inc. (w.e.f. 7 February 2025)	USA	100%	100%

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

3. Material Accounting Policies (Contd.)

Name of the Company	Country of incorporation	31 March 2026 shareholding %	31 March 2025 shareholding %
Incorporated in India			
Himadri Agro Tech Specialities Limited (formerly Combe Projects Limited, Combe Projects Private Limited)	India	100%	100%
Himadri Clean Energy Limited	India	100%	100%
Himadri Future Material Technology Limited - subsidiary of Himadri Clean Energy Limited	India	100%	100%
Himadri Green Technologies Innovation Limited (w.e.f. 1 August 2024) - subsidiary of Himadri Clean Energy Limited	India	100%	100%
Invati Creations Private Limited (w.e.f. 17 May 2024) *	India	40%	40%
Birla Tyres Limited (w.e.f. 01 April 2025)	India	100%	-
Himadri Birla Tyre Manufacturer Private Limited (w.e.f. 01 April 2025) *	India	49%	-
Trancemarine and Confreight Logistics Private Limited (w.e.f. 04 April 2025)	India	60%	-
Sturdy Niketan Private Limited (w.e.f. 04 April 2025) - subsidiary of Trancemarine and Confreight Logistics Private Limited	India	99%	-
Himadri Advance New Energy Material Limited (formerly known as Elixir Carbo Limited, Elixir Carbo Private Limited) (w.e.f. 22 April 2025)	India	100%	-
Himadri Integrated Minerals and Resources Limited (formerly known as Himadri Power Limited) (w.e.f. 11 February 2026)	India	100%	-

* The Holding Company acquired 40% equity stake in Invati Creations Private Limited (ICPL) and 49% equity stake in Himadri Birla Tyre Manufacturer Private Limited (HBTMPL), the latter through the conversion of optionally convertible debentures (OCDs). While these holdings do not meet the 50% voting threshold for subsidiary status under Section 2(87) of the Companies Act, 2013, the Holding Company exercises effective control over both entities through contractual rights as defined by Ind AS 110. Consequently, the Group began consolidating ICPL from 17 May 2024 and HBTMPL from 1 April 2025.

(ii) Non-controlling interest (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iii) Loss of control

When the Group loses control over a subsidiary, 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 the control is lost. Any resulting gain or loss is recognised in profit or loss.

(iv) Transactions eliminated on consolidation

The financial statements of the Holding Company and its subsidiaries used in the consolidation procedures are drawn upto the same reporting date i.e 31 March 2026. The financial statements of the Holding Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

4A. Property, plant and equipment

Accounting Policy

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, 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.

Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Group, the expenditure is capitalised and the carrying amount of the item replaced is derecognised. Similarly, overhaul costs associated with major maintenance which can be measured reliably are capitalised and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognised. All other costs are charged to profit and loss during the reporting period in which they are incurred.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs.

Depreciation is calculated on estimated useful lives using the written down value method for Property, plant and equipment situated at Liluah Unit - I (Howrah), Vapi and Vizag, and on property, plant and equipment situated at other locations are provided on straight line method over the useful lives of assets, at the rates and in the manner specified in Part C of Schedule II of the Act except in respect of certain categories of assets, where the useful life of the assets has been assessed based on a technical evaluation.

The estimated useful life, depreciation method and residual value are reviewed at the end of each annual reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the asset.

Freehold land is not depreciated. Leasehold land (includes development cost) is amortised on a straight-line basis over the period of respective lease, except land acquired on perpetual lease. Useful lives and residual values are reviewed at each financial year end and adjusted, as appropriate. Leasehold improvements are amortised/ depreciated over the remaining tenure of the contract.

The estimated useful lives of items of property, plant and equipment for the current period are as follows:

Asset	Management estimate of useful life (in years)
Buildings	10-60
Plant and equipment	5-60
Office equipment	3-25
Vehicles	8-10
Furniture and fixtures	10

Based on technical assessment done by experts in earlier years and management's estimate:

- Useful life of property, plant and equipment are different than those indicated in Schedule II to the Act, as stated above.
- Residual value on property, plant and equipment has been estimated at 5% of the cost, specified in Schedule II of the Act.

The management believes that these estimated useful lives and residual values are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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).

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

4A. Property, plant and equipment (Contd.)

cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the consolidated statement of profit and loss. Impairment losses are reversed in the consolidated statement of profit and loss only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

Reconciliation of carrying amount

Amount in ₹ lakhs

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Leasehold improvements	Total
Gross carrying amount									
Balance at 1 April 2024	5,731.35	123.53	16,515.95	1,95,462.07	1,285.55	2,094.52	2,860.40	417.56	2,24,490.93
Acquired on acquisition of subsidiary company	-	-	-	46.72	3.32	77.89	2.00	-	129.93
Additions during the year	-	-	27.79	3,142.23	29.82	299.90	154.60	152.94	3,807.28
Discard/ disposals during the year	-	-	-	-	-	(73.57)	-	-	(73.57)
Exchange differences on translation of foreign operations	-	-	113.32	142.43	1.50	2.16	2.92	-	262.33
Balance at 31 March 2025	5,731.35	123.53	16,657.06	1,98,793.45	1,320.19	2,400.90	3,019.92	570.50	2,28,616.90
Balance at 1 April 2025	5,731.35	123.53	16,657.06	1,98,793.45	1,320.19	2,400.90	3,019.92	570.50	2,28,616.90
Acquired on acquisition of subsidiary company	889.43	-	687.17	851.59	24.00	95.82	51.29	-	2,599.30
Additions during the year	135.65	-	2,415.70	22,719.47	6,728.52	1,050.65	329.87	-	33,379.86
Discard/ disposals during the year	-	-	(345.43)	-	(22.84)	(146.48)	(22.68)	-	(537.43)
Exchange differences on translation of foreign operations	-	-	822.64	1,033.96	10.89	25.36	21.21	-	1,914.06
Balance at 31 March 2026	6,756.43	123.53	20,237.14	2,23,398.47	8,060.76	3,426.25	3,399.61	570.50	2,65,972.69
Accumulated depreciation									
Balance at 1 April 2024	-	12.40	6,138.65	62,949.12	958.90	1,003.82	2,031.83	374.37	73,469.09
Acquired on acquisition of subsidiary company	-	-	-	10.66	1.50	14.78	0.96	-	27.90
Depreciation for the year	-	1.55	342.21	4,046.13	40.28	213.03	153.18	5.10	4,801.48
Discard/ disposals during the year	-	-	-	-	-	(63.44)	-	-	(63.44)
Exchange differences on translation of foreign operations	-	-	59.55	73.16	1.46	2.06	2.73	-	138.96

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

4A. Property, plant and equipment (Contd.)

Reconciliation of carrying amount

Reconciliation of carrying amount									
Particulars	Freehold Land	Leasehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Leasehold improvements	Total
Balance at 31 March 2025	-	13.95	6,540.41	67,079.07	1,002.14	1,170.25	2,188.70	379.47	78,373.99
Balance at 1 April 2025	-	13.95	6,540.41	67,079.07	1,002.14	1,170.25	2,188.70	379.47	78,373.99
Acquired on acquisition of subsidiary company	-	-	36.21	86.56	7.74	44.89	25.89	-	201.29
Depreciation for the year	-	1.55	387.70	4,317.19	108.28	296.74	189.24	53.39	5,354.10
Discard/ disposals during the year	-	-	(23.54)	-	(8.11)	(95.68)	(20.29)	-	(147.62)
Exchange differences on translation of foreign operations	-	-	443.27	549.84	10.64	15.81	20.00	-	1,039.56
Balance at 31 March 2026	-	15.50	7,384.05	72,032.66	1,120.69	1,432.02	2,403.53	432.86	84,821.31
Net carrying amount									
At 31 March 2025	5,731.35	109.58	10,116.65	1,31,714.38	318.05	1,230.65	831.22	191.03	1,50,242.91
At 31 March 2026	6,756.43	108.03	12,853.09	1,51,365.81	6,940.07	1,994.23	996.08	137.64	1,81,151.38

Notes:

- As at 31 March 2026, Property, plant and equipment with net carrying amount of **₹1,440.41 lakhs** (31 March 2025: ₹1,37,733.16 lakhs) are subject to first charge to secure borrowings (refer note 19).
- Gross carrying amount includes Research and development assets (Building, Plant and equipment, Furniture and fixtures and Office equipment) of **₹3,012.70 lakhs** (31 March 2025: ₹2,830.70 lakhs) and net carrying amount of **₹1,711.64 lakhs** (31 March 2025: ₹1,698.58 lakhs). Additions to the Research and development assets during the year 2025-2026 is **₹182.00 lakhs** (2024-2025: ₹342.11 lakhs).
- For contractual commitment with respect to Property, plant and equipment, refer note 35(c).
- The Group has not revalued its property, plant and equipment during the year ended 31 March 2026 and also during previous year ended 31 March 2025.
- The Group has performed an assessment of its property plant and equipment for possible triggering events or circumstances for an indication of impairment and has concluded that there were no triggering events or circumstances that would indicate the property plant and equipment are impaired.
- Additions to plant and machinery include trial run expenses amounting to **₹4,733.08 lakhs** (31 March 2025: Nil).

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

4B. Capital work-in-progress

Accounting Policy

Capital work-in-progress assets in the course of construction for production or/and supply of goods or services or administrative purposes, or for purposes not yet determined, which are not ready for intended use as on the date of Balance Sheet are disclosed as Capital work-in-progress and are carried at cost, less any recognised impairment loss, if any. Temporarily suspended projects do not include those projects where temporary suspension is a necessary part of the process of getting an asset ready for its intended use.

Directly attributable expenditure (including finance costs relating to borrowed funds/general borrowings for construction or acquisition of property, plant and equipment) incurred on project under implementation are treated as Pre-operative expenses pending allocation to the asset and are shown under CWIP.

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Balance at the beginning of the year	18,524.82	6,651.87
Acquired on acquisition of subsidiary Company	11,189.34	21.20
Additions during the year	40,886.44	15,679.82
Capitalised during the year	(33,382.54)	(3,828.07)
Balance at the end of the year	37,218.06	18,524.82

The Group has performed an assessment of its Capital work in progress for possible triggering events or circumstances for an indication of impairment and has concluded that there were no triggering events or circumstances that would indicate the Capital work in progress are impaired.

Capital Work-in-Progress as at 31 March 2026 mainly comprises of construction of warehouse, office building, plant & equipment related to R&D and other projects. As at 31 March 2025 capital work-in-progress mainly comprises construction of warehouse building, plant & equipment related to speciality carbon black project, R&D and other projects.

5. Right of use assets

Accounting Policy

The Group recognises right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Reconciliation of carrying amount

Particulars	Amount in ₹ lakhs			
	Land	Buildings	Vehicles	Total
Gross carrying amount				
Balance at 1 April 2024	3,738.95	188.64	-	3,927.59
Additions during the year	-	189.32	-	189.32
Discard/ disposals during the year	-	-	-	-
Exchange differences on translation of foreign operations	24.27	-	-	24.27
Balance at 31 March 2025	3,763.22	377.96	-	4,141.18
Balance at 1 April 2025	3,763.22	377.96	-	4,141.18
Additions during the year	-	-	3,483.92	3,483.92
Discard/ disposals during the year	-	-	-	-
Exchange differences on translation of foreign operations	176.24	-	-	176.24
Balance at 31 March 2026	3,939.46	377.96	3,483.92	7,801.34

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

5. Right of use assets (Contd.)

Reconciliation of carrying amount

Amount in ₹ lakhs

Particulars	Land	Buildings	Vehicles	Total
Accumulated amortisation				
Balance at 1 April 2024	1,499.04	134.97	-	1,634.01
Amortisation during the year	280.19	88.06	-	368.25
Discard/ disposals during the year	-	-	-	-
Exchange differences on translation of foreign operations	11.47	-	-	11.47
Balance at 31 March 2025	1,790.70	223.03	-	2,013.73
Balance at 1 April 2025	1,790.70	223.03	-	2,013.73
Amortisation during the year	285.93	68.38	746.95	1,101.26
Discard/ disposals during the year	-	-	-	-
Exchange differences on translation of foreign operations	101.35	-	-	101.35
Balance at 31 March 2026	2,177.98	291.41	746.95	3,216.34
Net carrying amount				
At 31 March 2025	1,972.52	154.93	-	2,127.45
At 31 March 2026	1,761.48	86.55	2,736.97	4,585.00

6. Intangible assets

Accounting Policy

Intangible assets acquired are reported at cost less accumulated amortization and accumulated impairment losses, if any. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets are amortized over their estimated useful life using straight line method which reflects the pattern in which the economic benefits are expected to be consumed and have a useful life of 3 to 5 years for Computer Software and 4 to 20 years for Patent & Trade mark rights.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Reconciliation of carrying amount of intangible assets (Computer software, Patent & Trade mark)

Amount in ₹ lakhs

Particulars	Computer Software	Patent & Trade mark	31 March 2026
Gross carrying amount			
Balance at 1 April 2025	433.63	6,556.63	6,990.26
Additions during the year	2.68	-	2.68
Discard/ disposals during the year	-	-	-
Exchange differences on translation of foreign operations	-	-	-
Balance at 31 March 2026	436.31	6,556.63	6,992.94
Accumulated amortisation			
Balance at 1 April 2025	364.01	295.18	659.19
Amortisation during the year	24.95	335.83	360.78
Discard/ disposals during the year	-	-	-
Exchange differences on translation of foreign operations	-	-	-
Balance at 31 March 2026	388.96	631.01	1,019.97
Net carrying amount	47.35	5,925.62	5,972.97

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

6. Intangible assets (Contd.)

Amount in ₹ lakhs

Particulars	Computer Software	Patent & Trade mark	31 March 2025
Gross carrying amount			
Balance at 1 April 2024	412.85	-	412.85
Acquired on acquisition of subsidiary company	-	4.22	4.22
Patent recognised on business combination (refer note below)	-	6,552.41	6,552.41
Additions during the year	20.78	-	20.78
Discard/ disposals during the year	-	-	-
Exchange differences on translation of foreign operations	-	-	-
Balance at 31 March 2025	433.63	6,556.63	6,990.26
Accumulated amortisation			
Balance at 1 April 2024	330.63	-	330.63
Acquired on acquisition of subsidiary company	-	1.77	1.77
Amortisation during the year	33.38	293.41	326.79
Discard/ disposals during the year	-	-	-
Exchange differences on translation of foreign operations	-	-	-
Balance at 31 March 2025	364.01	295.18	659.19
Net carrying amount	69.62	6,261.45	6,331.07

During FY2024-25, the Holding Company has capitalised the Patents acquired on business combination at full value of ₹6,552.41 lakhs. The Holding Company's share of Patent (40%) has been adjusted with the purchase consideration paid and the balance 60% has been adjusted with the non controlling interest.

Intangible assets under development - ₹ Nil

- The Group has not revalued its intangible assets during the year ended 31 March 2026 and also during previous year ended 31 March 2025.
- The Group has performed an assessment of its Intangible Assets with indefinite useful lives, for possible triggering events or circumstances for an indication of impairment and has concluded that there were no triggering events or circumstances that would indicate the Intangible assets are impaired.

Goodwill

Accounting Policy

Goodwill represents the excess of the purchase price over the fair value of the identifiable net assets of acquired companies. Goodwill arising out of business combination is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGU") expected to benefit from the

synergies of the combination. Goodwill is not amortised, instead it is tested for impairment annually, or more frequently if indication of impairment exists. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

- The Holding Company has acquired 100% paid-up equity share capital of Himadri Advance New Energy Material Limited (HANEML) (formerly, Elixir Carbo Private Ltd. and Elixir Carbo Ltd.) on 22 April 2025 for a total purchase consideration of ₹750.00 lakhs in cash. The acquisition was accounted for as a business combination using the acquisition method of accounting in accordance with Ind AS 103 'Business Combinations' and the Holding Company has taken over net assets of ₹116.72 lakhs and recognised Goodwill of ₹633.28 lakhs.
- The Holding Company on 17 May 2024, has acquired 40% paid-up equity share capital of Invati Creations Private Limited ("Target Company"), for a total purchase consideration of ₹4,516.13 lakhs.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

6. Intangible assets (Contd.)

The purchase consideration has been discharged in the following manner –

- i. ₹1,999.36 lakhs has been paid in cash against fresh issue of 2,152 equity shares of ₹10.00 each constituting 17.71% stake, of the Target Company; and
- ii. ₹2,516.77 lakhs payable for acquiring 2,709 equity shares of ₹10.00 each, constituting 22.29% stake, of the Target Company from the existing shareholders of the Target Company for consideration other than cash has been settled by way of issue and allotment of 7,96,446 equity shares of the Holding Company having face value of ₹1 each, at a price of ₹316.00 per equity share (including a premium of ₹315.00 per equity share) to the existing shareholders of the Target Company.

This voting right does not qualify ICPL as a subsidiary under Section 2(87) of the Companies Act, 2013. However based on contractual rights (including potential voting right combined with 40% voting right), the Holding Company has the power to make decisions concerning relevant activities and thus has control over ICPL as per IND AS 110: "Consolidated Financial Statements." Consequently, the management of the Holding Company has decided to consolidate the financial results of ICPL as a subsidiary with effect from May 17, 2024.

The acquisition was accounted for as a business combination using the acquisition method of accounting in accordance with Ind AS 103 'Business Combinations' and the group has completed the process of ascertaining fair value of the assets acquired and liabilities assumed for the purpose of allocating the purchase price. The value of Goodwill on acquisition has been arrived as under:

Amount in ₹ lakhs	
Particulars	31 March 2025
Purchase Consideration as per Ind AS 103	4,516.13
Fair Value of Net Identifiable assets acquired on 17 May 2024	
- Net assets taken over	85.54
- Patent recognised on business combination (40%)	2,620.96
Goodwill	1,809.63

7. Financial Assets

Accounting Policy

All financial assets are recognised on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset

within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified at fair value through profit or loss (FVTPL) at inception. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Classification of financial assets

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer (under Ind AS 32 Financial Instruments: Presentation). All other non-derivative financial assets are 'debt instruments'.

Initial Recognition and Subsequent Recognition

(i) Amortised Cost

Financial assets are subsequently measured at amortised cost using the effective interest method, if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group may irrevocably elect at initial recognition to classify a debt instrument that meets the amortised cost criteria above as at FVTPL if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortised cost.

Financial assets classified at amortised cost comprise trade receivables, loans, government securities etc.

(ii) Fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

On initial recognition, the Group has an irrevocable option to present changes in the fair value of equity investments not held for trading in OCI. This option is made on an investment-by-investment basis.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

7. Financial Assets (Contd.)

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in other Equity. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the other Equity is directly reclassified to retained earnings.

(iii) Fair value through profit and loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Disclosure related to Fair value measurement of financial instruments (refer note 41).

De-recognition of Financial Assets:

The Group derecognises financial assets on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers

the financial assets and substantially all the risks and rewards of ownership to another entity or when it retains contractual rights to retain contractual cash flows from asset, but assumes a contractual obligation to pay the cash flows to one or more recipient.

Impairment of Financial Assets

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment loss or gain in the statement of profit and loss.

Investments

A. Non-current investments (All the investments are fully paid, unless otherwise stated)

Amount in ₹ lakhs

Particulars	Face Value (₹)	Number 31 March 2026	Number 31 March 2025	31 March 2026	31 March 2025
Investments carried at fair value through other comprehensive income (FVOCI)					
Equity instruments					
Quoted					
Himadri Credit & Finance Limited	10	3,34,900	3,34,900	1,255.88	1,202.29
Transchem Limited	10	8,000	8,000	13.01	2.65
				1,268.89	1,204.94
Unquoted					
Himadri e-Carbon Limited	10	17,000	17,000	2.72	2.67
Modern Hi-Rise Private Limited	10	22	22	28.98	28.08
Birla Tyres Limited (refer note b)	10	-	1	-	0.00
SVC Co-operative Bank Limited	10	25	-	0.01	-
				31.71	30.75
Preference shares (unquoted)					
1% Non-cumulative optionally convertible preference shares of Modern Hi-Rise Private Limited (refer note a)	10	12,48,774	12,48,774	18,257.08	18,257.08
				18,257.08	18,257.08

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

7. Financial Assets (Contd.)

Amount in ₹ lakhs

Particulars	Face Value (₹)	Number 31 March 2026	Number 31 March 2025	31 March 2026	31 March 2025
Investments carried at fair value through profit or loss (FVTPL)					
Equity shares (unquoted)					
International Battery Company, Inc.	USD 0.00001	27,00,000	-	7,743.67	-
				7,743.67	-
Preference shares (unquoted)					
8% Redeemable Preference Share of of Dalmia Bharat Refractories Limited (refer note f) #	10	1	1	0.00	0.00
Class A Preference shares of Sicona Battery Technologies Pty Ltd	AUD 1	42,41,143	42,41,143	6,766.25	5,543.44
Series A Preferred stock of International Battery Company, Inc.	USD 0.00001	5,68,762	-	1,631.22	-
				8,397.47	5,543.44
Compulsorily Convertible Notes (CCN)					
Unsecured Compulsorily Convertible Notes (CCN) of Sicona Battery Technologies Pty Ltd (refer note e)	AUD 1	1,41,94,000	9,00,000	9,159.95	476.26
Debentures (unquoted)					
0.01% Secured Optionally Convertible Debentures (OCDs) of Birla Tyres Limited (refer note b)	10	-	49,99,999	-	508.37
0.01% Secured Optionally Convertible Debentures (OCDs) of Himadri Birla Tyre Manufacturer Private Limited (refer note c)	10	-	1,50,00,000	-	1,473.80
0.01% Unsecured Optionally Convertible Debentures (OCDs) of Himadri Birla Tyre Manufacturer Private Limited (refer note c)	10	-	11,80,00,000	-	11,581.20
				9,159.95	14,039.63
Non convertible debenture (NCDs) (unquoted)					
0.001% Secured, redeemable Non-Convertible Debentures (NCDs) of Dalmia Bharat Refractories Limited (refer note d)	10	44,94,00,000	17,94,00,000	48,654.80	18,724.50
Government securities (unquoted) carried at amortised cost					
Kisan Vikas Patra (deposited with sales tax authorities)	-	1	1	0.07	0.07
				93,513.64	57,800.41

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

7. Financial Assets (Contd.)

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Aggregate book value of quoted investments	1,268.89	1,204.94
Aggregate market value of quoted investments	1,268.89	1,204.94
Aggregate value of unquoted investments (net)	84,501.08	56,595.47
Aggregate amount of impairment in book value of unquoted investments	-	-
Investment carried at amortised cost	0.07	0.07
Investment carried at fair value through profit or loss (FVTPL)	73,955.89	38,307.57
Investment carried at fair value through other comprehensive income (FVOCI)	19,557.68	19,492.77

Below rounding off norms of the Group

(a) Non-cumulative optionally convertible Preference shares (OCPS) of Modern HI-Rise Private Limited (MHPL) are convertible/redeemable at any time before the expiry of 20 years from the date of allotment (i.e. 1 March 2019) at the option of the Issuer. Each OCPS, if not opted for conversion shall be redeemable at value equal to fair market value (post considering the market value of underlying assets) of the proportionate equity shares of the Issuer (if it were converted) as on 1 June 2018 (i.e. amalgamation appointed dated). The outstanding OCPS, if not redeemed, would be converted into equity shares at any time at the option of the Issuer, but not later than 20 years from the date of allotment at the option of the Issuer in a manner that the Holding Company would obtain same proportion of equity shareholding (ownership) of the Issuer as on 1 June 2018 i.e. 7.7% of the total outstanding as on 1 June 2018 and would be subject to any dilution thereof pursuant to fresh allotment by MHPL. In case conversion is made by the Issuer, the OCPS will be converted into 6,253 equity shares (i.e. fixed number of equity shares) whenever converted.

(b) Optionally Convertible Debentures (OCDs) issued by Birla Tyres Limited (Issuer) are Convertible into equal number of equity shares at the option of the Debenture Holder any time within 5 years from the date of allotment. OCDs shall be redeemed upon expiry of 5 years from the date of allotment, if not converted by Debenture Holder, at a premium as may be fixed by the Issuer at the time of redemption.

On 1 April 2025, the Holding Company has converted 30,00,000 number of optionally convertible debentures (OCDs) of Birla Tyres Limited (BTL) having fair value of ₹305.02 lakhs into equal number of equity shares of BTL. Subsequently on 7 April 2025 the Holding Company has also acquired balance 9,999 equity shares of Birla Tyres Limited from Dalmia Bharat Refractories Ltd for a total consideration of ₹9.00 lakhs, thereby Birla Tyres Limited has become wholly owned subsidiary of the Holding Company.

(c) Optionally Convertible Debentures (OCDs) issued by Himadri Birla Tyre Manufacturer Private Limited (Issuer) are Convertible into equal number of equity shares at the option of the Debenture Holder any time within 5 years from the date of allotment. OCDs shall be redeemed upon expiry of 5 years from the date of allotment, if not converted by Debenture Holder, at a premium as may be fixed by the Issuer at the time of redemption.

On 1 April 2025, the Holding Company has converted 1,44,118 number of optionally convertible debentures (OCDs) of Himadri Birla Tyre Manufacturer Private Limited (HBTMPL) having fair value of ₹14.41 lakhs into equal number of equity shares and thereby its holding in HBTMPL became 49%. This voting right does not qualify HBTMPL as a subsidiary under Section 2(87) of the Companies Act, 2013. However based on contractual rights (including potential voting right), the Holding Company has the power to make decisions concerning relevant activities and thus has

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

7. Financial Assets (Contd.)

control over HBTMPL and consequently, the management of the Holding Company has decided to consider investment in HBTMPL as investment in subsidiary company.

- (d) Redeemable Non-Convertible Debentures (NCDs) issued by Dalmia Bharat Refractories Limited (Issuer) are redeemable on expiry of 5 years from the date of Allotment unless mutually extended by the Issuer and Debenture Holder. However, both parties may mutually agree for part redemption of debentures. NCDs shall be subject to such other terms and conditions (including redemption premium, if any) as may be agreed between the Issuer and Debenture Holder.
- (e) The Compulsorily Convertible Notes (CCNs) issued by Sicona Battery Technologies Pty Ltd (Issuer) are convertible into Ordinary Shares as per the specific terms prescribed under the Compulsorily Convertible Note Agreement entered into the holding company and the Issuer as on September 2024. The CCNs shall

be converted into Ordinary Shares of the Issuer as per the time frames outlined under Compulsorily Convertible Note Agreement.

- (f) 8% Redeemable Preference Share of Dalmia Bharat Refractories Limited was issued and allotted against discharge of Purchase Consideration for demerger of Tyre Undertaking of Birla Tyres Limited, in accordance with the approved resolution plan (as defined in Schedule 8 scheme of demerger therein) and NCLT order dated 19 October 2023, w.e.f. 6 May 2022.

The aforesaid redeemable Preference Share are redeemable at the option of Redeemable Preference shareholder anytime within 5 years at Par. The aforesaid redeemable Preference Share carry dividend @8% p.a. on its face value on Non-Cumulative basis.

Information about the Group's fair value measurement and exposure to credit and market risks are disclosed in note 41 and 42.

B. Current investments

Amount in ₹ lakhs

Particulars	No of Shares 31 March 2026	No of Shares 31 March 2025	31 March 2026	31 March 2025
Mutual funds (quoted) carried at fair value through profit or loss				
Aditya Birla Sun Life Liquid Fund - growth-Regular plan	3,43,902.253	-	1,510.80	-
DSP Ultra Short Fund - Regular Plan - Growth	47,924.058	-	1,698.21	-
Mirae Asset Low Duration Fund - Regular Plan	1,08,068.822	-	2,539.05	-
Nippon India Crisil-IBX Financial Services - Growth Plan	1,99,99,000.050	-	2,006.62	-
Kotak Low Duration Fund Standard Growth (Regular Plan)	73,010.908	-	2,541.14	-
Mahindra Manulife Low Duration Fund - Regular - Growth	59,771.411	-	1,015.98	-
LIC Liquid Fund-Direct-Growth Plan	2,520.321	-	31.76	-
Aditya Birla SL Overnight Fund Regular-Growth	14,229.720	1,115.444	205.50	15.26
Axis Liquid Fund - Regular Growth (Quoted)	12,815.041	18,550.595	389.04	401.39
Aditya Birla SL -Arbitrage Fund-Regular-Growth	10,87,579.944	-	301.56	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

7. Financial Assets (Contd.)

B. Current investments

Amount in ₹ lakhs

Particulars	No of Shares 31 March 2026	No of Shares 31 March 2025	31 March 2026	31 March 2025
Aditya Birla SL Overnight Fund Regular-Growth	62.176	-	0.90	-
Nippon India Arbitrage Fund - Growth	7,26,636.560	-	201.26	-
Nippon India Overnight Fund - Growth Plan	22,837.551	-	32.82	-
Nippon India Ultra Short Duration Fund	15.676	-	0.66	-
Kotak Liquid Fund Direct Plan - Growth	28.050	-	1.56	-
			12,476.86	416.65
Aggregate book value of quoted investments			12,476.86	416.65
Aggregate market value of quoted investments			12,476.86	416.65

Investments in mutual funds amounting to ₹Nil (31 March 2025: ₹ Nil) are pledged with banks against various credit facilities availed by the Group.

Information about the Group's fair value measurement and exposure to credit and market risks are disclosed in note 41 and 42.

C. Investments designated at fair value

Amount in ₹ lakhs

Particulars	Fair value as at 31 March 2026	Dividend income recognised during 2025-2026	Fair value as at 31 March 2025	Dividend income recognised during 2024-2025	Fair value as at 1 April 2024
Fair value through other comprehensive income					
Equity shares					
Investment in Himadri Credit & Finance Limited	1,255.88	-	1,202.29	-	944.42
Investment in Transchem Limited	13.01	-	2.65	-	2.24
Investment in Modern Hi-Rise Private Limited	28.98	-	28.08	-	20.19
Investment in Himadri e-Carbon Limited	2.72	-	2.67	-	1.87
Investment in Birla Tyres Limited #	-	-	0.00	-	0.00
Investment in SVC Co-operative Bank Limited	0.01	-	-	-	-
Preference shares					
Investment in Modern Hi-Rise Private Limited	18,257.08	-	18,257.08	-	18,257.08
Fair value through profit or loss (FVTPL)					
Equity shares					
Investment in International Battery Company, Inc.	7,743.67	-	-	-	-
Preference shares					
Investment in Dalmia Bharat Refractories Limited#	0.00	-	0.00	-	0.00
Investment in Sicona Battery Technologies Pty Ltd	6,766.25	-	5,543.44	-	5,611.01

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

7. Financial Assets (Contd.)

C. Investments designated at fair value

Amount in ₹ lakhs

Particulars	Fair value as at 31 March 2026	Dividend income recognised during 2025-2026	Fair value as at 31 March 2025	Dividend income recognised during 2024-2025	Fair value as at 1 April 2024
Investment in International Battery Company, Inc.	1,631.22	-	-	-	-
Compulsorily Convertible Notes (CCN)					
Investment in Sicona Battery Technologies Pty Ltd	9,159.95	-	476.26	-	-
Optionally convertible debentures (OCDs)					
Investment in Birla Tyres Limited *	-	-	508.37	-	718.50
Investment in Himadri Birla Tyre Manufacturer Private Limited *	-	-	13,055.00	-	12,982.80
Non convertible debentures (NCDs)					
Investment in Dalmia Bharat Refractories Limited	48,654.80	-	18,724.50	-	9,133.80
	93,513.57	-	57,800.34	-	47,671.91

Below rounding off norms of the Group

* w.e.f April 1, 2025 Birla Tyres Ltd and Himadri Birla Tyre Manufacturer Private Ltd became subsidiaries of the holding company and the fair value of OCDs on the date of conversion has been treated as cost.

8. Trade receivables

Accounting Policy

Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 115. Trade receivables are held with the objective of collecting the contractual cash flows and therefore are subsequently measured at amortised cost less loss allowance, if any.

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Trade receivable considered good - secured	2,595.71	2,595.71
Trade receivable considered good - unsecured	68,964.79	62,604.93
	71,560.50	65,200.64
Less: Loss allowance	(900.00)	(900.00)
	70,660.50	64,300.64
Non-current	1,018.41	1,018.41
Current	69,642.09	63,282.23
	70,660.50	64,300.64

(a) Movement in loss allowance

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Balance as at beginning of the year	900.00	900.00
Change in loss for allowance during the year	-	-
Balance as at the end of the year	900.00	900.00

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

8. Trade receivables (Contd.)

(b) Trade receivables ageing schedule is as follows:

Amount in ₹ lakhs

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2026							
(i) Undisputed Trade receivables:							
- considered good	62,453.89	6,362.80	836.07	280.86	126.84	136.41	70,196.87
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
(ii) Disputed Trade receivables:							
- considered good	-	-	-	-	-	1,018.41	1,018.41
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	345.22	345.22
Total	62,453.89	6,362.80	836.07	280.86	126.84	1,500.04	71,560.50

Amount in ₹ lakhs

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2025							
(i) Undisputed Trade receivables:							
- considered good	53,805.70	9,414.28	291.98	158.93	19.04	162.08	63,852.01
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
(ii) Disputed Trade receivables:							
- considered good	-	-	-	-	-	1,018.41	1,018.41
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	41.22	289.00	330.22
Total	53,805.70	9,414.28	291.98	158.93	60.26	1,469.49	65,200.64

(c) For trade receivables given as security for borrowings, refer note 19.

(d) Non-current trade receivables represent an amount of **₹1,018.41 lakhs** (31 March 2025: ₹1,018.41 lakhs) due from a customer which is currently under arbitration proceedings. Based on the merits of the case and independent legal opinion obtained by the Holding Company, the Holding Company continues to believe that the outcome of the said proceedings would be in favour of the Holding Company.

(e) No trade receivables are due from directors of the Group either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

(f) Information about the Group's exposure to credit, market and currency risks, and loss allowances related to trade receivables are disclosed in note 42.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

9. Cash and cash equivalents

Accounting Policy

The Group considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, and have maturities of less than 3 months from the date of such deposits, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Cash on hand	857.10	50.43
Balances with banks		
- On current accounts	11,727.53	3,123.25
- On cash credit accounts (debit balance)	1,143.55	1,143.55
- On EEFC accounts	2,747.89	693.38
- On deposit account (with original maturities less than 3 months) [refer note below]	-	10,500.00
	16,476.07	15,510.61

Balances with banks on current accounts includes earmarked balances of ₹ Nil (31 March 2025: ₹39.39 lakhs) lying in CSR account.

Bank deposits of ₹ Nil (31 March 2025: ₹ Nil) have been pledged with the banks against various credit facilities availed by the Group.

10. Bank balances other than cash and cash equivalents

Accounting Policy

The Group considers balances and deposits with banks having maturity of more than three months but less than 12 months to be bank balances other than Cash & Cash Equivalents.

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Bank deposits due to mature after 3 months of original maturities but within 12 months of the reporting date [refer note (a) below]	57,015.14	51,616.07
Earmarked balances with banks		
- Earmarked balances with banks for unpaid dividend accounts	55.71	54.30
- Others deposits [refer note (b) below]	0.27	0.27
	57,071.12	51,670.64

(a) Bank deposits of ₹51,111.12 lakhs (31 March 2025: ₹51,109.18 lakhs) have been pledged with various banks against various credit facilities availed by the Holding Company.

(b) Earmarked balances with banks of ₹0.27 lakh (31 March 2025: ₹0.27 lakh) is held as security against various credit facilities availed by the Holding Company.

11. Loans

Accounting policy (refer note 7)

(Unsecured and considered good, unless otherwise stated)

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Non-current		
Loan to employees	-	-
	-	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

11. Loans (Contd.)

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Current		
Loan given		
- to employees	136.24	95.51
- to related party	111.02	113.01
- to others	1,190.14	-
	1,437.40	208.52
	1,437.40	208.52
Loan receivables considered good - secured	-	-
Loan receivables considered good - unsecured	1,437.40	208.52
	1,437.40	208.52

A. Disclosures pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
(a) Loans and advances in the nature of loan to KMPs		
Amount outstanding as at year ended	111.02	113.01
Less: loss allowances	-	-
Maximum balance of loan outstanding during the year	113.01	116.20
Loan given		
Percentage of total loan	8%	56%

(b) **Details of investments:** Particulars of investments as required under Section 186(4) of the Companies Act, 2013 have been disclosed in note 7.

B. Information about the Group's exposure to credit and market risks are disclosed in note 42.

12. Other financial assets

Accounting policy (refer note 7) (Unsecured and considered good, unless otherwise stated)

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Non-current		
Security and other deposits	12,823.17	6,115.02
Bank deposits due to mature after 12 months of the reporting date	1,600.56	1,498.32
Interest accrued on bank deposits	-	0.08
	14,423.73	7,613.42
Current		
Receivable from parties other than related parties		
Security and other deposits	724.47	535.16
Interest accrued on bank deposits	1,223.52	1,073.24
Insurance claim receivable	45.43	71.15
Export incentive receivable	26.01	24.92
Government grants receivable	557.06	557.06
Other receivable	127.53	157.69
	2,704.02	2,419.22
	17,127.75	10,032.64

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

12. Other financial assets (Contd.)

Security and other deposits includes ₹12,400.00 lakhs of deposit provided to one of transport service provider for procurement of specialised dedicated fleet of tankers exclusively for the holding company use. The same has been fair valued and right to use assets has been recognised as per Ind-AS 116 (refer note 5).

Bank deposits of ₹ Nil (31 March 2025: ₹0.46 lakh) have been pledged with various banks against various credit facilities availed by the Group.

Information about the Group's exposure to credit and market risks are disclosed in note 42.

13. Non-current tax assets (net)

Accounting policy (refer note 33)

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Advance income tax	1,341.00	930.65
[net of provision for income tax ₹56.91 lakhs (31 March 2025: ₹31,281.35 lakhs)]		
	1,341.00	930.65

14. Other non-current assets

(Unsecured, considered good)

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Capital advances*		
Other than related party	6,010.19	3,086.20
Deposits with government authorities (Custom, excise etc.)	609.84	950.07
Prepaid expenses	-	41.55
	6,620.03	4,077.82

* Represents advances paid towards acquisition of Property, plant and equipment.

15. Inventories

Accounting Policy

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out (FIFO) cost basis. Cost of raw material and traded goods comprises of Cost of purchases and also include all other costs incurred in bringing the inventories to their present location and condition and are net of rebates and discounts. The cost of finished goods and work in progress includes raw materials, direct labour, other direct costs and related production overheads. The comparison of cost and net realisable value is made on an item-by-item basis. Raw materials and 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.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Raw materials [including goods-in-transit ₹2,837.96 lakhs (31 March 2025: ₹2,121.54 lakhs)]	41,582.16	21,599.44
Work-in-progress	6,018.61	7,823.56
Finished goods	23,096.28	24,568.52
Packing materials	752.55	701.17
Stores and spares	4,846.52	3,827.59
	76,296.12	58,520.28

Carrying amount of inventories pledged as securities for borrowings, refer note 19.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

16. Other current assets

(Unsecured considered good unless otherwise stated)

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Parties other than related parties		
Advances to suppliers		
Unsecured, considered good [refer note (b) below]	23,036.22	17,244.38
Unsecured, considered doubtful	216.75	216.75
	23,252.97	17,461.13
Less: Allowances for unsecured advances [refer note (a) below]	(216.75)	(216.75)
	23,036.22	17,244.38
Others		
Balance with government authorities	10,855.12	5,023.07
Others (prepaid expenses and other receivables)	12,356.39	829.06
	46,247.73	23,096.51
(a) Movement in allowances for unsecured advances		
Balance as at beginning of the year	216.75	216.75
Changes in allowances for advances during the year	-	-
Advances written off during the year	-	-
Balance as at the end of the year	216.75	216.75

(b) Advances to suppliers includes ₹206.75 lakhs (31 March 2025: ₹206.75 lakhs) as advance given in earlier years to a supplier against supply of raw materials which is currently under arbitration proceedings. Based on the merits of the case and independent legal opinion obtained, the Holding Company continues to believe that the outcome of the said proceedings would be in favour of the Holding Company.

(c) For financial instrument details refer note 41 & for details of financial risk management refer note 42.

17. Equity share capital

Accounting Policy

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Holding Company are recognised at the proceeds received, net of direct issue costs.

Particulars	31 March 2026	31 March 2025
Authorised		
70,01,00,000 (31 March 2025: 70,01,00,000) equity shares of ₹1 each	7,001.00	7,001.00
Issued, subscribed and fully paid-up		
50,45,41,599 (31 March 2025: 49,37,82,224) equity shares of ₹1 each	5,045.42	4,937.82
	5,045.42	4,937.82

A. Reconciliation of equity shares (ordinary shares) outstanding at the beginning and at the end of the reporting year

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Number	Amount	Number	Amount
At the beginning of the year	49,37,82,224	4,937.82	49,25,94,573	4,925.95
Add: Equity shares issued on exercise of employee stock option (refer note 38)	1,02,375	1.03	2,31,205	2.31
Add: Equity shares issued against conversion of warrants (refer note H)	1,06,57,000	106.57	1,60,000	1.60
Add: Equity shares issued in consideration other than cash (refer note G)	-	-	7,96,446	7.96
At the end of the year	50,45,41,599	5,045.42	49,37,82,224	4,937.82

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

17. Equity share capital (Contd.)

B. Rights, preferences and restrictions attached to equity shares

The Holding Company has a single class of equity shares with par value of ₹1 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Holding Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared by the Holding Company from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Holding Company. Equity shares held by Investor Education and Protection Fund do not have voting rights.

On winding up of the Holding Company, the holders of equity shares will be entitled to receive the residual assets of the Holding Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

C. Equity shares held by upstream associates (shareholders of the Holding Company) having significant influence over the Holding Company

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Number	Amount	Number	Amount
Modern Hi-Rise Private Limited	18,54,07,559	1,854.08	18,54,07,559	1,854.08

D. Details of equity shareholders holding more than 5% shares of fully paid up equity shares of the aggregate equity shares of the Holding Company

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Number	% of total shares in the class	Number	% of total shares in the class
Equity shares of ₹1 each fully paid up held by:				
Modern Hi-Rise Private Limited	18,54,07,559	36.75%	18,54,07,559	37.55%
Anurag Choudhary	4,33,17,676	8.59%	3,73,17,676	7.56%

E. Shareholding of promoters are as follows:

Particulars	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares in the class	% change during the year
As at 31 March 2026					
Equity shares of ₹1 each fully paid up held by:					
Modern Hi-Rise Private Limited*	18,54,07,559	-	18,54,07,559	36.75%	-
Himadri Credit & Finance Limited*	14,84,067	-	14,84,067	0.29%	-
Anurag Choudhary	3,73,17,676	60,00,000	4,33,17,676	8.59%	16.08%
Shyam Sundar Choudhary*	82,50,000	-	82,50,000	1.64%	-
Shikha Choudhary*	37,00,000	-	37,00,000	0.73%	-
Sheela Devi Choudhary*	30,00,000	-	30,00,000	0.59%	-
Amit Choudhary	1,37,50,000	40,00,000	1,77,50,000	3.52%	29.09%
Rinku Choudhary	8,50,000	-	8,50,000	0.17%	-
Anooshka C Bathwal	11,00,000	-	11,00,000	0.22%	-
	25,48,59,302	1,00,00,000	26,48,59,302	52.50%	

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

17. Equity share capital (Contd.)

Particulars	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares in the class	% change during the year
As at 31 March 2025					
Equity shares of ₹1 each fully paid up held by:					
Modern Hi-Rise Private Limited	18,25,99,607	28,07,952	18,54,07,559	37.55%	1.54%
Himadri Credit & Finance Limited	14,84,067	-	14,84,067	0.30%	-
Anurag Choudhary	3,30,00,000	43,17,676	3,73,17,676	7.56%	13.08%
Shyam Sundar Choudhary	82,50,000	-	82,50,000	1.67%	-
Shikha Choudhary	37,00,000	-	37,00,000	0.75%	-
Sheela Devi Choudhary	30,00,000	-	30,00,000	0.61%	-
Amit Choudhary	1,37,50,000	-	1,37,50,000	2.78%	-
Rinku Choudhary	8,50,000	-	8,50,000	0.17%	-
Anooshka C Bathwal	11,00,000	-	11,00,000	0.22%	-
	24,77,33,674	71,25,628	25,48,59,302	51.61%	

* change in percentage is due to increase in equity share capital of the Holding Company during the year.

F. Shares reserved for issue under options

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Number	Amount	Number	Amount
Under Employee Stock Option Plan, 2016 (ESOP 2016) equity shares of ₹1 each	92,944	0.93	2,05,244	2.05

Information of stock options granted to employees are disclosed in note 38 regarding share based payments.

G. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

The Holding Company, on 17 May 2024 had allotted 7,96,446 equity shares having face value of ₹1 each, at a price of ₹316.00 per equity share (including a premium of ₹315.00) per equity share on a preferential basis for consideration other than cash towards payment of ₹2,516.77 Lakhs ("Purchase Consideration"), payable by the Holding Company to the Allottees, as consideration for acquisition of 2,709 equity shares of ₹10 each of Invati Creations Private Limited.

H. Equity Shares issued on conversion of warrants

During the financial year 2024-25, the Holding Company had issued and allotted 1,08,17,000 warrants, each convertible into one equity share of ₹1 each, on Preferential allotment basis at an issue price of ₹316.00 per warrant, to the Promoters and certain other identified persons, upon receipt of 25% of the issue price (i.e. ₹79.00 per warrant) as warrant subscription money. Balance 75% of the issue price (i.e. ₹237.00 per warrant) shall be payable within 18 months from the date of allotment i.e. 14 May 2024, at the time of exercising the option to apply for fully paid-up equity share of ₹1 each of the Holding Company, against each warrant held by the warrant holder. Subsequently the Holding Company upon receipt of balance 75% of the issue price (i.e., ₹237.00 per warrant) for 1,60,000 warrants, has allotted equal no. of fully paid-up equity shares against conversion of said warrants exercised by the warrant holder.

The allottees has exercised their option for conversion of the warrants into equity shares for the remaining 1,06,57,000 warrants, and on receipt of balance 75% money, such warrants has been converted into equal number of equity shares of the Holding Company during the financial year 2025-26. As a result of such allotment, the paid-up equity share capital of the Holding Company has increased by 1,06,57,000 equity shares of face value of ₹1 each.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

17. Equity share capital (Contd.)

I. Distribution made and proposed dividend on equity shares by the Holding Company

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Dividend on equity shares declared and paid during the year		
Final dividend for the year ended on 31 March 2025: ₹0.60 per share (31 March 2024: ₹0.50 per share)	2,963.10	2,467.58
Proposed dividend on equity shares not recognised as liability		
Final dividend for the year ended on 31 March 2026: ₹0.80 per share (31 March 2025: ₹0.60 per share)	4,036.33	2,963.10

Proposed dividend on equity shares is subject to the approval of the equity shareholders of the Holding Company at the Annual General Meeting and not recognised as a liability as at Consolidated Balance Sheet date.

18. Other equity

Refer Consolidated statement of changes in equity for detailed movement in other equity balance.

A. Movement in other equity balance

Amount in ₹ lakhs

Particulars	1 April 2024	Movement during the year	31 March 2025	Movement during the year	31 March 2026
Capital reserve	1,280.50	-	1,280.50	-	1,280.50
Securities premium	96,759.21	4,177.47	1,00,936.68	33,738.05	1,34,674.73
General reserve	18,955.61	-	18,955.61	-	18,955.61
Share option outstanding reserve*	123.10	(47.67)	75.43	(26.20)	49.23
Money received against share warrants	-	8,419.03	8,419.03	(8,419.03)	-
Retained earnings	1,72,822.77	53,018.55	2,25,841.32	72,183.62	2,98,024.94
Items of other comprehensive income:					
- Currency translation reserve	(2,521.99)	428.85	(2,093.14)	805.92	(1,287.22)
- Equity instruments through Other Comprehensive income	12,212.37	1,608.28	13,820.65	104.46	13,925.11
	2,99,631.57	67,604.51	3,67,236.08	98,386.82	4,65,622.90

* Disclosure of share based payments (refer note 38).

B. Other comprehensive income accumulated in other equity (net of income-tax)

The disaggregation of changes in other comprehensive income by each type of reserve in equity is shown below:

Amount in ₹ lakhs

Particulars	Currency translation reserve	Equity instruments through other comprehensive income	Total other comprehensive income
As at 1 April 2024	(2,521.99)	12,212.37	9,690.38
Equity instruments through other comprehensive income - net change in fair value	-	266.98	266.98
Exchange differences in translating financial statements of foreign operations	428.85	-	428.85
Tax on above items	-	1,341.30	1,341.30
As at 31 March 2025	(2,093.14)	13,820.65	11,727.51
As at 1 April 2025	(2,093.14)	13,820.65	11,727.51

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

18. Other equity (Contd.)

Amount in ₹ lakhs

Particulars	Currency translation reserve	Equity instruments through other comprehensive income	Total other comprehensive income
Equity instruments through other comprehensive income - net change in fair value	-	64.88	64.88
Exchange differences in translating financial statements of foreign operations	805.92	-	805.92
Tax on above items	-	39.58	39.58
As at 31 March 2026	(1,287.22)	13,925.11	12,637.89

Pursuant to amendment in The Finance Act, 2024, resulting in withdrawal of indexation benefit on long term capital gain & consequential change in capital gain tax rate, the Holding Company has written back deferred tax liability amounting to ₹1,381.00 lakhs. It has been recorded under tax expense under other comprehensive income in the consolidated statement of profit & loss for the year ended 31 March 2025.

19. Financial Liabilities

Accounting Policy

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value measured on initial recognition of financial liability. They are measured at amortised cost using the effective interest method.

Financial liabilities are measured at fair value through profit and loss (FVTPL) when it is either held for trading or it is designated as at FVTPL.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or have expired.

Disclosure related to Fair value measurement of financial instruments (refer note 41).

Borrowings

Amount in ₹ lakhs

Particulars	Interest	Maturity	31 March 2026	31 March 2025
Non-current borrowings				
Secured				
Rupee term loan (secured)				
From banks	Repo rate + 5.95%	June'28	155.75	-
			155.75	-
Loan against vehicles and equipments (secured)	7%-10.25%	2026-2030	458.71	346.55
			614.46	346.55
Less: Current maturities of non-current borrowings			(169.02)	(73.97)
			445.44	272.58

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

19. Financial Liabilities (Contd.)

Amount in ₹ lakhs

Particulars	Interest	31 March 2026	31 March 2025
Current borrowings			
Secured			
From banks (repayable on demand)			
Rupee loans	6.05% - 8.15%	53,271.45	2,500.00
Foreign currency loans		-	27,993.53
		53,271.45	30,493.53
Current maturities of non-current borrowings		169.02	73.97
Unsecured			
From banks (repayable on demand)			
Rupee loans	6.05% - 6.50%	18,567.80	-
From others		4,202.99	30.10
		76,211.26	30,597.60

Information about the Group's exposure to fair value measurement, interest rate, currency and liquidity risks related to borrowings are disclosed in note 41 and 42.

A. Terms of repayment/ conversion/ redemption

- (i) Loans against vehicles and equipments are for a period of three to seven years and repayable by way of equated monthly instalments.

B. Details of security

- (i) Rupee term loans are secured by way of pari passu first charge on the plant and equipments and other assets of one of the subsidiary company.
- (ii) Loans against vehicles and equipments are secured by way of hypothecation of the respective underlying asset financed.
- (iii) Current borrowings from banks aggregating to ₹53,271.45 lakhs (31 March 2025: ₹30,493.53 lakhs) are secured by hypothecation of current assets of the Holding Company, both present and future on pari passu basis.

C. Compliance with Loan Covenants

The Group has various financial and non-financial covenants (including maintenance of debt-related ratios and reporting requirements) in respect of its borrowings. As at 31 March 2026 the Group is in compliance with all such covenants as stipulated in the respective loan agreements/sanction letters.

20. Trade payables

Accounting Policy

Trade payables represent liabilities for goods and services provided to the Group and are unpaid at the reporting period. The amounts are unsecured and usually paid within time limits as contracted. Trade and other payables are presented as current liabilities unless the payment is not due within 12 months after the reporting period.

They are recognised initially at their transactional value which represents the fair value and subsequently measured at amortised cost using the effective interest method wherever applicable.

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Trade payable for goods and services		
- total outstanding dues of micro enterprises and small enterprises (refer note (b) below)	623.24	496.70
- total outstanding dues of creditors other than micro enterprises and small enterprises	36,916.55	23,377.35
Acceptances from banks	-	57.78
	37,539.79	23,931.83

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

20. Trade payables (Contd.)

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Non-current	-	-
Current	37,539.79	23,931.83
	37,539.79	23,931.83

(a) Trade payables ageing:

Amount in ₹ lakhs

Particulars	Outstanding for following periods from the transaction date				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2026					
(i) MSME	623.24	-	-	-	623.24
(ii) Others	29,522.81	177.48	17.48	228.57	29,946.34
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-
Total	30,146.05	177.48	17.48	228.57	30,569.58
Add: Accrued Liabilities					6,970.21
Add: Acceptances from banks					-
					37,539.79

(a) Trade payables ageing:

Amount in ₹ lakhs

Particulars	Outstanding for following periods from the transaction date				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2025					
(i) MSME	496.70	-	-	-	496.70
(ii) Others	12,358.60	255.82	3,436.97	1,537.75	17,589.14
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-
Total	12,855.30	255.82	3,436.97	1,537.75	18,085.84
Add: Accrued Liabilities					5,788.21
Add: Acceptances from banks					57.78
					23,931.83

(b) Due to micro enterprises and medium enterprises

The disclosure pursuant to the Micro, Small and Medium enterprise development Act, 2006 (MSMED Act) for dues to Micro enterprises and Small enterprises as at 31 March 2026 and 31 March 2025 are as under

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
(i) The amounts remaining unpaid to micro and small suppliers as at the end of each accounting year:		
- Principal	623.24	496.70
- Interest	-	-
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

20. Trade payables (Contd.)

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
(iii) 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.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

- (c) Information about the Group's exposure to currency and liquidity risks related to trade payables are disclosed in note 42.

21. Derivatives

Accounting Policy

Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments, such as foreign currency forward contracts, interest rate swaps, cross currency swap and option contracts to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately, if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in Consolidated Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Mark to market on derivative contracts	-	423.83
	-	423.83
Non-current	-	-
Current	-	423.83
	-	423.83

Information about the Group's exposure to currency risks related to derivatives are disclosed in note 42.

22. Other financial liabilities

Accounting policy (refer note 19)

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Non-current		
Security deposits	25.77	25.77
	25.77	25.77
Current		
Interest accrued but not due on borrowings	147.49	443.94
Unclaimed dividend	55.71	54.30
Liability for capital goods	1,637.48	1,009.45
Others (Refer note c below)	5,628.64	2,000.71
	7,469.32	3,508.40

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

22. Other financial liabilities (Contd.)

- (a) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
- (b) Information about the Group's exposure to currency and liquidity risks related to the above financial liabilities are disclosed in note 42.
- (c) Other Current financial liabilities includes Liability towards cancellation of forward contracts, Employee related liabilities, deferred income and Security deposits.

23. Other current liabilities

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Statutory dues (including provident fund, tax deducted at source, goods and services tax and others)	945.45	458.15
Contract Liabilities		
- Advance from customers	261.31	329.98
Others	31.34	-
	1,238.10	788.13

24. Provisions

Accounting Policy

(a) Employee benefits - refer note 30

(b) Other Provisions

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flows to settle the present obligation, its carrying amount is the present value of those cash flows. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability.

The amortisation or "unwinding" of the discount applied in establishing the provision is charged to the income statement in each accounting period. The amortisation of the discount is shown within finance costs in the Statement of profit or loss.

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Non-current		
Net defined benefit liability - Gratuity [refer note (A) below]	840.57	588.24
Liability for compensated absences [refer note (B) below]	487.15	443.26
Provision for litigation [refer note (B) below]	78.42	78.42
	1,406.14	1,109.92
Current		
Net defined benefit liability - Gratuity (refer note (A) below)	11.48	20.43
Liability for compensated absences [refer note (B) below]	282.40	77.27
	293.88	97.70

The Group has classified the various benefits provided to employees as under:

A. Defined benefits - Gratuity

The Company's gratuity benefit scheme for its employees in India is a defined benefit plan (funded).

The Holding Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

24. Provisions (Contd.)

payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Holding Company makes contributions to recognised funds in India.

Inherent risk

The plan is defined benefit in nature which is sponsored by the Holding Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Holding Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk. These defined benefit plans expose the Holding Company to actuarial risks, such as interest rate risk, salary inflation risk, demographic risk and market (investment) risk.

These defined benefit plans expose the Company to actuarial risks, such as interest rate risk, demographic risk, salary inflation risk and market (investment) risk.

The following tables analyse present value of defined benefit obligations, expense recognised in Consolidated Statement of Profit and Loss, actuarial assumptions and other information.

The funded gratuity liability belongs to the Holding Co. & Non-funded belongs to all subsidiary companies.

(i) Reconciliation of present value of defined benefit obligation

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Non Funded	Funded	Non Funded	Funded
(a) Balance at the beginning of the year	20.50	1,133.11	-	914.46
(b) Current service cost	51.45	150.38	20.50	115.06
(c) Interest cost	1.52	76.85	-	61.85
(d) Actuarial (gains)/ losses recognised in other comprehensive income	(1.55)	(35.94)	-	103.21
(e) Past service cost - plan amendments	7.11	224.00	-	-
(f) Benefits paid	-	(54.49)	-	(61.47)
Balance at the end of the year	79.03	1,493.91	20.50	1,133.11

(ii) Reconciliation of fair value of plan assets

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Non Funded	Funded	Non Funded	Funded
(a) Balance at the beginning of the year	-	544.94	-	438.17
(b) Interest income	-	40.44	-	33.24
(c) Actual return on plan asset less interest on plan asset	-	-	-	-
(d) Contributions by the employer	-	190.00	-	135.00
(e) Benefits paid	-	(54.49)	-	(61.47)
Balance at the end of the year	-	720.89	-	544.94

(iii) Net liability recognised in the Consolidated Balance Sheet

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Non Funded	Funded	Non Funded	Funded
(a) Present value of defined benefit obligation	(79.03)	(1,493.91)	(20.50)	(1,133.11)
(b) Fair value of plan assets	-	720.89	-	544.94
Net liability recognised in the Consolidated Balance Sheet	(79.03)	(773.02)	(20.50)	(588.17)

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

24. Provisions (Contd.)

(iv) Expense recognised in Consolidated Statement of Profit or Loss

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Non Funded	Funded	Non Funded	Funded
(a) Current service cost	51.45	150.38	20.50	115.06
(b) Past service cost - plan amendments	7.11	224.00	-	-
(c) Interest cost	1.52	76.85	-	61.85
(d) Expected return on plan assets	-	(40.44)	-	(33.24)
Amount charged to Consolidated Statement of Profit or Loss	60.08	410.79	20.50	143.67

(v) Remeasurements recognised in Consolidated Other Comprehensive Income

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Non Funded	Funded	Non Funded	Funded
(a) Actuarial loss/ (gain) arising on defined benefit obligation from				
- demographic assumptions	-	-	-	-
- financial assumptions	(6.13)	(104.59)	-	49.67
- experience adjustment	4.58	68.65	-	53.54
(b) Actual return on plan asset less interest on plan asset	-	-	-	-
Amount recognised in Consolidated Other Comprehensive Income	(1.55)	(35.94)	-	103.21

(vi) The sensitivity of the overall plan obligation to changes in the weighted key assumptions are:

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Non Funded	Funded	Non Funded	Funded
Impact on defined benefit obligation on discount rate plus 100 basis points	(148.99)	(152.42)	(2.97)	(118.11)
Impact on defined benefit obligation on discount rate minus 100 basis points	(186.92)	180.61	3.69	140.42
Impact on defined benefit obligation on salary growth rate plus 100 basis points	(176.25)	150.73	3.65	121.16
Impact on defined benefit obligation on salary growth rate minus 100 basis points	(146.32)	(132.84)	(2.99)	(108.53)

The above sensitivity analysis have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method is used to calculate the liability recognised in the Consolidated Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

(vii) Actuarial assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Consolidated Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

24. Provisions (Contd.)

Financial assumptions

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Non Funded	Funded	Non Funded	Funded
Discount rate	6.90%-7.80%	7.20%	6.80%	6.60%
Expected rate of salary increase	7.00%-10.00%	7.00%	7.00%	7.00%
Retirement age (years)	60	60	60	60
Attrition rate based on different age group of employees:				
ages from 20-25	5%	5%	5%	5%
ages from 25-30	3%	3%	3%	3%
ages from 30-35	2%	2%	2%	2%
ages from 35-50	1%	1%	1%	1%
ages from 50-55	2%	2%	2%	2%
ages from 55-58	3%	3%	3%	3%

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employee market.

Demographic assumptions

Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2006-2008) Ultimate.

(viii) Maturity profile of defined benefit obligation (undiscounted)

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Non Funded	Funded	Non Funded	Funded
Within next 12 months	2.94	42.71	0.06	52.13
1-2 year	0.71	81.70	1.09	47.66
2-3 year	1.89	108.13	0.07	60.91
3-4 year	4.54	102.21	0.40	77.89
4-5 year	2.42	58.96	1.54	73.77
Thereafter	22.76	506.36	3.82	330.47

(ix) Weighted average duration of defined benefit obligation

Amount in ₹ lakhs

Particulars	31 March 2026		31 March 2025	
	Non Funded	Funded	Non Funded	Funded
	8-24 years	12 years	16 years	12 years

(x) The Group expects to pay ₹11.48 lakhs in contribution to its defined benefit plans during the year 2026-2027.

(xi) Asset liability matching strategy:

The defined benefit plans are funded with insurance companies of India. The Holding Company does not have any liberty to manage the funds provided to insurance companies. Thus, the composition of each major category of plan assets has not been disclosed.

There is no compulsion on the part of the Holding Company to fully prefund the liability of the plan. The Holding Company's philosophy is to fund these benefits based on its own liquidity and the level of underfunding of the plan.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

24. Provisions (Contd.)

B. Other Provisions

Amount in ₹ lakhs

Particulars	Liability for compensated absences	Provision for litigation
Balance as at 1 April 2024	455.87	78.42
Add: Provisions made during the year 2024-2025	153.37	-
Less: Amount utilised/ reversed during the year 2024-2025	(88.71)	-
Balance as at 31 March 2025	520.53	78.42
Add: Provisions made during the year 2025-2026	348.77	-
Less: Amount utilised/ reversed during the year 2025-2026	(99.75)	-
Balance as at 31 March 2026	769.55	78.42

Movement of provision for litigation during the year as required by Ind AS 37: "Provisions, Contingent Liabilities and Contingent Asset" specified under Section 133 of the Companies Act, 2013, the Group as a prudent measure had made provisions in the earlier year amounting to ₹78.42 lakhs representing estimates made mainly for probable claims arising out of disputes pending with the sales tax authorities. The probability and timing of the outflow with regard to these matters depend upon the ultimate settlement with the relevant authorities.

25. Current tax liabilities (net)

Accounting policy (refer note 33)

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Income-tax liabilities	670.18	955.75
[net of advance tax ₹21,614.33 lakhs (31 March 2025: ₹13,139.01 lakhs)]	670.18	955.75

26. Revenue from operations

Accounting Policy

The Group's revenue is primarily from sale of Carbon materials and chemicals, and power (generation and distribution). Revenue excludes any taxes and duties collected on behalf of the Government.

Revenue from sale of products is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the products.

Revenue from sale of services is recognised over the period of time when the services are rendered to the customer.

At contract inception, the Group assess the goods promised in a contract with a customer and identifies as a performance obligation of each promise to transfer to the customer. Revenue from contracts with customers is recognized when control of goods is transferred to customers and the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivables, net of returns and allowances and trade discounts.

The Group's derives its power revenue from the production and sale of electricity based on long-term Power Purchase Agreements. Revenue is recognised upon delivery of electricity produced to the electricity grid based on the agreed tariff rate.

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Sale of products	4,59,138.68	4,59,921.55
Sale of Services	6,627.73	-
Other operating revenue		
- Job work charges	-	1,020.31
- Export incentive	303.46	321.26
Total revenue from operations	4,66,069.87	4,61,263.12

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

26. Revenue from operations (Contd.)

- (i) Sales are net of price adjustments settled during the year by the Group, discounts and Goods and Services tax (GST) etc.

(ii) Revenue disaggregation is as follows:

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
(a) Disaggregation of goods		
- Carbon materials and chemicals	4,57,208.73	4,57,553.13
- Power	1,929.95	2,368.42
	4,59,138.68	4,59,921.55
- Sale of services	6,627.73	-
	4,65,766.41	4,59,921.55
(b) Disaggregation based on geography		
India	3,30,008.48	3,36,703.13
Outside India	1,35,757.93	1,23,218.42
	4,65,766.41	4,59,921.55
Geographical location is based on the location of customers excluding export incentives		
(c) Reconciliation of Revenue from sale of products with the contracted price		
Contracted price	4,71,330.50	4,55,683.39
Add/(less): Adjustment for variable consideration	(5,564.09)	4,238.16
	4,65,766.41	4,59,921.55
(d) Timing of revenue recognition		
- at a point in time	4,59,138.68	4,59,921.55
- over time	6,627.73	-
	4,65,766.41	4,59,921.55
(e) Information about major customers (refer note 42)		
(f) Contract balances		
Trade receivables (refer note 8)	70,660.50	64,300.64
Contract Assets	-	-
Contract Liabilities		
- Advance from customers (refer note 23)	261.31	329.98

27. Other income

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest income under the effective interest method:		
- Interest on bank deposits	4,352.42	4,199.14
- Others	251.18	10.46
- Interest income on income tax refunds	19.26	-
- Interest Income from related parties (refer note 39):	6.00	5.99
- Unwinding of discount on security deposits and others	785.43	174.00
Gain on sale proceeds of current investments measured at fair value through profit or loss	193.12	15.07
Insurance claims	97.15	19.63
Gain on fair valuation of non current investments measured at fair value through profit or loss	10,003.04	343.43
Miscellaneous income	1,421.93	401.46
	17,129.53	5,169.18

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

28. Cost of materials consumed

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Inventory of raw materials at the beginning of the year	21,599.44	34,064.51
Add: Acquired on acquisition of subsidiary company	-	4.75
Add: Purchases during the year	2,87,758.52	3,02,740.71
	3,09,357.96	3,36,809.97
Less: Inventory of raw materials at the end of the year	(41,582.16)	(21,599.44)
Less: Material captively consumed in capital projects	(791.99)	-
Cost of materials consumed	2,66,983.81	3,15,210.53

29. Change in inventories of finished goods and work-in-progress

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Opening inventories		
Finished goods	24,568.52	23,408.16
Work-in-progress	7,823.56	8,476.32
	32,392.08	31,884.48
Closing inventories		
Finished goods	23,096.28	24,568.52
Work-in-progress	6,018.61	7,823.56
	29,114.89	32,392.08
Less: Material captively consumed in capital projects	(611.89)	-
Add/(Less): Exchange rate fluctuation on account of average rate transferred to currency translation reserve	518.11	-
Add: Acquired on acquisition of subsidiary company	54.07	-
Change in inventories of finished goods and work-in-progress	3,237.48	(507.60)

30. Employee benefits expense

Accounting Policy

Retirement benefit costs and termination benefits

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of government bonds having terms approximating to the terms of related obligation.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Consolidated statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

30. Employee benefits expense (Contd.)

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Consolidated statement of profit and loss in the period in which they arise. Expense on non-accumulating compensated absences is recognized in the period in which they arise.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation at the present value of the obligation as on the reporting date.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Particulars	Amount in ₹ lakhs	
	Year ended 31 March 2026	Year ended 31 March 2025
Salaries, wages and bonus	16,452.67	11,619.99
Contribution to provident and other funds	830.76	699.65
Defined benefit plan expenses - Gratuity [refer note 24 (b)]*	414.44	135.56
Staff welfare expenses	1,687.76	1,483.35
	19,385.63	13,938.55

*net of capitalisation of ₹17.75 lakhs (31 March 2025: ₹ Nil)

- (a) Salaries, wages and bonus includes ₹2,104.89 lakhs (31 March 2025: ₹819.58 lakhs) relating to outsource manpower cost.
- (b) 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, and 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 changes in regulations.

The Group has re-assessed its liability for Gratuity and Leave Encashment using this revised wage base. The resulting increase in the Present Value of Defined Benefit Obligation (PVDBO) has been recognized as a past service cost. In accordance with the ICAI FAQ on Labour codes, the total impact of ₹231.11 lakhs has been debited to the Statement of Profit and Loss for the period ended 31 March 2026. A corresponding Deferred Tax Asset has been recognized under Ind AS 12, as these costs are tax-deductible only upon actual payment.

The Group has evaluated the impact of the OSHWC Code, 2020 regarding contract labour. Based on this assessment and existing service contracts, there is no financial impact on the current reporting period. "The contractual obligation for statutory contributions and wage payments rests with the respective licensed contractors. The Group has monitored compliance and concluded that no secondary liability has devolved upon it during the reporting period." As the Group does not engage contract labour for "core activities," no additional direct liability or permanent employment obligations have been triggered under the new framework.

(c) Defined contribution plan

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident and Pension Fund and Employee State Insurance ("ESI") which are defined contribution plans. The Group has no obligations other than to make the specified contributions. The contributions are recognised in the Consolidated Statement of Profit and Loss as they accrue.

The expense for defined contribution plans amounts to ₹603.29 lakhs (31 March 2025: ₹479.66 lakhs). Out of these, ₹595.02 lakhs (31 March 2025: ₹468.90 lakhs) pertains to provident fund plan and ₹8.27 lakhs (31 March 2025: ₹10.76 lakhs) pertains to ESI.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

31. Finance costs

Accounting Policy

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.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest expense on financial liabilities measured at amortised cost	6,237.50	4,053.73
Exchange difference regarded as an adjustment to borrowing costs	-	210.18
Other borrowing costs	176.28	184.14
Interest cost on lease liability [refer note 35(d)]	23.27	29.19
	6,437.05	4,477.24

32. Other expenses

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Consumption of stores and spares	755.50	873.23
Power and fuel	2,318.29	1,275.68
Rent	2,821.22	2,741.66
Rates and taxes	447.62	533.35
Royalty	701.00	-
Repairs to:		
- Building	226.83	126.16
- Plant and equipment	2,819.43	2,243.67
- Others	960.03	753.82
Payment to auditors'	152.39	114.37
Insurance	751.90	364.23
Packing expenses	4,006.33	3,739.01
Freight and forwarding expenses	24,566.24	23,961.27
Commission on sales	1,542.28	1,504.22
Net foreign exchange loss/ (gain)	4,356.30	(748.00)
Expenditure on corporate social responsibility	1,120.75	648.70
Miscellaneous expenses	12,936.20	9,067.60
	60,482.31	47,198.97

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

33. Income-tax

Accounting Policy

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Taxable profit differs from 'profit before tax' as reported in the Consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities using a weighted average probability.

Deferred tax

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax on the deductible temporary difference and taxable temporary differences in respect of carrying value of right of use assets and lease liability and their respective tax bases are recognised separately. The measurement of deferred tax liabilities and assets 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.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. MAT Credits are in the form of unused tax credits that are carried forward by the Group for a specified period of time, hence it is grouped with Deferred Tax Asset.

Current and deferred tax for the period

Current and deferred tax are recognised in the Consolidated statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

A. Reconciliation of effective tax rate

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026		Year ended 31 March 2025	
	Percentage	Amount	Percentage	Amount
Profit before tax		1,00,090.54		80,618.09
Statutory income-tax rate	25.17%	25,190.79	34.94%	28,171.19
Tax Effects of:				
Reversal of deferred tax liabilities (net) due to re-measurement of deferred tax assets / liabilities as per Ind AS 12 "Income Taxes"	-	-	(0.37%)	(301.10)
Non - deductible expenses for tax purposes	0.29%	291.58	0.24%	190.19
Tax exempt income/ additional deduction as per income-tax	0.00%	-	(4.33%)	(3,494.20)
Income chargeable at lower tax rate	(1.11%)	(1,108.12)	0.00%	-
Impact of tax on loss components	0.13%	131.04	0.11%	85.95
Others	0.03%	26.60	0.00%	-
Unutilised balance of MAT charged to deferred tax expense	-	-	0.44%	356.67
Income tax related to earlier years	0.05%	51.49	0.12%	99.42
	24.56%	24,583.38	31.14%	25,108.12

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

33. Income-tax (Contd.)

A. Reconciliation of effective tax rate

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026		Year ended 31 March 2025	
	Percentage	Amount	Percentage	Amount
Amount recognised in profit or loss				
- Current tax		22,341.27		14,229.71
- Deferred tax		2,190.62		10,778.99
- Income tax related to earlier years		51.49		99.42
Total tax expenses		24,583.38		25,108.12

- B. The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations 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 continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the Consolidated financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

C. Movement in deferred tax assets and liabilities

Amount in ₹ lakhs

Movement during the year ended 31 March 2025	Balance as on 1 April 2024	Charge / (credit) to profit or loss	Acquired on acquisition of subsidiaries	Charge / (credit) to OCI	Balance as on 31 March 2025
Deferred tax (assets)/ liabilities:					
Property, plant and equipment	24,324.50	27.78	-	-	24,352.28
Trade receivables	(314.50)	87.99	-	-	(226.51)
Right of use assets	603.47	(193.59)	-	-	409.88
Loans	(760.05)	255.44	-	-	(504.61)
Other assets	(34.66)	9.37	-	-	(25.29)
Borrowings	2.53	(2.53)	-	-	-
Other liabilities	(47.11)	(10.75)	-	-	(57.86)
Other financial liabilities	-	(172.07)	-	-	(172.07)
Share based payments-Equity-settled	(43.01)	24.03	-	-	(18.98)
Provisions	(193.52)	(86.17)	-	(25.98)	(305.67)
MAT credit entitlement	(10,889.69)	10,889.69	(2.68)	-	(2.68)
Gain/ loss on fair valuation of Investments in equity instruments	4,265.28	(50.20)	-	(1,341.30)	2,873.78
Net deferred tax liabilities	16,913.24	10,778.99	(2.68)	(1,367.28)	26,322.27

Amount in ₹ lakhs

Movement during the year ended 31 March 2026	Balance as on 1 April 2025	Charge / (credit) to profit or loss	Acquired on acquisition of subsidiaries	Charge / (credit) to OCI	Balance as on 31 March 2026
Deferred tax (assets)/ liabilities:					
Property, plant and equipment	24,352.28	802.35	366.27	-	25,520.90
Trade receivables	(226.51)	-	-	-	(226.51)

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

33. Income-tax (Contd.)

Movement during the year ended 31 March 2026	Balance as on 1 April 2025	Charge / (credit) to profit or loss	Acquired on acquisition of subsidiaries	Charge / (credit) to OCI	Balance as on 31 March 2026
Right of use assets	409.88	621.38	-	-	1,031.26
Loans	(504.61)	(679.15)	-	-	(1,183.76)
Other assets	(25.29)	(0.33)	4.67	-	(20.95)
Borrowings	-	-	-	-	-
Other liabilities	(57.86)	18.62	-	-	(39.24)
Other financial liabilities	(172.07)	172.25	(0.48)	-	(0.30)
Share based payments-Equity-settled	(18.98)	6.59	-	-	(12.39)
Provisions	(305.67)	(139.52)	(0.58)	24.85	(420.92)
MAT credit entitlement	(2.68)	2.68	-	-	-
Gain/ loss on fair valuation of Investments in equity instruments	2,873.78	1,432.93	-	(39.58)	4,267.13
Tax losses carried forward	-	(47.18)	(79.43)	-	(126.61)
Net deferred tax liabilities	26,322.27	2,190.62	290.45	(14.73)	28,788.61

- a) Deferred tax assets is not recognised on certain items [such as investment impairment, loss allowances on advances and capital loss] due to lack of reasonable certainty.
- b) Section 115 BAA of the Income-tax Act, 1961, introduced by the Taxation Laws (Amendment) Act, 2019 gives a one-time irreversible option for payment of income-tax at reduced rate with effect from financial year commencing 1 April 2019 subject to certain conditions.

The Holding Company continued with existing tax regime till the financial year 2024-25 to utilise the accumulated Minimum Alternative Tax ("MAT"). Accordingly the Holding Company has reversed net deferred tax liability of ₹301.10 Lakhs and unutilised balance of MAT of ₹356.67 Lakhs has been charged to deferred tax expense in the consolidated statement of profit and loss during the previous year ended 31 March 2025.

Effective 01 April 2025 the Holding Company has migrated to the Lower Tax Regime as prescribed under section 115BAA of the Income Tax Act 1961.

34. Earnings per equity share (EPS)

Accounting Policy

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
A. Basic earnings per equity share		
(i) Profit for the year, attributable to the equity share holders of the Group (before exceptional items) in ₹ lakhs	75,133.68	55,563.36
(ii) Profit for the year, attributable to the equity share holders of the Group (after exceptional items) in ₹ lakhs	75,133.68	55,563.36
(iii) Weighted average number of equity shares (basic) (number)	49,81,79,152	49,35,07,929
Basic earnings per equity share (before exceptional items) [(i)/(iii)] in ₹	15.08	11.26
Basic earnings per equity share (after exceptional items) [(ii)/(iii)] in ₹	15.08	11.26

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

34. Earnings per equity share (EPS) (Contd.)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
B. Diluted earnings per equity share		
(i) Weighted average number of equity shares (basic) (number)	49,81,79,152	49,35,07,929
(ii) Effect of dilutive potential equity shares on account of employee stock options & convertible warrants (number)	21,35,532	37,03,593
(iii) Weighted average number of equity shares (diluted) for the year (i+ii)	50,03,14,684	49,72,11,522
Diluted earnings per equity share (before exceptional items) [(A) (i)/ (B) (iii)] in ₹	15.02	11.17
Diluted earnings per equity share (after exceptional items) [(A) (ii)/ (B) (iii)] in ₹	15.02	11.17

35. Contingent liability and commitments

(to the extent not provided for)

Accounting Policy

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
(a) Contingent liabilities		
<i>Claim against the Group not acknowledged as debts</i>		
Sales tax/VAT matters in dispute/ under appeal	1,208.03	2,729.14
GST matters in dispute/ under appeal	227.43	474.43
Excise/ Service Tax matters in dispute/under appeal	10.60	10.60
Custom duty matter in dispute/ under appeal	28.83	28.83
Entry tax in dispute/ under appeal - Chhattisgarh	-	507.78
Income tax in dispute/ under appeal	1,678.16	1,042.70
Others [refer note (ii) below]	266.71	266.71

Note:

- Cash outflows for the above are determinable only on receipt of final judgments pending at various forums/ authorities. 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 the outcome of these proceedings to have a materially adverse effect on its financial position.
 - Others represents dispute with a lessor in respect of arrear dues. The Holding Company based on independent legal opinion, does not foresee any significant financial liability on this accounts.
- (b) The Holding Company imported capital goods under the EPCG scheme at zero customs duty. The total duty saved against these imports amounts to ₹1,709.44 lakhs (Previous Year: ₹249.27 lakhs). As of 31 March 2026, the Holding Company has an outstanding export obligation of ₹1041.92 lakhs (31 March 2025: Nil). The Holding Company is confident of meeting these obligations within the stipulated time frame of 6 years from the respective dates of authorisation.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

35. Contingent liability and commitments (Contd.)

(c) Commitments

Amount in ₹ lakhs

Capital and other commitments	31 March 2026	31 March 2025
Estimated amount of contracts in capital account remaining to be executed and not provided for (net of capital advance)	8,146.12	11,530.48

(d) Leases (Ind AS 116)

Accounting Policy

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk and makes adjustments specific to the lease, e.g. term, security etc.

Carrying value of right of use assets at the end of the reporting period by class (refer note 5).

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026				Year ended 31 March 2025			
	Land	Buildings	Vehicles	Amount	Land	Buildings	Vehicles	Amount
Balance at the beginning of the year	1,972.52	154.93	-	2,127.45	2,239.91	53.67	-	2,293.58
Addition during the year	-	-	3,483.92	3,483.92	-	189.32	-	189.32
Amortisation during the year	(285.93)	(68.38)	(746.95)	(1,101.26)	(280.19)	(88.06)	-	(368.25)
Exchange differences on translation of foreign operations	74.89	-	-	74.89	12.80	-	-	12.80
Balance at the end of the year	1,761.48	86.55	2,736.97	4,585.00	1,972.52	154.93	-	2,127.45

Movement in lease liabilities

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Balance at the beginning of the year	473.82	453.69
Additions during the year	-	185.41
Finance cost accrued during the year (refer note 31)	23.27	29.19
Payment of lease liabilities during the year (including interest)	(188.17)	(201.03)
Exchange differences on translation of foreign operations	32.36	6.56
Balance at the end of the year	341.28	473.82
Lease liabilities - Non-current	150.43	291.92
Lease liabilities - Current	190.85	181.90

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

35. Contingent liability and commitments (Contd.)

Maturity analysis of lease liabilities

Amount in ₹ lakhs

Maturity analysis – contractual undiscounted cash flows	31 March 2026	31 March 2025
Less than one year	190.85	181.90
One to five years	159.49	312.09
More than five years	32.77	43.50
Total undiscounted lease liabilities at the end of the year	383.11	537.49

Amount recognised in Consolidated Statement of Profit and Loss

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest on lease liabilities	23.27	29.19
Amortisation during the year	1,101.26	368.25
Expenses relating to short-term leases and low value assets	2,821.22	2,741.66

Amount recognised in the Consolidated Statement of Cash Flows

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest expenses recognised during the year (refer note 31)	23.27	29.19
Lease payments reflected in Consolidated Statement of Cash Flows	164.90	171.84

36. Other comprehensive income

Amount in ₹ lakhs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Items that will not be reclassified subsequently to profit or loss		
Re-measurement of Defined Benefit Plans	37.89	(103.21)
Income Tax relating to items that will not be reclassified subsequently to profit or loss	(24.85)	25.98
	13.04	(77.23)
Equity Instrument at Fair Value through Other Comprehensive Income	64.88	266.98
Income Tax relating to items that will not be reclassified subsequently to profit or loss	39.58	1,341.30
	104.46	1,608.28
Items that will be reclassified subsequently to profit or loss		
Exchange differences in translating financial statements of foreign operations	756.18	422.18
Income Tax relating to items that will be reclassified subsequently to profit or loss	-	-
	756.18	422.18
Other comprehensive income for the year (net of income tax)	873.68	1,953.23

37. Research and development expenses

Research and development expenses aggregating to ₹6,255.30 lakhs (31 March 2025: ₹3,587.78 lakhs) in the nature of revenue expenditure and addition of ₹182.00 lakhs (31 March 2025: ₹342.11 lakhs) in the nature of capital expenditure during the year have been included under the relevant account heads. In addition to the above expenses, research and development expenses in the nature of capital expenditure on identified project of ₹6,368.82 lakhs (31 March 2025: ₹183.13 lakhs) have been incurred during the year and is included in capital work in progress as on 31 March 2026.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

38. Share based payments

A. Description of share-based payment arrangement

Himadri Employees Stock Option Plan 2016 (equity-settled)

The Holding Company at its 28th Annual General Meeting held on 24 September 2016, has approved "Himadri Employees Stock Option Plan 2016" (ESOP 2016 or Plan) for granting 40,00,000 Employees Stock Options to certain "eligible employees". The Plan is administered by the Nomination and Remuneration Committee of the Board ("the Committee") in compliance with the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other applicable provisions of the Companies Act, 2013 for the time being in force. The option granted to certain eligible employees including certain key management personnel on vesting condition of Time basis, Company performance and individual performance as specified in the grant letter issued to each employee.

Scheme	Vesting Period	Exercise Period	Year	Date of grant	Number of options granted	Exercise price ₹ per equity share
ESOP 2016 Plan (Tranche I)	Vested after 1 year but not later than 5 years from the date of grant of options.	Any time within a period of 5 years from the date of vesting and will be settled by way of equity shares in accordance with the aforesaid plan.	2016-2017	05 January 2017	13,04,600	19
ESOP 2016 Plan (Tranche II)			2018-2019	08 May 2018	26,95,000	140

B. Measurement of fair values

Equity-settled share based payment arrangements

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 plan are as follows:

Particulars	ESOP 2016 (Tranche I)		ESOP 2016 (Tranche II)	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Fair value at grant date	₹24.94	₹24.94	₹23.01	₹23.01
Share price at grant date	₹36.70	₹36.70	₹121.15	₹121.15
Exercise price	₹19.00	₹19.00	₹140.00	₹140.00
Expected volatility* (weighted average volatility)	57.57%	57.57%	23.77%	23.77%
Expected life (expected weighted average life)	4.39 years	4.39 years	3.07 years	3.07 years
Expected dividends**	0.27%	0.27%	0.41%	0.41%
Risk-free interest rate (based on government bonds)	6.48%	6.48%	7.35%	7.35%

Expected volatility has been based on an evaluation of the historical volatility of the Holding Company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

Expected life of the options has been calculated on the assumption that options would exercise within one year from the date of vesting.

The fair value of option on the date of grant have been done by an independent valuer appointed by the management using the Black Scholes Merton Model.

* Expected volatility on the Holding Company's stock price on National Stock Exchange of India Ltd based on the data commensurate with the expected life of the options up to the date of grant.

** Expected dividend on underlying shares is taken as 10% on market price as on the date of grant.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

38. Share based payments (Contd.)

C. Reconciliation of outstanding share options

The number and weighted average exercise prices of share option under the share option plan (refer A above) are as follows.

Particulars	31 March 2026		31 March 2025	
	Weighted average exercise price per option (in ₹)	Number of options	Weighted average exercise price per option (in ₹)	Number of options
Outstanding at 1 April	136.18	2,05,244	137.28	4,36,449
Granted during the year	-	-	-	-
Forfeited during the year	140.00	9,925	-	-
Exercised during the year	140.00	1,02,375	138.26	2,31,205
Outstanding at 31 March	131.57	92,944	136.18	2,05,244
Exercisable at 31 March	131.57	92,944	136.18	2,05,244

A weighted average remaining contractual life of **1.11 years** (31 March 2025: 1.60 years).

The weighted average share price at the date of exercise for share options exercised during the year 2025-2026 was **₹423.69** (2024-2025: ₹351.59).

Weighted average fair value of the options granted during the year 2025-2026 was **₹ Nil** (2024-2025: ₹ Nil).

D. Expense recognised in Consolidated Statement of Profit and Loss

During the year ended 31 March 2026, the Holding Company has charged **₹ Nil** (31 March 2025: ₹ Nil) as share based payment equity-settled expenses.

E. Details of the liabilities arising the share based payments to employees - Equity settled were as follows:

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Total carrying amount	49.23	75.43

39. Related party disclosure

A. Enterprises where control exists:

i) Related parties with whom transactions have taken place during the year

a) Key Management Personnel (KMP) and close family members of KMP

Name of the related parties	Relationship
Mr. Shyam Sundar Choudhary, Executive Director	Key Management Personnel
Mr. Anurag Choudhary, Chairman cum Managing Director & Chief Executive Officer	Key Management Personnel
Mr. Amit Choudhary, Executive Director	Key Management Personnel
Mr. Kamlesh Kumar Agarwal, Chief Financial Officer and holding Directorship in subsidiary	Key Management Personnel
Mrs. Monika Saraswat, Company Secretary & Compliance Officer	Key Management Personnel
Mrs. Sheela Devi Choudhary	Relative of KMPs (wife of Mr. Shyam Sundar Choudhary)
Mrs. Shikha Choudhary	Relative of KMPs (wife of Mr. Anurag Choudhary)
Mrs. Rinku Choudhary	Relative of KMPs (wife of Mr. Amit Choudhary)
Mrs. Anooshka C Bathwal	Relative of KMPs (daughter of Mr. Anurag Choudhary)
Mr. Amritesh Choudhary	Relative of KMPs (son of Mr. Amit Choudhary)
Mr. Samridh Choudhary	Relative of KMPs (son of Mr. Anurag Choudhary)
Mr. Soham Bathwal	Relative of KMPs (son-in-law of Mr. Anurag Choudhary)

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

39. Related party disclosure (Contd.)

b) Non-executive Directors

Name of the related parties

Mr. Santimoy Dey, Non-Executive Independent Director (upto 23 September 2024)

Mrs. Rita Bhattacharya, Non-Executive Independent Director

Mr. Girish Paman Vanvari, Non-Executive Independent Director

Mr. Gopal Ajay Malpani, Non-Executive Independent Director

Mr. Amitabh Srivastava, Non-Executive Independent Director (w.e.f. 21 April 2025)

ii) Enterprises controlled by the Key Managerial Personnel or close family members of KMP or both

Himadri Credit & Finance Limited

Sri Agro Himghar Limited

Himadri e-Carbon Limited

Bharat Seva Nidhi (New)

Himadri Foundation

Tuaman Engineering Limited

Himadri Birla Tyre Manufacturer Private Limited (formerly: Dalmia Mining & Services Pvt Ltd) (upto 31 March 2025)

Next Generation Traders Private Limited

Birla Tyres Limited (upto 31 March 2025)

iii) Entities with significant influence over the Holding Company

Modern Hi-Rise Private Limited

iv) Firm in which director is a partner

Transaction Square LLP

B. Disclosure of transactions between the Group and related parties other than Key Managerial Persons

		Amount in ₹ lakhs	
Name of the related party	Nature of transaction	Year ended 31 March 2026	Year ended 31 March 2025
Himadri Birla Tyre Manufacturer Private Limited	Interest income on investments	-	1.33
Birla Tyres Limited	Interest income on investments	-	0.05
Modern Hi-Rise Private Limited	Rent paid	0.14	0.14
Sri Agro Himghar Limited	Rent paid	0.06	0.06
Next Generation Traders Pvt Ltd	Rent paid	1,440.00	1,440.00
Transaction Square LLP	Consultancy expenses	165.00	120.00
Mr. Samridh Choudhary	Training / Educational expenses	59.13	-
Himadri Foundation	Donation/Expenditure on corporate social responsibility	806.00	607.30
Modern Hi-Rise Private Limited	Dividend paid	1,112.45	913.00
Himadri Credit & Finance Limited	Dividend paid	8.90	7.42

C. Disclosure of transactions with Key Management Personnel & close family members of KMP

Key management personnels (KMP) remuneration comprised of the following:

		Amount in ₹ lakhs	
Nature of transaction		Year ended 31 March 2026	Year ended 31 March 2025
Short-term employee benefits		1,496.47	1,348.80
Other long-term benefits		10.50	9.12
Total remuneration paid to key management personnel		1,506.97	1,357.92

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

39. Related party disclosure (Contd.)

Nature of transaction	Year ended 31 March 2026	Year ended 31 March 2025
Sitting fees paid	41.25	33.50
Refund of Loan to KMP	(8.00)	(3.19)
Interest income on loan to KMPs	6.00	5.99
Purchase of shares	2.50	0.63
Received against issue of share warrants, convertible into equity shares	23,846.94	7,948.98
Dividend paid	420.88	327.71

As the future liability for gratuity is provided on an actuarial basis for the Group as a whole, the amount pertaining to the key management personnel is not ascertainable and, therefore, not included above.

- D. Based on the recommendation of the Nomination and Remuneration Committee of the Holding Company, all decisions relating to the remuneration of the KMP's are taken by the Board of Directors of the Holding Company, in accordance with shareholders' approval, wherever necessary.

Outstanding balances

Amount in ₹ lakhs

Name of the related party	Nature of transaction	Year ended 31 March 2026	Year ended 31 March 2025
Himadri e-Carbon Limited	Investment in Shares	2.72	2.67
Modern Hi-Rise Private Limited	Investment in Shares	28.98	28.08
	Investment in OCPs	18,257.08	18,257.08
KMPs	Loan given (including interest receivable)	111.02	113.01
Birla Tyres Limited	Investment in Shares#	-	0.00
	Investment in OCDs (including interest receivable)*	-	500.00
Himadri Birla Tyre Manufacturer Private Limited	Investment in OCDs (including interest receivable)**	-	13,300.00
Transaction Square LLP	Consultancy expenses	-	37.81

* Fair value of OCD as on 31 March 2025: ₹508.37 lakhs

** Fair value of OCD as on 31 March 2025: ₹13,055.00 lakhs

Below rounding off norms of the Group

40. Operating segments:

A. Basis of segment

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' operating results are reviewed regularly by the Group's Chief operating decision maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Group has three reportable segments, as described below, which is the Group's strategic business verticals. These business verticals are managed separately because they require different technology and marketing strategies.

The following summary describes the operations in each of the Group's reportable segments:

Reportable segment	Operations
Carbon materials and chemicals	Manufacturing
Power	Generation and distribution
Others	Mining and Other business

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

40. Operating segments: (Contd.)

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 Holding Company's Managing Director and Chief Executive Officer. Segment profit is used to measure performance as Group 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.

Amount in ₹ lakhs

Year ended 31 March 2026	Reportable Segments				Total
	Carbon materials and chemicals	Power	Others	Elimination	
Segment revenue:					
- External revenues	4,36,693.83	1,929.95	27,446.09	-	4,66,069.87
- Inter-segment revenue	-	7,619.98	-	7,619.98	-
Total segment revenue	4,36,693.83	9,549.93	27,446.09	7,619.98	4,66,069.87
Segment results*	82,844.28	8,129.37	2,780.71	-	93,754.36
Reconciliation of segment result with profit before tax					
Other income					17,129.53
Finance costs					(6,437.05)
Foreign exchange gain/(loss) (net)					(4,356.30)
Profit before tax					1,00,090.54
Depreciation and amortisation expense	6,498.52	308.88	8.74	-	6,816.14
Segment assets	4,02,974.59	9,983.51	17,866.22	-	4,30,824.32
Unallocable corporate assets					1,99,814.22
Total segment assets	4,02,974.59	9,983.51	17,866.22	-	6,30,638.54
Segment liabilities	31,471.76	58.26	16,581.04	-	48,111.06
Unallocable corporate liabilities					1,06,318.71
Total segment liabilities	31,471.76	58.26	16,581.04	-	1,54,429.77
Capital expenditure incurred for the year	44,777.35	-	196.22	-	44,973.57

* Segment results represents earnings before other income, finance cost, foreign exchange gain/(loss) (net) and tax

Amount in ₹ lakhs

Year ended 31 March 2025	Reportable Segments				Total
	Carbon materials and chemicals	Power	Others	Elimination	
Segment revenue:					
- External revenues	4,58,894.70	2,368.42	-	-	4,61,263.12
- Inter-segment revenue	-	8,104.20	-	8,104.20	-
Total segment revenue	4,58,894.70	10,472.62	-	8,104.20	4,61,263.12
Segment results*	69,884.93	9,293.22	-	-	79,178.15
Reconciliation of segment result with profit before tax					
Other income					5,169.18
Finance costs					(4,477.24)
Foreign exchange gain/(loss) (net)					748.00
Profit before tax					80,618.09

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

40. Operating segments: (Contd.)

Amount in ₹ lakhs

Year ended 31 March 2025	Reportable Segments				Total
	Carbon materials and chemicals	Power	Others	Elimination	
Depreciation and amortisation expense	5,186.15	310.37	-	-	5,496.52
Segment assets	3,15,781.39	10,354.40	-	-	3,26,135.79
Unallocable corporate assets					1,39,465.46
Total segment assets	3,15,781.39	10,354.40	-	-	4,65,601.25
Segment liabilities	29,376.75	60.58	-	-	29,437.33
Unallocable corporate liabilities					59,070.27
Total segment liabilities	29,376.75	60.58	-	-	88,507.60
Capital expenditure incurred for the year	17,059.42	25.26	-	-	17,084.68

* Segment results represents earnings before other income, finance cost, foreign exchange gain/(loss) (net) and tax.

Secondary segment information (geographical segment)

Amount in ₹ lakhs

Nature of transaction	Within India		Outside India		Total	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025
External revenue by location of customers	3,30,311.94	3,38,044.70	1,35,757.93	1,23,218.42	4,66,069.87	4,61,263.12
Carrying amount of segment assets by location of assets	5,29,883.32	4,34,503.18	1,00,755.22	31,098.07	6,30,638.54	4,65,601.25
Cost incurred on acquisition of property, plant and equipment and other intangible assets	44,819.39	25,446.72	154.18	-	44,973.57	25,446.72

Revenue from Nil (31 March 2025: 2) customer of the Group's Carbon material and chemical segment is Nil (31 March 2025: ₹94,218.87 lakhs) which is more than 10 percent of the Group's total revenue.

41. Financial Instrument

Accounting Policy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The Group has an established control framework with respect to the measurement of fair values. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Fair value for measurement and/or disclosure purposes in the financial statement is determined on such a basis, except for share-based payment transactions, leasing transactions and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Inventories or value in use in Impairment of Assets.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

4.1. Financial Instrument (Contd.)

The estimated fair value of the Group's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

A. Fair value measurement of financial instrument

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their level in the fair value hierarchy.

Amount in ₹ lakhs

As on 31 March 2026	Note	Carrying value				Fair value measurement using		
		Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Financial assets:								
Investment in preference shares (unquoted)	7	-	8,397.47	18,257.08	26,654.55	-	26,654.55	-
Investment in equity instruments (unquoted)	7	-	7,743.67	31.71	7,775.38	-	7,772.65	2.73
Investment in equity instruments (quoted)*	7	-	-	1,268.89	1,268.89	13.01	-	1,255.88
Investment in mutual funds (quoted)	7	-	12,476.86	-	12,476.86	12,476.86	-	-
Investment in debentures (unquoted)	7	-	48,654.80	-	48,654.80	-	48,654.80	-
Investment in Compulsorily Convertible Notes (unquoted)	7	-	9,159.95	-	9,159.95	-	9,159.95	-
Investment in government securities	7	0.07	-	-	0.07	-	-	-
Trade receivables	8	70,660.50	-	-	70,660.50	-	-	-
Cash and cash equivalents	9	16,476.07	-	-	16,476.07	-	-	-
Bank balances other than cash and cash equivalents	10	57,071.12	-	-	57,071.12	-	-	-
Loans	11	1,437.40	-	-	1,437.40	-	-	-
Other financial assets	12	17,127.75	-	-	17,127.75	-	-	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

4.1. Financial Instrument (Contd.)

Amount in ₹ lakhs

As on 31 March 2026	Note	Carrying value				Fair value measurement using		
		Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Financial liabilities:								
Borrowings	19	76,656.70	-	-	76,656.70	-	-	-
Trade payables	20	37,539.79	-	-	37,539.79	-	-	-
Derivatives	21	-	-	-	-	-	-	-
Lease liabilities	22	341.28	-	-	341.28	-	-	-
Other financial liabilities	22	7,495.09	-	-	7,495.09	-	-	-

Amount in ₹ lakhs

As on 31 March 2025	Note	Carrying value				Fair value measurement using		
		Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Financial assets:								
Investment in preference shares (unquoted)	7	-	-	18,257.08	18,257.08	-	18,257.08	-
Investment in equity instruments (unquoted)	7	-	-	30.75	30.75	-	28.08	2.67
Investment in equity instruments (quoted)	7	-	-	1,204.94	1,204.94	2.65	-	1,202.29
Investment in mutual funds (quoted)*	7	-	416.65	-	416.65	416.65	-	-
Investment in debentures (unquoted)	7	-	37,831.31	-	37,831.31	-	37,831.31	-
Investment in Compulsorily Convertible Notes (unquoted)	7	-	476.26	-	476.26	-	476.26	-
Investment in government securities	7	0.07	-	-	0.07	-	-	-
Trade receivables	8	64,300.64	-	-	64,300.64	-	-	-
Cash and cash equivalents	9	15,510.61	-	-	15,510.61	-	-	-
Bank balances other than cash and cash equivalents	10	51,670.64	-	-	51,670.64	-	-	-
Loans	11	208.52	-	-	208.52	-	-	-
Other financial assets	12	10,032.64	-	-	10,032.64	-	-	-
Financial liabilities:								
Borrowings	19	30,870.18	-	-	30,870.18	-	-	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

4.1. Financial Instrument (Contd.)

Amount in ₹ lakhs

As on 31 March 2025	Note	Carrying value				Fair value measurement using		
		Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Trade payables	20	23,931.83	-	-	23,931.83	-	-	-
Derivatives	21	-	423.83	-	423.83	-	423.83	-
Lease liabilities	22	473.82	-	-	473.82	-	-	-
Other financial liabilities	22	3,534.17	-	-	3,534.17	-	-	-

* Investment in equity instrument of Himadri Credit & Finance Limited has been considered as level 3 as no market price (quote) is available in active market in Calcutta stock exchange.

B. Fair value hierarchy

The Group has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted (adjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. Unquoted mutual fund units are valued using the closing net asset value. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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

- The fair value of the quoted investments are based on market price at the respective reporting date.
- The fair value of the unquoted investments included in level 2 has been determined using valuation techniques with market observable inputs. The model incorporate various inputs including prevailing market value of investments in listed company.
- The fair value of the quoted /unquoted investments included in level 3 are based on the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.
- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.
- The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies and interest rate curves.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rate used is based on the Group's estimates.
- The fair value of the commodity hedge is determined using the commodity rates existing as at the end of the reporting period.

There were no transfer of financial assets or liabilities measured at fair value between level 1 and level 2, or transfer into or out of level 3 during the year ended 31 March 2026 and 31 March 2025.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

41. Financial Instrument (Contd.)

Reconciliation of level 3 fair value measurements

The following table shows a reconciliation from opening balances to closing balances for level 3 for fair values on a recurring basis.

Particulars	Amount in ₹ lakhs	
	31 March 2026	31 March 2025
Balance as at beginning of the year	1,204.96	946.29
Acquired on acquisition of subsidiary Company	0.01	-
Change in value of investment in equity instruments measured at FVTOCI (unrealised)	53.64	258.67
Change in value due to sale of investment in equity instruments measured at FVTPL (realised)	-	-
Balance as at end of the year	1,258.61	1,204.96

Calculation of fair values

The fair values of the financial assets and liabilities are defined as the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31 March 2025.

Financial assets and liabilities measured at fair value as at Consolidated Balance Sheet date:

1. The fair values of investments in mutual fund units is based on the net asset value ("NAV") as stated by the issuers of these mutual fund units in the published statements as at Consolidated Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
2. The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.

Other financial assets and liabilities

- Cash and Cash equivalents, trade receivables, investments in term deposits, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) have fair values that approximate to their carrying amounts.
- Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Significant unobservable inputs used in level 3 fair values

Certain investments are valued using level 3 techniques. A change in one or more of the inputs to reasonably possible alternative assumptions would not change the value significantly.

42. Financial risk management

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

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

Risk management framework

The Group's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group operations. The Group's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

42. Financial risk management (Contd.)

Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. The key risks and mitigating actions are also placed before the audit committee of the Group.

The sources of risks which the Group is exposed to and their management is given below:

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, Investments, Derivative financial instruments, Loans	Ageing analysis, Credit rating	Credit limit and credit worthiness monitoring, credit based approval process
Liquidity risk	Borrowings and Other liabilities	Rolling cash flow forecasts	Adequate unused credit lines and borrowing facilities
Market risk			
Foreign exchange risk	Committed commercial transaction Financial asset and liabilities not denominated in INR	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts. Foreign currency options principal only/currency swaps
Interest rate	Long term borrowings at variable rates and other debt securities	Sensitivity analysis Interest rate movements	Interest rate swaps
Commodity price risk	Movement in prices of raw materials	Commodity price tracking	Maintaining inventory at optimum level
Security prices	Investment in equity instruments	Sensitivity analysis	Portfolio diversification

The Group has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt categories only and restricts the exposure in equity markets.

(i) Credit risk

Credit risk is the risk of financial loss of 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 and loans. Credit arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with bank, investments in debt securities and foreign exchange transactions. The carrying amount of financial assets represent the maximum credit risk exposure.

Trade receivable

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. All trade receivables are reviewed and assessed for default on a quarterly basis. Our historical experience of collecting receivables indicate a low credit risk.

Exposure to credit risks

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the Group also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customer operates. The Group limits its exposure to credit risk from trade receivables by establishing a maximum payment period of three months for customers.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

42. Financial risk management (Contd.)

Details of concentration percentage of revenue generated from a top customer and top five customers are stated below:

Particulars	Amount in ₹ lakhs	
	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from a top customer	9%	10%
Revenue from top five customers	32%	41%

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. As per simplified approach, the Group makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. The Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the credit loss allowance for trade receivables.

Movement in impairment loss:

Particulars	Amount in ₹ lakhs	
	Year ended 31 March 2026	Year ended 31 March 2025
Balance at the beginning of the year	900.00	900.00
Add: Provided during the year	-	-
Less: Utilised during the year	-	-
Balance at the end of the year	900.00	900.00

Particulars	Amount in ₹ lakhs						
	Not Due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	Over 180 days	Total
As at 31 March 2026							
Gross carrying amount - current	62,453.89	2,484.50	2,338.73	1,392.21	147.36	1,725.40	70,542.09
Gross carrying amount - non-current	-	-	-	-	-	1,018.41	1,018.41
Average expected loss rate on current	0.00%	0.00%	0.00%	0.00%	0.00%	52.16%	1.28%
Expected credit loss provision*	-	-	-	-	-	900.00	900.00
Carrying amount of trade receivable (net of expected credit loss provision)	62,453.89	2,484.50	2,338.73	1,392.21	147.36	1,843.81	70,660.50

Particulars	Amount in ₹ lakhs						
	Not Due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	Over 180 days	Total
As at 31 March 2025							
Gross carrying amount - current	53,805.70	7,745.34	1,415.96	152.34	100.64	962.25	64,182.23
Gross carrying amount - non-current	-	-	-	-	-	1,018.41	1,018.41
Average expected loss rate on current	0.00%	0.00%	0.00%	43.07%	75.00%	78.87%	1.40%

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

42. Financial risk management (Contd.)

Amount in ₹ lakhs

Particulars	Not Due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	Over 180 days	Total
Expected credit loss provision*	-	-	-	65.61	75.48	758.91	900.00
Carrying amount of trade receivable (net of expected credit loss provision)	53,805.70	7,745.34	1,415.96	86.73	25.16	1,221.75	64,300.64

*The non-current debtors are under arbitration and matter has been awarded in Co.'s favour and accordingly no ECL has been considered on non-current debtors.

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's finance team is responsible for liquidity, finding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows.

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.

Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Amount in ₹ lakhs

31 March 2026	Carrying amount	Less than 1 year	1-2 years	2-3 years	3-5 years	> 5 years	Total
Borrowings (including estimated interest)	76,656.70	76,515.33	196.41	159.23	132.25	-	77,003.22
Trade payables (including acceptances)	37,539.79	37,539.79	-	-	-	-	37,539.79
Other financial liabilities	7,495.09	7,469.32	-	-	-	25.77	7,495.09
Lease liabilities including lease interest	341.28	190.85	110.16	25.72	23.60	32.77	383.11

Amount in ₹ lakhs

31 March 2025	Carrying amount	Less than 1 year	1-2 years	2-3 years	3-5 years	> 5 years	Total
Borrowings (including estimated interest)	30,870.18	30,851.72	138.61	75.99	87.10	-	31,153.42
Trade payables (including acceptances)	23,931.83	23,931.83	-	-	-	-	23,931.83
Other financial liabilities	3,534.17	3,508.40	-	-	-	25.77	3,534.17
Lease liabilities including lease interest	473.82	181.90	116.26	109.93	85.90	43.50	537.49

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

42. Financial risk management (Contd.)

(a) Currency risk

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of raw materials and spare parts, capital expenditure, exports of finished goods. The currency in which these transactions are primarily denominated is USD. The Group manages currency exposures within prescribed limits, through use of forward exchange contracts and cross currency swap. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point of time.

The Group evaluates exchange rate exposure arising from foreign currency transactions. The Group follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency swaps and forwards to hedge exposure to foreign currency risk. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure.

Exposure to currency risk

The Group's exposure to foreign currency expressed in Indian ₹ as at the end of the reporting period are as follows:

Amount in ₹ lakhs

31 March 2026	USD	AUD	EURO	JPY	RMB	Total
Financial Assets						
Investments	9,374.89	15,926.20	-	-	-	25,301.09
Trade receivables	24,351.03	-	3,878.53	-	-	28,229.56
Cash and cash equivalents	2,969.53	-	-	-	80.43	3,049.96
	36,695.45	15,926.20	3,878.53	-	80.43	56,580.61
Financial Liabilities						
Trade payables	19,898.37	-	7.83	-	69.67	19,975.87
Other financial liabilities	230.17	-	-	9.79	-	239.96
Other liabilities	31.56	-	-	-	5.44	37.00
	20,160.10	-	7.83	9.79	75.11	20,252.83
Net exposure in respect of recognised financial assets and financial liabilities	16,535.35	15,926.20	3,870.70	(9.79)	5.32	36,327.78

Amount in ₹ lakhs

31 March 2025	USD	AUD	EURO	JPY	RMB	Total
Financial Assets						
Trade receivables	13,666.45	-	1,174.68	-	-	14,841.13
Cash and cash equivalents	692.72	-	-	-	0.66	693.38
	14,359.17	-	1,174.68	-	0.66	15,534.51
Financial Liabilities						
Borrowings	27,993.53	-	-	-	-	27,993.53
Trade payables	5,320.83	-	-	-	183.64	5,504.47
Other financial liabilities	569.32	-	41.55	-	-	610.87
Less: Forward currency call options	(47,069.77)	-	-	-	-	(47,069.77)
	(13,186.09)	-	41.55	-	183.64	(12,960.90)
Net exposure in respect of recognised financial assets and financial liabilities	27,545.26	-	1,133.13	-	(182.98)	28,495.41

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

42. Financial risk management (Contd.)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the foreign currency against Indian rupee 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 amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Amount in ₹ lakhs

	Profit or (loss)		Equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2026				
USD (5% Movement)	(826.77)	826.77	(618.69)	618.69
AUD (5% Movement)	(796.31)	796.31	(595.89)	595.89
EURO (5% Movement)	(193.54)	193.54	(144.83)	144.83
JPY (5% Movement)	0.49	(0.49)	0.37	(0.37)
RMB (5% Movement)	(0.27)	0.27	(0.20)	0.20
31 March 2025				
USD (5% Movement)	(1,377.26)	1,377.26	(895.99)	895.99
AUD (5% Movement)	-	-	-	-
EURO (5% Movement)	(56.66)	56.66	(36.86)	36.86
JPY (5% Movement)	-	-	-	-
RMB (5% Movement)	9.15	(9.15)	5.95	(5.95)

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates related primarily to the Group's current borrowings with floating interest rates. For all non-current borrowings with floating rates, the risk of variation in the interest rates is mitigated through interest rate swaps. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Exposure to interest rate risk

The interest rate profile of the Group's interest bearing financial instruments at the end of the reporting period are as follows:

Amount in ₹ lakhs

Particulars	31 March 2026	31 March 2025
Fixed rate instruments		
Financial assets	60,053.37	63,822.91
Financial liabilities	(4,661.70)	(28,370.18)
	55,391.67	35,452.73
Variable rate instruments		
Financial assets	-	-
Financial liabilities	(71,995.00)	(2,500.00)
	(71,995.00)	(2,500.00)

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitivity analysis.

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

Amount in ₹ lakhs

	Profit or (loss)		Equity (net of tax)	
	Decrease in rate	Increase in rate	Decrease in rate	Increase in rate
31 March 2026				
Variable rate instruments (1% Movement)	719.95	(719.95)	538.75	(538.75)

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

42. Financial risk management (Contd.)

Amount in ₹ lakhs

	Profit or (loss)		Equity (net of tax)	
	Decrease in rate	Increase in rate	Decrease in rate	Increase in rate
Cash flow sensitivity (net)	719.95	(719.95)	538.75	(538.75)
31 March 2025				
Variable rate instruments (1% Movement)	25.00	(25.00)	16.26	(16.26)
Cash flow sensitivity (net)	25.00	(25.00)	16.26	(16.26)

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period and all other variables, in particular foreign currency exchange rates, remain constant. Further, the calculation for the unhedged floating rate borrowing have been done on the notional value of the foreign currency.

(c) Equity price risks

The Group's quoted and unquoted equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The senior management reviews and approves all equity investment decisions.

Sensitivity analysis

Investment in equity instruments made by the Group are listed on the BSE Ltd (BSE), National Stock Exchange of India Ltd (NSE) and Calcutta Stock Exchange (CSE) in India. There is no significant investment outstanding as at 31 March 2026. Hence, sensitivity analysis is not given.

(d) The following table gives details in respect of outstanding foreign currency forward, cross currency swaps, interest rate swaps and option contracts:

Particulars	Currency pair	Position	31 March 2026		31 March 2025	
			Amount in foreign currency in lakhs	Amount in ₹ in lakhs	Amount in foreign currency in lakhs	Amount in ₹ in lakhs
Forward contracts [Nil, (previous year Nil)]	USD/INR	Sell	-	-	-	-
Forward contracts [Nil, (previous year 5)]	USD/INR	Buy	-	-	550.00	47,069.77

The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the Consolidated Balance Sheet date:

Particulars	31 March 2026		31 March 2025	
	Amount in ₹ lakhs		Amount in ₹ lakhs	
Not later than one month	-	-	-	-
Later than one month and not later than three months	-	-	(423.83)	-
Later than three months and not later than one year	-	-	-	(423.83)

The following table provides quantitative information about offsetting of derivative financial assets and derivative financial liabilities:

Particulars	31 March 2026		31 March 2025	
	Derivative financial asset	Derivative financial liability	Derivative financial asset	Derivative financial liability
Gross amount of recognised financial asset/ liability	-	-	-	423.83
Net amount presented in Standalone Balance Sheet	-	-	-	423.83

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

4.3. Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act, 2013

Particulars	Net assets (total assets minus total liabilities)		Share in Profit or Loss		Share in OCI		Share in total comprehensive income	
	As % of Consolidated net assets	Amount in ₹ lakhs	As % of Consolidated profit or loss	Amount in ₹ lakhs	As % of Consolidated other comprehensive income	Amount in ₹ lakhs	As % of Consolidated total comprehensive income	Amount in ₹ lakhs
Parent								
Himadri Speciality Chemical Limited	97.07%	4,62,275.86	99.29%	74,969.86	13.29%	116.13	98.31%	75,085.99
Subsidiaries:								
Indian								
1. Himadri Agro Tech Specialities Limited	0.03%	148.56	0.00%	(2.14)	0.00%	-	0.00%	(2.14)
2. Himadri Clean Energy Limited	0.10%	478.19	0.53%	403.48	0.13%	1.17	0.53%	404.65
3. Himadri Future Material Technology Limited	(0.01%)	(32.75)	(0.04%)	(30.73)	0.00%	-	(0.04%)	(30.73)
4. Himadri Green Technologies Innovation Limited	(0.02%)	(111.84)	(0.11%)	(83.73)	0.00%	-	(0.11%)	(83.73)
5. Invati Creations Private Limited	0.74%	3,519.71	0.06%	41.80	(0.08%)	(0.72)	0.05%	41.08
6. Birla Tyres Limited	0.08%	370.57	0.07%	56.55	0.00%	-	0.07%	56.55
7. Himadri Birla Tyre Manufacturer Private Limited	0.00%	(0.37)	(0.02%)	(14.52)	0.00%	-	(0.02%)	(14.52)
8. Trancemarine and Confreight Logistics Private Limited	0.09%	409.31	(0.02%)	(14.77)	0.00%	-	(0.02%)	(14.77)
9. Sturdy Niketan Private Limited	0.10%	479.36	0.64%	480.04	0.00%	-	0.63%	480.04
10. Himadri Advance New Energy Material Limited	(0.03%)	(126.64)	(0.32%)	(244.28)	0.11%	0.92	(0.32%)	(243.36)
11. Himadri Integrated Minerals and Resources Limited	0.00%	1.86	0.00%	(0.65)	0.00%	-	0.00%	(0.65)
Foreign								
1. AAT Global Limited	(1.93%)	(9,168.01)	(0.08%)	(59.13)	0.00%	-	(0.08%)	(59.13)
2. Shandong Dawn Himadri Chemical Industry Limited	(1.12%)	(5,316.86)	0.16%	119.69	0.00%	-	0.16%	119.69
3. Himadri Speciality Inc	0.02%	73.52	0.08%	62.05	0.00%	-	0.08%	62.05
Non-controlling interests in all subsidiaries	1.16%	5,540.45	0.49%	373.48	(5.69%)	(49.74)	0.42%	323.74
Intercompany eliminations on consolidation	3.72%	17,667.85	(0.73%)	(549.84)	0.00%	-	(0.72%)	(549.84)
Exchange differences in translating financial statements of foreign operations	0.00%	-	0.00%	-	92.24%	805.92	1.06%	805.92
At 31 March 2026	100.00%	4,76,208.77	100.00%	75,507.16	100.00%	873.68	100.00%	76,380.84

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

44. Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders. The Group's objective when managing capital are to: (a) maximise shareholders value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital. The Group may take appropriate steps in order to maintain or adjust its capital structure.

The Group monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

		Amount in ₹ lakhs	
Particulars		31 March 2026	31 March 2025
Borrowings	A	76,656.70	30,870.18
Cash and bank balances & investment in mutual funds	B	86,024.05	67,597.90
TOTAL	C = A - B	(9,367.35)	(36,727.72)
Equity	D	4,76,208.77	3,77,093.65
Debt to Equity	E = A / D	0.16	0.08
Debt to Equity (net)	F = C / D	(0.02)	(0.10)

For the purpose of the Group's capital management

- (a) Borrowings includes as non-current borrowings, current borrowings and current maturities of non-current borrowings as described in note 19.
- (b) Equity includes issued, subscribed and fully paid-up equity share capital and other equity attributable to the equity holders of the Group as described in note 17 and 18.
- (c) Cash and bank balances include cash and cash equivalents, mutual funds and Bank balances other than cash and cash equivalents (refer note 7, 9 and 10)

45. Other Additional Regulatory Information

(i) Details of benami property held

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

(ii) Borrowing secured against current assets

The Group has taken working capital borrowings from banks on the basis of security of current assets. The quarterly statement filed to the banks are in agreement with the books of accounts. The Group has not availed any working capital borrowing from financial institutions during the year.

(iii) Willful defaulter

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

(iv) Relationship with struck off companies

The Holding Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 except the following:

Name of the struck off Company	Nature of transactions with struck off Company	Relationship with the struck off Companies	Number of shares outstanding 31 March 2026	Number of shares outstanding 31 March 2025	31 March 2026	31 March 2025
Frohar Trading Private Limited	Shares held by struck off Company	NA	1,700	1,700	0.01	0.01
Trishul Vintrade Private Limited	Shares held by struck off Company	NA	-	590	-	0.00
Nipu Commercial Private Limited	Shares held by struck off Company	NA	-	650	-	0.00

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

45. Other Additional Regulatory Information (Contd.)

Name of the struck off Company	Nature of transactions with struck off Company	Relationship with the struck off Companies	Number of shares outstanding 31 March 2026	Number of shares outstanding 31 March 2025	31 March 2026	31 March 2025
V G Finvest Ltd	Shares held by struck off Company	NA	100	-	0.00	-
Arvind Securities P Ltd	Shares held by struck off Company	NA	250	-	0.00	-

(v) Compliance with number of layers of companies

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

(vi) Compliance with approved scheme(s) of arrangements

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

(vii) Utilisation of borrowed funds and share premium

No funds have been advanced or loaned or invested funds (either 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 lend or invest in party identified by or on behalf of the Holding Company (Ultimate Beneficiaries). The Holding Company has not received any fund from any party(s) (Funding Party) with the understanding that the Holding Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(viii) Undisclosed income

The Group do not have any such transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(ix) Details of crypto currency or virtual currency

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

(x) Valuation of PP&E, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xi) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Holding Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

(xiii) The Holding Company and its subsidiaries incorporated in India has used accounting software for maintaining their respective books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered and the audit trail has been preserved by the Holding Company and Subsidiary Companies incorporated in India as per the statutory requirements for record retention to the extent enabled.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

46. The management of Holding Company has evaluated all activities of the Group till 23 April 2026 and concluded that there were no additional subsequent events required to be reflected in the Group's financial statements except the following:

On 23 April 2026, the Holding Company achieved a milestone with the commencement of its first anode material production facility at Mahistikry, Hooghly, West Bengal, with an initial capacity of 200 MTPA.

47. The Group has evaluated the impact of the ongoing geopolitical conflict in the Middle East involving the USA and Iran, which escalated in February 2026. Based on the Group's current assessment of its operations, supply chains, and financial exposure, there has been no material impact on the business operations or financial results for the year ended 31 March 2026. The Group continues to monitor the situation closely for any potential long-term indirect effects on energy prices or global trade routes that could influence future reporting periods.

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm's Registration Number: 302049E

For and on behalf of the Board of Directors of Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

Sd/-

Navindra Kumar Surana

Partner

Membership No. 053816

Sd/-

Anurag Choudhary

Chairman cum Managing Director

& Chief Executive Officer

DIN: 00173934

Sd/-

Shyam Sundar Choudhary

Executive Director

DIN: 00173732

Sd/-

Kamlesh Kumar Agarwal

Chief Financial Officer

PAN: ****960H

Sd/-

Monika Saraswat

Company Secretary

& Compliance Officer

Place: Kolkata

Date: 23 April 2026

Place: Kolkata

Date: 23 April 2026



Innovation with purpose. Growth with happiness.

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