

**INDEPENDENT AUDITOR'S REPORT**

To the Members of MALCO Energy Limited

**Report on the Audit of the IND AS Financial Statements****Opinion**

We have audited the financial statements of MALCO Energy Limited, ("the Company"), which comprise the Balance sheet as at March 31, 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information .

In our opinion and to the best of our information and according to the explanations given to us , the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("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 state of affairs of the Company as at March 31, 2026, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

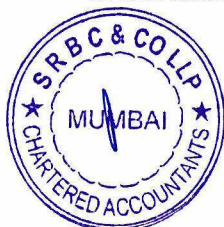
We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section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

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the 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.



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## **Responsibilities of the Management for the 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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



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- 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.

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.

## 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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account ;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;



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- (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- (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 financial statements - Refer note 43 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - iv.
    - a) The management has represented that, to the best of its knowledge and belief, 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 entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. No dividend has been declared or paid during the year by the Company.



# **SRBC & COLLP**

Chartered Accountants

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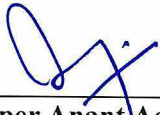
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (refer Note 48(x) to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail of relevant prior year has been preserved by the Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in the respective year, as stated in Note 48(x) to the financial statements.

For **SRBC & COLLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per **Anant Acharya**

Partner

Membership Number: 124790

UDIN: 26124790FEHZXT8826

Place of Signature: Mumbai

Date: April 28, 2026



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**Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date:**

Re : MALCO Energy Limited (“the Company”)

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) (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) All Property, Plant and Equipment have not been physically verified by the management during the year but there is regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) 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 3 to the financial statements included in property, plant and equipment are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment including Right of use assets or intangible assets during the year ended March 31, 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 has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate were noticed in respect of work-in-progress and finished goods inventory during such physical verification and have been properly dealt with in the books of account.
- (b) As disclosed in note 24 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five 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 financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company. The Company does not have sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.



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- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c), (d), (e), (f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (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) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to generation and supply of power, met coke, nickel sulphate, nickel metal and cobalt and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, custom duty, employees' state insurance corporation 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.



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(b) According to the records of the Company, the dues of service-tax and custom duty on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Period to which the amount relates	Amount in INR Crores *	Forum where the dispute is pending
Customs Act,1962	Custom Duty	2011-12, 2012-13 and 2014-15	22.08	Customs Excise and Service Tax Appellate Tribunal
The Finance Act,1994	Service tax	2014	0.88	CESTAT Chennai
Customs Act,1962	Custom Duty	July 2024 to December 2024	11.87	Commissionerate of GST and Customs (Appeals) - Goa

\*Net of amount paid under protest

- (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) Loans amounting to Rs. 548.58 Crores are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. Such loans and interest thereon have not been demanded for repayment during the relevant financial year. The Company has not defaulted in repayment of other borrowings or 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 financial statements of the Company, the Company has used funds raised on short-term basis in the form of related party loans aggregating to Rs. 8.34 crores for long-term purposes representing acquisition of property plant and equipment.
- (e) On an overall examination of the 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 subsidiary.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (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.



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- (b) The Company has not made any preferential allotment or private placement of shares fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor 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) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the note 44 to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order in so far as it relates to section 177 of the Act is not applicable to the Company.
- (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 its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.



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- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvi) The Company has incurred cash losses amounting to Rs. 155.33 Crores in the current year and amounting to Rs. 145.02 crores in the immediately preceding financial year.
- (xvii) 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.
- (xviii) On the basis of the financial ratios disclosed in note 51 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and considering the Company's current liabilities exceeds the current assets by INR 878.85 Crores, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe 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, further state that this is not an assurance as to the future viability of the Company and 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.
- (xix) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

**For S R B C & C O L L P**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per **Anant Acharya**

Partner

Membership Number: 124790

UDIN: 26124790FEHZXT8826

Place of Signature: Mumbai

Date: April 28, 2026



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## **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MALCO Energy Limited**

### **Report on the Internal Financial Controls 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 financial statements of MALCO Energy Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on [the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 the 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 these 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") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these 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 financial statements.



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**Meaning of Internal Financial Controls with Reference to these Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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 IND AS Financial Statements**

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

**Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Anant Acharya**

Partner

Membership Number: 124790

UDIN: 26124790FEHZXT8826

Place of Signature: Mumbai

Date: April 28, 2026



Particulars	Notes	As at	As at
		31 March 2026	31 March 2025
		Rs. Crores	Rs. Crores
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	-	319.17
(b) Intangible assets	4	-	-
(c) Capital Work in Progress	5	-	4.74
(d) Right-of-use Asset	6	-	29.56
(e) Financial assets			
(i) Investments	7	-	-
(ii) Other financial assets	8	-	4.96
(f) Income tax assets (net)	9	-	7.35
(g) Other non-current assets	10	-	16.30
<b>Total non-current assets</b>		-	<b>382.10</b>
<b>Current assets</b>			
(a) Inventories	11	-	201.60
(b) Financial assets			
(i) Investments	7	-	-
(ii) Trade receivables	12	-	89.69
(iii) Cash and cash equivalents	13	-	92.27
(iv) Other bank balances	14	-	0.38
(v) Loans	15	-	0.14
(vi) Derivatives	16	-	1.89
(vii) Other financial assets	17	-	24.24
(c) Other current assets	18	-	135.74
<b>Total current assets</b>		-	<b>545.95</b>
<b>Disposal group classified as held for sale</b>	2G	578.39	-
<b>Total assets</b>		<b>578.39</b>	<b>928.05</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	19	4.67	4.67
(b) Other equity	20	(478.86)	(284.83)
<b>Total equity</b>		<b>(474.19)</b>	<b>(280.16)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Lease liabilities	21	-	2.20
(b) Provisions	22	-	0.07
<b>Total non-current liabilities</b>		-	<b>2.27</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	24	-	441.47
(ii) Lease Liabilities	25	-	11.22
(iii) Operational buyers' credit / suppliers' credit	23	-	97.53
(iv) Trade payables	26		
Total outstanding dues of micro and small enterprises		-	9.32
Total outstanding dues of creditors other than micro and small enterprises		-	457.65
(v) Derivatives	41	-	7.35
(vi) Other financial liabilities	27	-	121.95
(b) Other current liabilities	28	-	59.12
(c) Provisions	29	-	0.33
<b>Total current liabilities</b>		-	<b>1,205.94</b>
<b>Liabilities directly associated with the disposal group held for sale</b>	2G	1,052.58	-
<b>Total liabilities</b>		<b>1,052.58</b>	<b>1,206.21</b>
<b>Total equity and liabilities</b>		<b>578.39</b>	<b>928.05</b>
<b>Summary of Material Accounting Policies</b>			
2B			

The accompanying notes are forming part of the financial statements.

As per our report of even date

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No : 324982E/E300003

pe. Anant Acharya  
Partner  
Membership No. - 124790

Place : Mumbai  
Date : April 28, 2026



For and on behalf of Board of Directors

Navin Kumar Jaju  
Director  
DIN 00669654

Poovannan Sumathi  
Director  
DIN 07147100

Place : Panjim  
Date : April 28, 2026

Place : Tuticorin  
Date : April 28, 2026




MALCO Energy Limited  
CIN - U31300MH2001PLC428719  
Statement of Profit and Loss for Year ended 31 March 2026

Particulars	Notes	For the Year ended 31 March 2026 Rs. Crores	For the Year ended 31 March 2025 Rs. Crores
<b>Discontinued Operations</b>	2G		
I Loss before tax for the year from discontinued operations		(190.51)	(188.09)
II Net tax expense of discontinued operations		-	-
III Loss for the year from discontinued operations (I-II)		<b>(190.51)</b>	<b>(188.09)</b>
<b>Other Comprehensive income</b>			
Items not to be reclassified to profit and loss			
- Remeasurement gains/(losses) on defined benefit plans		(0.02)	(0.11)
- Income tax effect on above		0.01	0.03
Items to be reclassified to profit and loss			
- Effective portion of gains on hedging instrument in cash flow hedges		(2.45)	2.70
- Income tax effect on above		0.62	(0.68)
IV Other comprehensive income for the year		<b>(1.84)</b>	<b>1.94</b>
V Total comprehensive income for the year (III + IV)		<b>(192.35)</b>	<b>(186.15)</b>
VI Loss per equity share of Rs.2 each [March 31, 2025 : Rs.2 each] for discontinued operations			
- Basic & Diluted (Note 47)		(81.53)	(80.49)
Summary of Material Accounting Policies	2B		

The accompanying notes are forming part of the financial statements.

As per our report of even date


For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No : 324982E/E300003


  
per Anant Acharya  
Partner  
Membership No. - 124790



Place : Mumbai  
Date : April 28, 2026

For and on behalf of Board of Directors

  
Navin Kumar Jaju  
Director  
DIN 00669654

  
Poovannan Sumathi  
Director  
DIN 07147100

Place : Panjim  
Date : April 28, 2026

Place : Tuticorin  
Date : April 28, 2026



MALCO Energy Limited  
CIN - U31300MH2001PLC428719  
Statement of changes in equity for the year ended 31 March 2026

A. Equity Share capital

Particulars	Rs. Crores	
	No of Shares	Amount
As at 1 April 2025	2,33,66,406	4.67
Changes in Equity share capital	-	-
As at 31 March 2026	2,33,66,406	4.67
As at 1 April 2024	2,33,66,406	4.67
Changes in Equity share capital	-	-
As at 31 March 2025	2,33,66,406	4.67

B. Other Equity

Particulars	Other equity					Total other equity
	Instruments entirely equity in nature - compulsorily convertible debentures	Reserves and surplus		Items of Other comprehensive income		
		Securities premium	Retained earnings	Remeasurement - Defined Benefit Obligation	Hedging Reserve	
As at 1 April 2025	6,135.45	99.92	(6,521.28)	(0.18)	1.26	(284.83)
Profit/(Loss) for the period	-	-	(190.51)	-	-	(190.51)
Share-based payment (Refer note 46)	-	-	(1.68)	-	-	(1.68)
Other comprehensive income for the year, net of tax	-	-	-	(0.01)	(1.83)	(1.84)
Total comprehensive income for the year, net of tax	-	-	(192.19)	(0.01)	(1.83)	(194.03)
As at 31 March 2026	6,135.45	99.92	(6,713.48)	(0.19)	(0.57)	(478.86)
As at 1 April 2024	6,135.45	99.92	(6,333.20)	(0.10)	(0.76)	(98.68)
Profit/(Loss) for the year	-	-	(188.09)	-	-	(188.09)
Other comprehensive income for the year, net of tax	-	-	-	(0.08)	2.02	1.94
Total comprehensive income for the year, net of tax	-	-	(188.09)	(0.08)	2.02	(186.15)
As at 31 March 2025	6,135.45	99.92	(6,521.28)	(0.18)	1.26	(284.83)

The accompanying notes are forming part of the financial statements.

As per our report of even date

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No : 324982E/E300003

per Anant Acharya  
Partner  
Membership No. - 124790



Place : Mumbai  
Date : April 28, 2026

For and on behalf of Board of Directors

Navin Kumar Jaju  
Director  
DIN 00669654

Place : Panjim  
Date : April 28, 2026

Poovannan Sumathi  
Director  
DIN 07147100

Place : Tuticorin  
Date : April 28, 2026



**MALCO Energy Limited**  
**CIN - U31300MH2001PLC428719**  
**Statement of Cash Flow for the year ended 31 March 2026**

Particulars	For the Year ended 31 March 2026 Rs. Crores	For the Year ended 31 March 2025 Rs. Crores
<b>Cash flows from operating activities</b>		
Profit before tax from discontinued operations	(190.51)	(188.09)
<b>Adjustments to reconcile profit before tax to net cash flow:</b>		
Depreciation and amortization expenses	45.43	43.07
Gain on sale/fair valuation of current investment measured at FVTPL	(0.05)	(0.92)
Income from Interest	(0.33)	(0.54)
Loss on sale/discard of Property Plant and Equipment (Net)	0.55	2.35
Net gain on foreign currency transactions and translation	(0.09)	(0.28)
Lease liabilities Written back	(10.25)	-
Unclaimed credit balance written back	(1.84)	(0.48)
Provision no longer required Written back	(2.69)	(1.10)
Bad and doubtful debts/advances	5.16	0.03
Finance Costs	56.62	52.95
	<b>(98.00)</b>	<b>(93.01)</b>
<b>Movement in working capital</b>		
(Increase)/Decrease in inventories	141.77	(18.88)
(Increase)/Decrease in trade and other receivables	142.04	(94.04)
Increase/(Decrease) in trade and other payable	(292.76)	195.86
<b>Cash generation from/(used in) operation</b>	<b>(106.95)</b>	<b>(10.07)</b>
Income tax refund received/(paid)	(60.70)	0.62
<b>Net cashflows from/(used In) operating activities (A)</b>	<b>(167.65)</b>	<b>(9.45)</b>
<b>Cash flows from investing activities</b>		
Purchase of Property Plant and Equipment	(8.34)	(22.39)
Proceeds from sale of property, plant and equipment	0.01	-
Purchase of current investments	(10.72)	(355.00)
Proceeds from sale of current investments	10.77	392.78
Interest / investment income received	0.31	0.21
(Investment)/redemption of fixed deposits (net)	-	4.01
<b>Net cashflows from/(used in) investing activities (B)</b>	<b>(7.97)</b>	<b>19.61</b>
<b>Cash flows from financing activities</b>		
Interest paid	(12.45)	(17.14)
Proceeds from short term borrowings	279.76	393.11
Repayment of short term borrowings	(172.63)	(313.61)
Payment towards ESOS (Refer Note 46)	(1.68)	-
Payment of principal portion of lease liabilities	(0.51)	(6.30)
<b>Net cashflows from/(used in) financing activities (C)</b>	<b>92.49</b>	<b>56.06</b>
<b>Net increase/ (Decrease) in cash and cash equivalents (A+B+C)</b>	<b>(83.13)</b>	<b>66.22</b>
Cash and cash equivalents at the beginning of the year	92.27	26.05
<b>Cash and cash equivalents at the end of the year</b>	<b>9.14</b>	<b>92.27</b>
<b>Cash and cash equivalents at the end of the period consist of (Refer note 13)</b>		
Balances with banks	9.14	92.27
<b>Total</b>	<b>9.14</b>	<b>92.27</b>
<b>Non-cash Investing and financing transactions</b>		
-Net gain arising on Financial assets measured at FVTPL (MTM on Investment)	-	(0.06)
	<b>-</b>	<b>(0.06)</b>

**Notes**

- Refer note 13 for change in liabilities arising from financing activities
- The figures in bracket indicates outflow.
- The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - statement of cash flows
- Cashflows relating to discontinued operations included above are set out in note 2G

Summary of Material Accounting Policies

2B

The accompanying notes are forming part of the financial statements.

**As per our report of even date**

**For S R B C & CO LLP**  
**Chartered Accountants**  
**ICAI Firm Registration No : 324982E/E300003**

**per Anant Acharya**  
**Partner**  
**Membership No. - 124790**



**Place : Mumbai**  
**Date : April 28, 2026**

**For and on behalf of Board of Directors**

**Navin Kumar Jaju**  
**Director**  
**DIN 00669654**

**Poovannan Sumathi**  
**Director**  
**DIN 07147100**



**Place : Goa**  
**Date : April 28, 2026**

**Place : Tuticorin**  
**Date : April 28, 2026**

**MALCO Energy Limited**  
**Notes to the financial statements for the year ended March 31, 2026**  
**Material accounting policy information to financial statements**

**1. Company overview:**

The financial statements comprise financial statements of MALCO Energy Limited (the Company) (CIN U31300MH2001PLC428719) for the year ended March 31, 2026.

MALCO Energy Limited ('the Company') is a public limited Company domiciled in India and is incorporated under the provisions of Companies Act, 1956. The registered office of the Company is situated at C-103, Atul Projects-Corporate Avenue, New Link road, Chakala Midc, Andheri (E), Mumbai, Maharashtra - 400093.

The Company operates through the following three business undertakings:

**Nickel business**

The nickel business operates the first and only facility in India engaged in the manufacture of nickel and cobalt through processing of concentrates, which are key raw materials for electric vehicle batteries, high-quality steel products and super-alloys.

**GNRE Coke business**

The GNRE Coke undertaking is engaged in the manufacture of metallurgical coke in India. Metallurgical coke is a critical input for steel plants operating through the blast furnace route and is also used in chemical and zinc plants.

**Power business**

The power plant of the Company has been put under care and maintenance with effect from 26 May 2017 due to prevailing business conditions.

These financial statements are approved for issue by the Board of Directors on March 28, 2026.

**2A. Basis of preparation and basis of measurement of financial statements**

**(a) Basis of preparation:**

i. Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (as amended from time to time), (Ind AS compliant Schedule III), as applicable to the SFS.

ii. Basis of measurement

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value as explained in accounting policy of fair value measurement and financial instruments below. The accounting policies adopted for preparation and presentation of financial statement have been consistently applied. The financial statements are presented in INR and all values are rounded to the nearest Crores, except when otherwise indicated.

Refer Note 53 for going concern assessment

The assets and liabilities relating to the discontinued operations have been presented as a disposal group held for sale as at March 31, 2026 in accordance with Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations.

In line with the requirements of paragraphs 34 and 40 of Ind AS 105, the comparative information for the Statement of Profit and Loss has been re-presented to disclose the results of the discontinued operations separately.

However, the comparative Balance Sheet as at March 31, 2025 has not been reclassified to reflect the presentation of disposal group held for sale, as such reclassification is not required under Ind AS 105.

For more details, refer to Notes 2G.



**MALCO Energy Limited**  
**Notes to the financial statements for the year ended March 31, 2026**  
**Material accounting policy information to financial statements**

**(b) Use of estimates and judgments**

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are disclosed in Note 2C.

**2B. Material accounting policies:**

**(a) Non-current asset / Disposal group held for sale and discontinued operations**

The Company classifies non-current assets and disposal group as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets and disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible are not depreciated, or amortised assets once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

Discontinued operations are excluded from the results of continuing operations and are presented separately as 'profit or loss before tax from discontinued operations,' tax expense/(income) of discontinued operations,' and 'profit or loss after tax from discontinued operations,' in the P&L.

Additional disclosures are provided in Note 2G.

**(b) Current versus non-current classification :**

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.



**MALCO Energy Limited**  
**Notes to the financial statements for the year ended March 31, 2026**  
**Material accounting policy information to financial statements**

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period up to twelve months as its operating cycle.

**(c) Revenue Recognition:**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

**Sale of Power:**

Revenue from sale of power is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery and measured based on rates as per contractual agreements with buyers.

**Sale of Coke & Nickel:**

Revenue from the sale of coke & Nickel is recognized at the point of time when control of assets is transferred to the customer, measured at the rates as per contractual agreement with the customer. Revenue is recognised net of discounts, volume rebates, outgoing sales taxes/ goods and service tax and other indirect taxes. Revenues from sale of by products are included in revenue.

Certain sales contracts of the Company provide for provisional pricing based on the price on the London Metal Exchange (LME) as specified in the contract. Revenue in respect of such contracts is recognised when control passes to the customer and is measured at the amount the entity expects to be entitled – being the estimate of the price expected to be received at the end of the measurement period. Post transfer of control of goods, provisional pricing features are accounted in accordance with Ind AS 109 'Financial Instruments' rather than Ind AS 115 Revenue from contracts with customers and therefore the Ind AS 115 rules on variable consideration do not apply. These 'provisional pricing' adjustments, i.e. the consideration adjusted post transfer of control are included in total revenue from operations on the face of the statement of profit and loss and disclosed by way of note to the financial statements. Final settlement of the price is based on the applicable price for a specified future period. The Company's provisionally priced sales are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in revenue.

**Dividend Income:**

Dividend income is recognised when the right to receive payment is established.

**Interest income:**

Interest income from a financial assets is recognised using the Effective Interest Rate (EIR).

**(d) Fair Value Measurement**

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

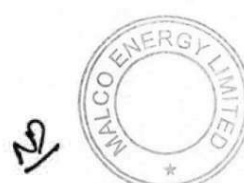
- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are



**MALCO Energy Limited**  
**Notes to the financial statements for the year ended March 31, 2026**  
**Material accounting policy information to financial statements**

categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**(e) Foreign Currency:**

The Company's financial statements are presented in INR, which is also the Company's functional currency. Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit or Loss.

Non-monetary items denominated in a foreign currency are measured at historical cost and translated at exchange rate prevalent at the date of transaction.

**(f) Income Tax:**

Current Tax:

Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. The tax rates and tax laws used to compute the tax are those that are enacted at the reporting date. In financial year 21-22 Company has adopted Section 115BAA of Income Tax Act, 1961 with Statutory rate of 22% plus surcharge of 10% and cess of 4%. Current income tax relating to items recognised outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred Tax:

Deferred Tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

**(g) Property, Plant and Equipment:**



**MALCO Energy Limited**  
**Notes to the financial statements for the year ended March 31, 2026**  
**Material accounting policy information to financial statements**

Property, plant and equipment is stated at cost net of accumulated depreciation and accumulated impairment loss, if any. The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the Statement of Profit or Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improve the economic benefits expected to arise from the asset.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Such assets are classified to the appropriate category of property, plant and equipment when completed and ready for intended use.

Gain or loss arising on de-recognition of the asset is included in the Statement of Profit & Loss when the asset is derecognised.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation on property, plant and equipment is provided on the straight-line method over the estimated useful life of the respective assets. These useful lives differ from those prescribed under Schedule II to the Companies Act 2013 (as amended) and have been assessed based on technical advice by technical expert and considering aspects such as nature of the asset, the estimated usage, physical wear and tear, operating conditions, past history of replacement, anticipated technological changes. The estimated useful lives are as follows:

Category of property, plant and equipment	Useful life as per Schedule II (Years)	Estimated Useful Life (Years)
Buildings (Other than factory building)	60	35-60
Building (factory building)	30	05-30
Plant and equipment	15-18	02-18
Furniture and fixture	10	10
Office equipment	5	5

The management has estimated the above useful life and the same is supported by technical expert.

Major overhaul costs are depreciated over the estimated life of the economic benefit to be derived from the overhaul.

**(h) Intangible Assets:**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized over their estimated useful lives. The estimated useful life are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets representing cost of software capitalized is amortized over its useful life which is estimated to be a period of three years.

**(i) Right-of-Use Asset:**

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date when 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 recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are also subject to impairment. 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 as described below



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**MALCO Energy Limited**  
**Notes to the financial statements for the year ended March 31, 2026**  
**Material accounting policy information to financial statements**

Leasehold Land : 60-80 years  
Leasehold plant & equipment : 5 years  
Leasehold Vehicle : 1-2 years

**(j) Inventories:**

Inventories are valued at the lower of cost and net realisable value. Cost is determined on following basis :

Purchased concentrate is recorded at cost on a first-in, first-out ("FIFO") basis; all other materials including stores and spares are valued on a weighted average basis; finished products are valued at raw material cost plus costs of conversion, comprising labour costs and an attributable proportion of manufacturing overheads based on normal levels of activity and are moved out of inventory on a weighted average basis (except in Nickle business where FIFO basis is followed); and By-products and scrap are valued at net realizable value.

Net realizable value is determined based on estimated selling price, less further costs expected to be incurred for completion and disposal.

**(k) Borrowing costs:**

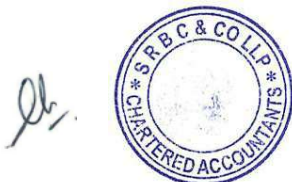
Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**(l) Provisions:**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

**(m) Contingent liabilities and contingent assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.



**MALCO Energy Limited**  
**Notes to the financial statements for the year ended March 31, 2026**  
**Material accounting policy information to financial statements**

**(n) Retirement and other employee benefits:**

**i) Defined contribution plans**

Retirement benefit in the form of provident fund and superannuation fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the respective funds. The Company recognizes contribution payable to the provident fund and superannuation scheme as an expense, when an employee renders the related service.

**ii) Defined benefit plans**

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the scheme is determined on the basis of actuarial valuation using Projected Unit Credit Method at the date of Balance Sheet.

Remeasurements, comprising actuarial gains and losses and the return on plan assets (excluding net interest), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit or Loss in subsequent periods.

**iii) Short term and other long term employee benefits**

Benefits accruing to employees in respect of wages, salaries and compensated absences and which are expected to be availed within twelve months immediately following the year end are reported as expenses during the year in which the employee performs the service that the benefit covers and the liabilities are reported at the undiscounted amount of the benefit expected to be paid in exchange of related service. Where the availment or encashment is otherwise not expected to wholly occur within the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method at the present value of the estimated future cash flow expected to be made by the Company in respect of services provided by employees up to the reporting date. The Company presents the leave as a current liability in the Balance Sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**(o) Financial instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(i) Financial assets:**

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Trade receivables that do not contain a significant financing component are measured at transaction price as per Ind AS 115.

Subsequent measurement:

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial asset

**- Financial assets at amortised cost:**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit or Loss. The losses arising from impairment are recognised in the Statement of Profit or Loss.



## MALCO Energy Limited

Notes to the financial statements for the year ended March 31, 2026

### Material accounting policy information to financial statements

#### - Financial assets at fair value through other comprehensive income:

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the asset's contractual cash flow represents SPPI.

Financial instruments (Debt) included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, dividend income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss.

#### - Financial assets at fair value through profit & loss (FVTPL):

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

#### Derecognition:

The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired or it transfers the right to receive the contractual cash flow on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

#### (ii) Investment in subsidiary:

Investment in subsidiary is measured at cost less Impairment, if any, as per Ind AS- 27 'Separate Financial Statement'.

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in P&L.

#### (iii) Financial Liabilities:

##### Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

##### Subsequent measurement:

#### - Financial liabilities at fair value through profit & loss:

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the Statement of Profit or Loss.

#### - Financial liabilities at amortised cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or



**MALCO Energy Limited**  
**Notes to the financial statements for the year ended March 31, 2026**  
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costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

**(iv) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**(p) Derivative financial instruments and hedge accounting**

Initial recognition and subsequent measurement In order to hedge its exposure to foreign exchange, interest rate, and commodity price risks, the Company enters into forward, option, swap contracts and other derivative financial instruments. The Company does not hold derivative financial instruments for speculative purposes

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment;
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:



**MALCO Energy Limited**  
**Notes to the financial statements for the year ended March 31, 2026**  
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**- Fair value hedges**

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in the statement of profit and loss. Hedge accounting is discontinued when the Company revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

**- Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to the statement of profit and loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised in OCI are transferred to the initial carrying amount of the non-financial asset or liability. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

**(q) Impairment**

**(i) Financial assets**

The Company assessed the expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on the Company's past history of recovery, credit worthiness of the counter party and existing and future market conditions.

For all financial assets other than trade receivables, expected credit losses are measured at an amount equal to the 12-month expected credit loss (ECL) unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. For trade receivables, the Company has applied the simplified approach for recognition of impairment allowance as provided in Ind AS 109 which requires the expected lifetime losses from initial recognition of the receivables and contract assets. Impairment of Investment in subsidiary, if any, is determined based on value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the investment.

**(ii) Non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses are recognised in the statement of profit and loss. For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.



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**Notes to the financial statements for the year ended March 31, 2026**  
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Such reversal is recognised in the statement of profit and loss.

**(r) Share Based payments:**

The Holding Company ('Vedanta Limited') offered equity based and cash based option plans to its employees, officers and directors through the Company's stock option plan introduced in 2016, Cairn India's stock option plan now administered by the Company pursuant to merger with the Company and Vedanta Resources Limited (earlier known as Vedanta Resources Plc) plans [Vedanta Resources Long-Term Incentive Plan ("LTIP"), Employee Share Ownership Plan ("ESOP"), Performance Share Plan ("PSP") and Deferred Share Bonus Plan ("DSBP")] collectively referred as 'VRL ESOP' scheme.

Vedanta Limited recovers the proportionate cost (calculated based on the grant date fair value of the options granted) from the Company, which is charged to the Statement of Profit or Loss.

Any incremental amount recovered by the Holding Company at the time of exercise of options, arising due to changes in the market price of the Holding Company's equity instruments subsequent to the grant date, does not represent additional employee services received by the Company. Accordingly, such incremental settlement cost is not recognised in the Statement of Profit or Loss and is recognised directly as a debit to retained earnings under "Other Equity", in accordance with Ind AS 32.

Refer note 46 for more details

**(s) Cash and cash equivalents:**

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**(t) Lease:**

The Company assesses at contract inception, all arrangements to determine whether they are, or contain, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee:

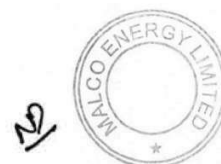
The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities towards future lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date when 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 less any lease incentives received. The right-of-use assets are also subject to impairment. 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 as described in Note 2(i)

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (and, in some instances, in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such



**MALCO Energy Limited**

**Notes to the financial statements for the year ended March 31, 2026**

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lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in Financial Liabilities.

(iii) Short term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**(u) Buyers' Credit/ Suppliers' Credit and vendor financing arrangements:**

The Company enters into arrangements whereby banks and financial institutions make direct payments to suppliers for raw materials and project materials. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled between twelve months (for raw materials) to thirty-six months (for project materials). Where these arrangements are with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit/ suppliers' credit and disclosed on the face of the balance sheet. Where these arrangements are with a maturity beyond twelve months and up to thirty six months, the economic substance of the transaction is determined to be financing in nature, and these are presented within borrowings in the balance sheet. Interest expense on these are recognised in the finance cost. Payments made by banks and financial institutions to the operating vendors are treated as a non cash item and settlement of due to operational buyer's credit/ suppliers' credit by the Company is treated as an operating cash outflow, in the statement of cash flows, based on management's judgement reflecting the substance of the payment.

The Company provides additional disclosures relating to supplier finance arrangements, including terms and conditions, carrying amounts, payment terms and liquidity risks, in accordance with the requirements of Ind AS 7 and Ind AS 107 in the relevant notes to the financial statements. (Refer note 41)

**2C. Significant accounting Judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. 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. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

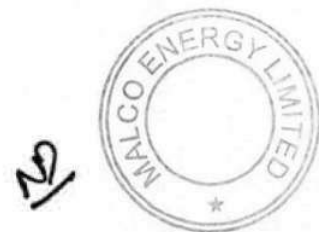
The Company considers the following significant accounting judgements and key sources of estimation uncertainty:

**(A) Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

**(i) Going concern assessment**

Refer note 53 for details on going concern assessment



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**Notes to the financial statements for the year ended March 31, 2026**  
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**(ii) Disposal group held for sale and Discontinued operations**

On March 31, 2026, the Board of Directors announced its decision to divest all its existing business undertakings namely the Nickel (Nicomet) undertaking, GNRE Coke undertaking and Power undertaking, together with the equity investment in Fujairah Gold FZC, to Vedanta Limited and/or the respective resulting companies as part of pre de-merger restructuring. The Board considered the said business to meet the criteria to be classified as held for sale at that date for the following reasons:

- The undertakings were available for immediate sale in its current condition
- The actions to complete the sale were initiated and expected to be completed within one year from the date of initial classification

For more details, refer to Notes 2G.

**(iii) Contingencies and commitments:**

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements. While considering the possible, probable and remote analysis of taxation, legal and other claims, there is always a certain degree of judgement involved pertaining to the application of the legislation which in certain cases is supported by views of tax experts and/or earlier precedents in similar matters. Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability. These are set out in Note 43 to the financial statements.

**(iv) Determining the lease term of contracts with renewal and termination options – Company as lessee**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has lease contract that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives.) The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Critical Judgements in Determining the Discount Rate: The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. 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.

**(v) Classification of Buyers' Credit/ Suppliers' Credit and vendor financing arrangements:**

The Company applies judgement in determining the appropriate accounting classification of buyers' credit / suppliers' credit and vendor financing arrangements (supplier finance arrangements). Such judgement involves assessing the economic substance of each arrangement, including the tenor of settlement, payment terms, the role of financing institutions, and whether the arrangement provides the Company with financing beyond normal trade credit.



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Based on this assessment, management determines whether these arrangements are operating in nature and should be presented as operational buyers' credit / suppliers' credit within trade and other payables, or financing in nature and should be presented as borrowings. Management also applies judgement in determining the appropriate presentation of related cash flows as operating or financing activities in the statement of cash flows.

**(B) Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year

**(i) Impairment of Property, Plant and Equipment (PPE)**

Property, plant and equipment and intangible assets that are subject to depreciation/ amortisation are tested for impairment periodically including when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes

The Company has carried out an impairment assessment, on plant assets (including Property, plant and equipment ('PPE'), Capital Work in Progress ('CWIP') and Right-of-use Asset ('ROU assets') using Market comparable / Depreciated Replacement Cost / Scrap Value method.

The carrying amounts of PPE, CWIP and ROU assets are disclosed in Notes 3, 5 and 6 respectively.

**(ii) Net realisable value of Inventory**

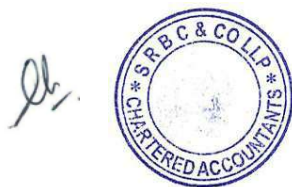
Inventories are measured at the lower of cost and net realisable value ("NRV"). NRV represents the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

The determination of NRV involves significant estimation uncertainty, particularly for finished goods and work-in-progress inventories, due to volatility in product prices and changes in production costs.

As at March 31, 2026, management assessed NRV by comparing the weighted average cost of inventories with expected net selling rates, adjusted for applicable selling costs. The assessment was performed separately for major inventory categories within each business division.

Based on this assessment, an NRV provision of ₹8.45 Crores was recognised during the year (March 31, 2025: ₹32.22 Crores), primarily attributable to softening of finished goods prices and elevated production costs in the Nickel and GNRE Coke divisions.

Changes in market conditions, commodity prices, or demand assumptions could result in additional write-downs or reversals in future periods. The carrying amount of inventories, net of NRV provisions, is disclosed in Note 11 to the financial statements.



**(iii) Income Taxes**



## **MALCO Energy Limited**

### **Notes to the financial statements for the year ended March 31, 2026**

#### **Material accounting policy information to financial statements**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company has Rs. 1,813.54 Crores (31 March 2025: Rs. 1,808.19 Crores) of unabsorbed depreciation and Rs. 615.08 Crores (31 March 2024: 551.12 Crores) of business losses carried forward. The Company neither have any major taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has recognised the deferred tax assets only to the extent of deferred tax liabilities on the taxable temporary differences. Further details on taxes are disclosed in Note 40.

#### **(iv) Defined benefit plans**

The Company's obligation on account of gratuity is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 45 to the financial statements.

Further details on defined benefit plants are disclosed in Note 45.

#### **(v) Useful lives of property, plant and equipment**

The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

Carrying amounts of property, plant and equipment are disclosed in Note 3.

#### **2D. New and amended standards.**

The Company has adopted, with effect from 01 April 2025, the following new and revised standards. Their adoption has not had any material impact on the amounts reported in the financial statements:

- i) Ind AS 1 Presentation of Financial Statements: The amendments specify that liabilities must be classified based on the entity's right to defer settlement as on the reporting date and includes settlement by equity options in the definition of settlement unless the option is classified as an equity component of a compound financial instrument. Further, these amendments require disclosure on non-current liabilities that could become repayable within twelve months after the reporting period. Effective 1 April 2026, these amendments also require the liability to be classified as current even if the lender agrees to waive off the breach before the approval of the Financial statements.
- ii) Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures: The amendments to Ind AS 7 and Ind AS 107 require additional disclosures on supply chain finance arrangements and how these arrangements affect liabilities, cash flows, and liquidity risk.



**MALCO Energy Limited**

**Notes to the financial statements for the year ended March 31, 2026**

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- iii) Ind AS 12 Income Taxes: The amendments include Pillar Two Income taxes in its scope and removes the requirement to recognize or disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. The amendments requires enhanced disclosures about an entity's exposure to Pillar Two income taxes.
- iv) Ind AS 21 The Effects of Changes in Foreign Exchange Rates : The amendments specify how an entity should determine a exchange rate when exchangeability is lacking and also require disclosure of information of how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.
- v) Ind AS 101 First-time adoption of Indian Accounting Standards: The amendments provide step-by-step instructions for reclassifying joint arrangements offer transitional relief to lessors by exempting them from retrospective lease classification reassessments.
- vi) Minor amendments (Ind AS 10, 115, and 116): Changes have been made to correct technical inconsistencies, update paragraph references, and align them with international practices.

**2E. Standards notified but not yet effective**

The amendments to the standards that are notified by the Ministry of Corporate Affairs (MCA), but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company will adopt these amendments to the standards, when they become effective.

- i) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants and Ind AS 10 Events after the Reporting Period.  
Ind AS 10 has been amended to remove the previous treatment under which a lender's post reporting date waiver—granted before the financial statements were approved for issue—of a breach of a material covenant in a long term loan arrangement that occurred on or before the end of the reporting period, resulting in the liability becoming payable on demand at the reporting date, was regarded as an adjusting event.

For annual reporting periods beginning on or after 1 April 2026, any breach of a covenant—whether material or immaterial—occurring on or before the reporting date will, in accordance with Ind AS 1, require the related liability to be classified as current, unless the lender has granted a waiver of the breach on or before the reporting date and has agreed not to demand repayment for at least 12 months after the reporting date as a consequence of the breach. Such a waiver shall be treated as an adjusting event.

The amendments are effective for annual reporting periods beginning on or after 1 April 2026 retrospectively in accordance with Ind AS 8.



**2F Scheme of Arrangement for demerger**

The Board of Directors of the Company at its meeting held on October 13, 2023 had approved, subject to necessary approvals, a Scheme of Arrangement amongst Vedanta Limited, Vedanta Aluminium Metal Limited, Malco Energy Limited, Vedanta Iron and Steel Limited, the Company and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

The Scheme, inter alia, provides for the reorganisation and demerger of certain businesses of Vedanta Limited into separate resulting entities with the objective of creating independent sector-focused listed companies. Pursuant to the Scheme, Oil & Gas Undertaking (represented by the Oil and Gas segment) of the Vedanta Limited is proposed to be part of the MALCO Energy Limited focused on the Oil & Gas business, subject to the terms and conditions of the Scheme.

The Scheme has been approved by the Hon'ble National Company Law Tribunal on December 16, 2025.

The Board of Directors, at its meeting held on April 20, 2026 has inter alia, approved to make the Scheme effective on May 01, 2026 and the impact of the demerger would be given on the date of effectiveness of the Scheme.

**2G Disposal group held for sale and discontinued operations**

The Board of Directors of MALCO Energy Limited, at its meeting held on March 31, 2026, approved the Company's decision to divest all its existing businesses as part of overall Vedanta group restructuring, involving:

- (i) the simultaneous transfer of the Company's existing business undertakings, namely the Nickel (Nicomet) undertaking and Power undertaking, together with the equity investment in Fujairah Gold FZC, to Vedanta Limited and transfer of GNRE Coke undertaking to Vedanta Iron and Steel Limited
  - (ii) the simultaneous vesting of the Oil & Gas undertaking of Vedanta Limited into MALCO Energy Limited ("the Company").
- The Board has approved that the above transactions are inter-dependent and shall be implemented simultaneously, with neither transaction being capable of being effected independently of the other.

As at March 31, 2026, the Company has assessed that it is committed to the overall group restructuring. The aforesaid business undertakings are available for transfer upon the Scheme becoming effective, and there is no intention to withdraw from or significantly modify the approved plan. Based on this assessment, management has concluded that the criteria specified in Ind AS 105 - "Non-current Assets Held for Sale and Discontinued Operations" are satisfied as at March 31, 2026. Accordingly, the Nickel (Nicomet), GNRE Coke and Power undertakings and the equity investment in Fujairah Gold FZC have been classified as disposal groups held for sale and the related results have been presented as discontinued operations.

In view of the inter-dependent nature of the transactions and the approved Scheme, the Company does not have any operations that are expected to continue independently in their present form, pending effectiveness of the demerger of the Oil and Gas Undertaking of Vedanta into the Company with effect from May 01, 2026. pending effectiveness of the Scheme. Consequently, the Statement of Profit and Loss for the year ended March 31, 2026 reflects results entirely from discontinued operations. Comparative information for the previous period has been re-presented accordingly.

As substantially all assets and liabilities of the Company relate to the discontinued operations, assets and liabilities pertaining to such operations have been presented in the Balance Sheet under "Disposal Group classified as held for sale" and "Liabilities directly associated with Disposal Group held for sale", in accordance with Ind AS 105. Detailed information relating to the major classes of assets and liabilities, results and cash flows of the discontinued operation has been provided in this note.

On April 20, 2026, the Board of Directors of the MALCO Energy Limited has approved following transactions ("Pre-Scheme Transactions") as part of the proposed reorganisation of Vedanta Limited and its subsidiaries. The Pre-Scheme transactions are intended to realign the Company's business and investments in accordance with the proposed vertical structure and primarily comprise:

- (i) transfer of the Company's Power undertaking to Vedanta Limited ("VEDL");
- (ii) transfer of the Company's GNRE undertaking to Vedanta Iron and Steel Limited ("VISL");
- (iii) transfer of the Company's Nicomet undertaking to VEDL; and
- (iv) transfer of the Company's investment in Fujairah Gold FZC to VEDL for a nominal consideration, based on applicable valuation norms.

The above transactions are expected to be completed on or before April 30, 2026, subject to execution of definitive agreements and requisite approvals.

These matters have been assessed as non-adjusting events after the reporting period in accordance with Ind AS 10 - Events after the Reporting Period, as the conditions underlying these transactions did not exist as at March 31, 2026. Accordingly, no adjustments have been made in these financial statements.

The Company expects that the execution of these transactions will result in recognition of gains and losses in the statement of profit and loss in the period of completion. The financial impact of the overall Pre-Scheme Transactions cannot be reliably estimated as at the date of approval of these financial statements, having regard to the fact that the transactions are yet to be consummated and remain subject to finalisation of terms and conditions.

12



26 Disposal group held for sale and discontinued operations

Brief particulars of the Disposal group held for sale and discontinued operations are given as under:

a) Carrying value of net assets of the Disposal group held for sale and discontinued operations

Particulars	Notes	As at 31 March 2026 Rs. Crores
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	3	283.91
(b) Intangible assets	4	0.03
(c) Capital Work in Progress	5	7.93
(d) Right-of-use Asset	6	23.32
(e) Financial assets		
(i) Other financial assets	8	4.96
(f) Income tax assets (net)	9	68.04
(g) Other non-current assets	10	18.20
<b>Total non-current assets</b>		<b>406.39</b>
<b>Current assets</b>		
(a) Inventories	11	59.83
(b) Financial assets		
(i) Investments	7	-
(ii) Trade receivables	12	6.86
(iii) Cash and cash equivalents	13	9.14
(iv) Other bank balances	14	0.64
(v) Loans	15	-
(vi) Derivatives	16	2.60
(vii) Other financial assets	17	3.60
(c) Other current assets	18	89.33
<b>Total current assets</b>		<b>172.00</b>
<b>Total assets (A)</b>		<b>578.39</b>
<b>Non-current liabilities</b>		
(a) Financial Liabilities		
(i) Lease liabilities	21	1.41
(b) Provisions	22	0.32
<b>Total non-current liabilities</b>		<b>1.73</b>
<b>Current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	24	548.58
(ii) Lease Liabilities	25	0.94
(iii) Operational buyers' credit / suppliers' credit	23	23.69
(iv) Trade payables	26	-
- Total outstanding dues of micro and small enterprises		3.35
- Total outstanding dues of creditors other than micro and small enterprises		257.17
(v) Derivatives	41	0.42
(vi) Other financial liabilities	27	164.19
(b) Other current liabilities	28	52.04
(c) Provisions	29	0.47
<b>Total current liabilities</b>		<b>1,050.85</b>
<b>Total liabilities (B)</b>		<b>1,052.58</b>
<b>Net Asset (A-B)</b>		<b>(474.19)</b>



2G Disposal group held for sale and discontinued operations

Brief particulars of the Disposal group held for sale and discontinued operations are given as under:

b) Profit/(Loss) from Discontinued Operations

Particulars	Notes	For the year Ended 31 March 2026 Rs. Crores	For the year Ended 31 March 2025 Rs. Crores
<b>I</b> Revenue from operations	30	353.83	876.60
<b>II</b> Other Operating income	31	12.11	11.89
<b>III</b> Other income	32	13.83	2.84
<b>IV</b> <b>Total income (I+II+III)</b>		<b>379.77</b>	<b>891.33</b>
<b>V</b> <b>Expenses:</b>			
Cost of raw materials consumed	33	185.67	502.36
Purchases of traded goods		105.51	305.75
Changes in inventories of finished goods and work-in progress	34	56.50	5.09
Power & fuel	36	9.25	14.02
Employee benefits expense	35	12.80	20.93
Finance costs	37	56.62	52.95
Depreciation and amortization expense	38	45.43	43.07
Other expenses	39	98.50	135.25
<b>Total expenses</b>		<b>570.28</b>	<b>1,079.42</b>
<b>VI</b> <b>Loss before tax</b>		<b>(190.51)</b>	<b>(188.09)</b>
<b>VII</b> <b>Tax expense</b>	40	-	-
<b>VIII</b> <b>Loss for the year (VI-VII)</b>		<b>(190.51)</b>	<b>(188.09)</b>

C) Net Cashflows attributable to the Discontinued Operations

Particulars	For the year Ended 31 March 2026 Rs. Crores	For the year Ended 31 March 2025 Rs. Crores
Net Cash from Operating Activities	(167.65)	(9.45)
Net Cash used in Investing Activities	(7.97)	19.61
Net Cash used in Financing Activities	92.49	56.06



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Notes to the Financial Statements for the year ended 31 March 2026

3 Property, plant and equipment

(Rs. Crores)

Particulars	Plant and equipment	Freehold Land	Buildings	Furniture and fixtures	Vehicles	Office equipment	Roads	Total
<b>Cost</b>								
<b>At 1 April 2024</b>	309.64	77.58	48.02	0.92	2.54	4.11	0.02	442.83
Additions	25.68	-	7.20	0.17	0.19	0.51	-	33.75
Disposals	(3.16)	-	(0.17)	-	-	-	-	(3.63)
<b>At 31 March 2025</b>	332.16	77.58	54.75	1.09	2.73	4.62	0.02	472.95
Additions	3.71	-	1.28	0.02	-	0.25	-	5.26
Disposals	(2.23)	-	(0.09)	(0.12)	(0.19)	(0.57)	-	(3.20)
Disposal group classified as held for sale (Refer note 2G)	(333.64)	(77.58)	(55.94)	(0.99)	(2.54)	(4.30)	(0.02)	(475.01)
<b>At 31 March 2026</b>	-	-	-	-	-	-	-	-
<b>Depreciation</b>								
<b>At 1 April 2024</b>	114.72	-	4.70	0.38	0.23	1.66	-	121.69
Depreciation charge for the year	29.39	-	3.17	0.07	0.01	0.60	-	33.54
Disposals	(1.42)	-	(0.03)	-	-	-	-	(1.45)
<b>At 31 March 2025</b>	142.69	-	8.14	0.45	0.24	2.26	-	153.78
Depreciation charge for the year	31.07	-	6.62	0.08	0.02	0.63	-	38.42
Disposals	(0.71)	-	(0.01)	(0.04)	(0.01)	(0.32)	-	(1.10)
Disposal group classified as held for sale (Refer note 2G)	(173.05)	-	(14.75)	(0.49)	(0.25)	(2.57)	-	(191.10)
<b>At 31 March 2026</b>	-	-	-	-	-	-	-	-
<b>Net book value</b>								
At 31 March 2025	189.47	77.58	46.61	0.64	2.49	2.36	0.02	319.17
At 31 March 2026	-	-	-	-	-	-	-	-

Note :- Refer Note 43(b) for contractual commitment with respect to property, plant and equipments.



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Notes to the Financial Statements for the year ended 31 March 2026

4 Intangible assets

Particulars	(Rs. Crores)	
	Computer Software	Total
<b>Cost</b>		
At 1 April 2024	1.13	1.13
Additions	-	-
Disposals	-	-
<b>At 31 March 2025</b>	<b>1.13</b>	<b>1.13</b>
Additions	0.05	0.05
Disposals	-	-
Disposal group classified as held for sale (Refer note 2G)	(1.18)	(1.18)
<b>At 31 March 2026</b>	<b>-</b>	<b>-</b>
<b>Amortisation</b>		
At 1 April 2024	0.98	0.98
Amortisation	0.15	0.15
<b>At 31 March 2025</b>	<b>1.13</b>	<b>1.13</b>
Amortisation	0.02	0.02
Disposal group classified as held for sale (Refer note 2G)	(1.15)	(1.15)
<b>At 31 March 2026</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>		
At 31 March 2025	-	-
At 31 March 2026	-	-

5 Capital Work In Progress

	(Rs. Crores)	
	Amount	Total
At 1 April 2024	11.08	11.08
Additions	27.40	27.40
Transferred to Property Plant and Equipment	(33.75)	(33.75)
Disposals	-	-
<b>At 31 March 2025</b>	<b>4.74</b>	<b>4.74</b>
Additions	8.95	8.95
Transferred to Property Plant and Equipment	(4.88)	(4.88)
Disposals	-	-
<b>Sub total</b>	<b>8.81</b>	<b>8.81</b>
Provision for impairment (Note 1)	(0.88)	(0.88)
<b>Sub total</b>	<b>7.93</b>	<b>7.93</b>
Disposal group classified as held for sale (Refer note 2G)	(7.93)	(7.93)
<b>At 31 March 2026</b>	<b>-</b>	<b>-</b>



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Notes to the Financial Statements for the year ended 31 March 2026

Capital Work In Progress (CWIP) ageing schedule

(Rs. Crores)

Particulars	As at 31 March 2026			As at 31 March 2025		
	Projects in Progress	Projects temporarily Suspended	Total	Projects in Progress	Projects temporarily Suspended	Total
Less than 1 year	4.55	-	4.55	4.74	-	4.74
1-2 year	3.38	0.88	4.26	-	-	-
2-3 year	-	-	-	-	-	-
More than 3 year	-	-	-	-	-	-
<b>Total</b>	<b>7.93</b>	<b>0.88</b>	<b>8.81</b>	<b>4.74</b>	<b>-</b>	<b>4.74</b>

(i) The Company has temporarily deferred further execution of the 10 KTPA debottlenecking (DBN) project due to market-driven constraints on raw material availability and ongoing technical trials required to finalise the process configuration. Consultancy costs amounting to Rs 0.88 Crores, previously capitalised under Capital Work-in-Progress (CWIP), have been assessed for recoverability. In view of the project slowdown and uncertainty regarding the timing of resumption, the Company has created a provision for the said CWIP balance on grounds of prudence.

(ii) Capital Work-in-Progress includes ₹3.38 crores incurred towards the nickel expansion project, representing advance paid for Basic and Detailed Engineering (B&DE) services. The project has experienced delays compared to the timelines envisaged under the original plan. Management has reassessed the implementation schedule and expects completion over a revised timeline.

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Nickel expansion project	-	-	3.38	-

(iii) Other than as mentioned above, there are no capital projects whose completion timelines are overdue, nor any projects where the actual costs have exceeded their originally approved budgets during the reporting period.

(Rs. Crores)

6 Right-of-use Asset

	Leasehold Land	Leasehold Plant and equipment	Leasehold vehicle	SAP Rise Software	Total
<b>Cost</b>					
At 1 April 2024	22.02	1.10	8.67	-	31.79
Additions	0.17	-	0.41	2.60	3.18
Modification	-	-	7.50	-	7.50
Disposals	-	-	-	-	-
<b>At 31 March 2025</b>	<b>22.19</b>	<b>1.10</b>	<b>16.58</b>	<b>2.60</b>	<b>42.47</b>
Additions	0.74	-	-	-	0.74
Modification	-	-	-	-	-
Disposals	-	-	-	-	-
Disposal group classified as held for sale (Refer note 2G)	(22.93)	(1.10)	(16.58)	(2.60)	(43.21)
<b>At 31 March 2026</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation</b>					
At 1 April 2024	0.69	0.10	1.83	-	2.62
Depreciation charge for the year	0.31	0.32	8.78	0.86	10.27
Disposals	-	-	-	-	-
<b>At 31 March 2025</b>	<b>1.00</b>	<b>0.42</b>	<b>10.61</b>	<b>0.86</b>	<b>12.89</b>
Depreciation charge for the year	0.31	0.22	5.95	0.52	7.00
Disposals	-	-	-	-	-
Disposal group classified as held for sale (Refer note 2G)	(1.31)	(0.64)	(16.56)	(1.38)	(19.89)
<b>At 31 March 2026</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>					
At 31 March 2025	21.19	0.68	5.97	1.74	29.58
At 31 March 2026	-	-	-	-	-



7 Investments	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
<b>Non - current</b>		
<b>Unquoted equity shares</b>		
Investments in subsidiaries (At cost less impairment, if any)		
33,590,300 (31 March 2025: 33,590,300) equity shares of Fujairah Gold FZC	6,136.60	6,136.60
Less : Provision for impairment of investments	(6,136.60)	(6,136.60)
<b>Sub total</b>	-	-
Disposal group classified as held for sale (Refer note 2G)	-	-
<b>Total</b>	-	-
Aggregate value of unquoted investments	-	-
Aggregate amount of impairment in value of investment	6,136.60	6,136.60

## 8 Others financial assets - non current (at amortized cost)

8 Others financial assets - non current (at amortized cost)	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
Security deposits (net) (Refer note (a) below)	0.18	0.18
Balances with banks (Refer Note (b) below)	2.31	2.31
Deposit with Electricity Department	2.47	2.47
Sub total	4.96	4.96
Disposal group classified as held for sale (Refer note 2G)	(4.96)	-
<b>Total</b>	-	4.96
<b>(a) Break-up for security details:</b>		
Unsecured considered good	0.18	0.18
Security deposits- credit impaired	0.25	0.25
<b>Total</b>	0.43	0.43
Less : Impairment allowance	(0.25)	(0.25)
<b>Total</b>	0.18	0.18

(b) It pertains to balance with banks in current account which is marked under lien against outstanding litigation with tax authorities

9 Income tax assets (net)	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
Income Tax balance with Government Authorities (Refer Note (a) below)	68.04	7.35
<b>Sub total</b>	68.04	7.35
Disposal group classified as held for sale (Refer note 2G)	(68.04)	-
<b>Total</b>	-	7.35

(a) The above balance includes Rs 65 Crores (31 March 2025 : Rs. 5 Crores) paid under protest with Income tax authorities. The Income Tax Authorities have issued assessment orders for various assessment years from AY 2009-10 to AY 2024-25, proposing additions/disallowances aggregating to Rs. 664.39 crore (March 31, 2025: Rs. 715.94 crore). These additions/disallowances have been adjusted by the authorities against the Company's carried-forward business losses.

The Company, based on its independent evaluation and external legal advice, believes that the aforesaid adjustments are not sustainable in law. Accordingly, the Company has filed appeals before the higher appellate authorities, and the matters are currently pending adjudication. Pending the final outcome of the appeals, no impact has been recognised in the financial statements.

## 10 Other non-current assets

10 Other non-current assets	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
<b>Unsecured Considered Good</b>		
Balance with government authorities (Refer Note (a) below)	17.43	16.22
Capital Advances		
Prepaid Expense	0.77	0.08
<b>Sub total</b>	18.20	16.30
Disposal group classified as held for sale (Refer note 2G)	(18.20)	-
<b>Total</b>	-	16.30

(a) It pertains to the amount deposited to government authorities with respect to ongoing litigations.

## 11 Inventories (At lower of cost and net realisable value)

11 Inventories (At lower of cost and net realisable value)	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
Raw Materials	6.21	93.34
Goods-in transit	8.00	-
Work-in-progress	12.36	49.14
Finished goods	16.51	36.23
Fuel Stock	-	0.02
Stores and spares	16.75	22.87
<b>Total</b>	59.83	201.60
Disposal group classified as held for sale (Refer note 2G)	(59.83)	-
<b>Total</b>	-	201.60

a) Refer note no 24 for details of inventory pledged as security for borrowings taken from banks.

b) The Impact of carrying dosing inventories at net realisable value amounted to Rs. 8.45 Crores as at March 31, 2026 (March 31, 2025 : Rs. 40.68 Crores).

c) For method of valuation for each class of inventories, refer note 2B(i).



12 Trade receivables

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
Trade receivables	11.79	89.69
Less: Impairment allowance	(4.93)	-
<b>Trade receivables (net)</b>	<b>6.86</b>	<b>89.69</b>
Disposal group classified as held for sale (Refer note 2G)	(6.86)	-
<b>Total</b>	<b>-</b>	<b>89.69</b>
<b>Break-up of Trade Receivable:</b>		
Secured, considered good	2.59	71.22
Unsecured, considered good	4.27	18.47
Trade receivables- credit impaired	4.93	-
<b>Total</b>	<b>11.79</b>	<b>89.69</b>
Less: Impairment allowance (allowance for bad and doubtful debts)	(4.93)	-
<b>Sub total</b>	<b>6.86</b>	<b>89.69</b>
Disposal group classified as held for sale (Refer note 2G)	(6.86)	-
<b>Total</b>	<b>-</b>	<b>89.69</b>
<b>Movement in impairment allowance on trade receivables:</b>		
Balance at the beginning of the year	-	-
(Allowances)/write back during the year	(4.93)	-
Written off against past provision	-	-
Balance at the end of the year	<b>(4.93)</b>	<b>-</b>

**Aging Schedule of Trade Receivables**

As at 31 March 2026

Particulars	Current but not due	Unbilled receivables	Outstanding for following periods from due date of payment				Total
			Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	
Undisputed Trade Receivables – considered good	1.33	-	5.50	0.00	0.03	0.00	6.86
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	4.85	0.07	-	4.93
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivable – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>1.33</b>	<b>-</b>	<b>5.50</b>	<b>4.86</b>	<b>0.10</b>	<b>0.00</b>	<b>11.79</b>

As at 31 March 2025

Particulars	Current but not due	Unbilled receivables	Outstanding for following periods from due date of payment				Total
			Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	
Undisputed Trade Receivables – considered good	6.69	-	82.87	0.10	0.03	-	89.69
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivable – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>6.69</b>	<b>-</b>	<b>82.87</b>	<b>0.10</b>	<b>0.03</b>	<b>-</b>	<b>89.69</b>

**Note :**

- The Company generally sells goods on an advance basis; however, certain customers are provided credit terms ranging from 0 to 90 days.
- No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- Secured trade receivables represent amounts backed by letters of credit or bank guarantees obtained from customers in respect of sales made.
- Refer Note No. 24 for details of receivables pledged as security for borrowing taken from banks.
- Refer note 44 for related party balances

13 Cash and cash equivalents

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
Balances with banks	9.14	92.27
<b>Sub total</b>	<b>9.14</b>	<b>92.27</b>
Disposal group classified as held for sale (Refer note 2G)	(9.14)	-
<b>Total</b>	<b>-</b>	<b>92.27</b>

**Changes in liabilities arising from financing activities:**

Particulars	31 March 2025	Cash Flow	Accruals of Interest	Initial Recognition	Written-back	31 March 2026
Borrowings	441.47	107.11	-	-	-	548.58
Interest on Loan	89.73	-	43.97	-	-	133.70
lease liabilities	13.42	(1.35)	0.83	-	(10.55)	2.35
	<b>544.62</b>	<b>105.76</b>	<b>44.80</b>	<b>-</b>	<b>(10.55)</b>	<b>684.63</b>

**Changes in liabilities arising from financing activities:**

Particulars	1 April 2024	Cash Flow	Accruals of Interest	Initial Recognition	Modification	31 March 2025
Borrowings	361.97	79.50	-	-	-	441.47
Interest on Loan	54.79	-	34.94	-	-	89.73
lease liabilities	9.03	(7.78)	1.49	3.18	7.50	13.42
	<b>425.79</b>	<b>71.72</b>	<b>36.43</b>	<b>3.18</b>	<b>7.50</b>	<b>544.62</b>

14 Other bank balances

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
Bank deposits with original maturity for less than 3 months but more than 12 months (Refer Note (a) below)	0.39	0.38
Interest accrued on Bank Deposits (Refer Note (b) below)	0.25	0.07
<b>Sub total</b>	<b>0.64</b>	<b>0.45</b>
Disposal group classified as held for sale (Refer note 2G)	(0.64)	-
<b>Total</b>	<b>-</b>	<b>0.45</b>

(a) Fixed deposit is against bank guarantee given to government authorities.

(b) The Company has reclassified an amount of Rs. 0.07 Crores from Other Financial assets - current to Other bank balances in the previous period representing Interest accrued but not due on bank deposits on review of commonly prevailing practices.



15 Financial assets - Loans	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
<b>Unsecured considered good</b>		
Advance to employees	-	0.14
	-	<b>0.14</b>
* 0.00 - Amount is below the rounding off norms adopted by the company		
16 Financial assets - Derivatives	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
Derivatives designated as hedging instruments (Refer note 41)	2.60	1.89
<b>Sub total</b>	2.60	1.89
Disposal group classified as held for sale (Refer note 2G)	(2.60)	-
<b>Total</b>	-	<b>1.89</b>
17 Other financial assets - Current	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
<b>Unsecured, considered good</b>		
Recoverable from related party (Refer Note 44)	0.17	0.12
Security Deposits	1.60	18.34
Receivable from banks towards cancellation/Rollover of forward contracts	1.83	5.71
<b>Sub total</b>	3.60	24.17
Disposal group classified as held for sale (Refer note 2G)	(3.60)	-
<b>Total</b>	-	<b>24.17</b>
18 Other current assets	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
<b>Unsecured, considered good</b>		
Balance with government authorities	86.73	128.96
Gratuity fund (Refer note 45)	0.28	0.31
Leave encashment fund	0.16	0.18
Prepaid expenses	0.87	0.95
Export Incentive Receivable	0.59	0.98
Advances to suppliers - Other than Related Party	0.43	3.70
Advances to suppliers - Related Party (Refer Note 44)	0.11	0.29
Reimbursement receivable towards gratuity and leave encashment	0.16	0.35
<b>Sub total</b>	89.33	135.72
Disposal group classified as held for sale (Refer note 2G)	(89.33)	-
<b>Total</b>	-	<b>135.72</b>



19 Share capital

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
<b>(a) Authorised shares</b>		
880,000,000 (March 31, 2025: 880,000,000) equity shares of Rs. 2 each (March 31, 2025 : Rs. 2 each)	176.00	176.00
1,250,000 (March 31, 2025: 1,250,000) preference shares of Rs. 1000 each (March 31, 2025 : Rs. 1000 each)	125.00	125.00
<b>(b) Issued, subscribed and fully paid up shares :</b>		
23,366,406 (March 31, 2025: 23,366,406) equity shares of Rs. 2 each (March 31, 2025 : Rs. 2 each)	4.67	4.67
	<b>4.67</b>	<b>4.67</b>

**(c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:**

	As at 31 March 2026 Rs. Crores		As at 31 March 2025 Rs. Crores	
	No. of shares	Amount Rs. Crores	No. of shares	Amount Rs. Crores
Balance as at the beginning of the year	23,366,406	4.67	23,366,406	4.67
<b>Balance as at the end of the year</b>	<b>23,366,406</b>	<b>4.67</b>	<b>23,366,406</b>	<b>4.67</b>

**(d) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates**

Out of equity shares issued by the company, shares held by its holding company is as follows:

	As at 31 March 2026 Rs. Crores		As at 31 March 2025 Rs. Crores	
	No. of shares	Amount Rs. Crores	No. of shares	Amount Rs. Crores
Vedanta Limited, the holding company	23,366,406	4.67	23,366,406	4.67

**(e) Shareholders holding more than 5% shares in the company**

	As at 31 March 2026 Rs. Crores		As at 31 March 2025 Rs. Crores	
	No. of shares	% of holding	No. of shares	% of holding
Vedanta Limited, the holding company	23,366,406	100%	23,366,406	100%

**(f) Terms/ rights attached to equity shares**

The Company has one class of equity shares having a par value of Rs. 2 per share. Each shareholder is entitled for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is paid as and when declared by the Board of Directors. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

20 Other equity

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
<b>(a) Securities premium account</b>		
Balance as at the beginning of the year	99.92	99.92
<b>Balance as at the end of the year</b>	<b>99.92</b>	<b>99.92</b>

Securities premium represents the surplus of proceeds received over the face value of shares, at the time of issue of shares. The Company can use this reserve for issue of bonus shares and for buy back of shares.

**(b) Retained earning**

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
Balance as at the beginning of the year	(6,521.28)	(6,333.20)
Add: Profit/(Loss) for the year	(190.51)	(188.09)
Share-based payment (Refer note 46)	(1.68)	-
<b>Balance as at the end of the year</b>	<b>(6,713.48)</b>	<b>(6,521.29)</b>

The balance in the retained earnings primarily represents the surplus after payment of dividend (including tax on dividend) and transfer to reserves. The Company can use this reserve for

**(c) Remeasurement -Defined Benefit Obligation**

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
Balance as at the beginning of the year	(0.18)	(0.10)
Other Comprehensive Income/(Loss) for the year	(0.01)	(0.08)
<b>Balance as at the end of the year</b>	<b>(0.19)</b>	<b>(0.18)</b>

**(d) Hedging Reserve**

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
Balance as at the beginning of the year	1.26	(0.76)
Other Comprehensive Income/(Loss) for the year	(1.83)	2.02
<b>Balance as at the end of the year</b>	<b>(0.57)</b>	<b>1.26</b>

**(e) Instruments entirely equity in nature - compulsorily convertible debentures (refer note below)**

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
As at beginning of the period	6,135.45	6,135.45
Issued during the period	-	-
<b>Balance as at the end of the period</b>	<b>6,135.45</b>	<b>6,135.45</b>

The Company had issued 61,354,483 unsecured compulsory convertible debentures (CCDs) at Rs. 1000 each (including premium of Rs. 900 each). The CCDs carries coupon rate of 0 % and are convertible at the price of Rs. 466/- per share at the end of 10 years from the date of issue of CCDs or at such dates as may be mutually agreed between the parties. Accordingly, CCDs have been classified as equity.

Further, in line with the approval granted by the Committee of Directors at its meeting held on December 08, 2025, and as noted by the Board, the tenure of the CCDs issued in various tranches during 2015-2016 has been extended until September 30, 2026, on the same terms and conditions (except for the change in tenure).

This extension was also approved by the Debenture Holder (Vedanta Limited) in its Committee of Directors meeting held on December 02, 2025.

**Total Other Equity (a+b+c)**

**(478.86)**

**(284.83)**



	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
<b>21 Lease liabilities - Non Current</b>		
Lease liabilities	1.41	2.20
Sub total	1.41	2.20
Liabilities directly associated with the disposal group held for sale (Refer note 2G)	(1.41)	-
<b>Total</b>	<b>-</b>	<b>2.20</b>

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
<b>22 Prvision - Non Current</b>		
Provisio for Gratuity (Refer Note 45)	0.32	0.07
Sub total	0.32	0.07
Liabilities directly associated with the disposal group held for sale (Refer note 2G)	(0.32)	-
<b>Total</b>	<b>-</b>	<b>0.07</b>

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
<b>23 Operational buyers' credit / suppliers' credit</b>		
Buyers' credit/suppliers' credit - Secured	23.69	97.53
Sub total	23.69	97.53
Liabilities directly associated with the disposal group held for sale (Refer note 2G)	(23.69)	-
<b>Total</b>	<b>-</b>	<b>97.53</b>

a) Operational Buyers'/Suppliers' Credit is availed in foreign currency from offshore branches of Indian banks or foreign banks at an interest rate of 5.38% per annum (31 March 2025 : 6.03% per annum). These trade credits are largely repayable between 90 to 180 days from the date of draw down.

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
<b>24 Borrowings</b>		
<b>Secured</b>		
Loans from Banks		8.50
- Packing Credit (refer note b)		
<b>Unsecured</b>		
Related Party Loans (Refer note (a))	548.58	432.97
Liabilities directly associated with the disposal group held for sale (Refer note 2G)	(548.58)	-
<b>Total</b>	<b>-</b>	<b>441.47</b>

a) The company has borrowed Rs 548.58 crores from related party in different tranches and the same shall be repayable before expiry of 12 months from the date of execution of loan agreement or may be extended with mutual consent of both the parties. (Refer note 14)

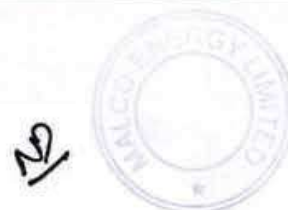
**Particulars**

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
Borrowing from Vedanta Limited 8.97% from (31 March 2025 : 10.40%)	548.58	432.97
	<b>548.58</b>	<b>432.97</b>

b) No Packing credit loan outstanding as on 31st March 2026. Packing credit loan from banks of Rs 8.50 Crores as on 31st March 2025 carrying interest rate of 8.9% was secured by first pari passu charge on the current assets and additionally secured by way of Corporate guarantee from Vedanta Limited.

c) The quarterly working capital statements filed by the Company with banks are in agreement with the books of accounts

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
<b>25 Lease Liabilities - Current</b>		
lease liabilities	0.94	11.22
Sub total	0.94	11.22
Liabilities directly associated with the disposal group held for sale (Refer note 2G)	(0.94)	-
<b>Total</b>	<b>-</b>	<b>11.22</b>



26 Trade payables

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
Trade payables		
(i) Total outstanding dues of micro and small enterprises (Refer Note 49)	3.35	9.32
(ii) Total outstanding dues of creditors other than micro and small enterprises	257.17	457.65
Sub total	260.52	466.97
Liabilities directly associated with the disposal group held for sale (Refer note 2G)	(760.52)	-
<b>Total</b>	<b>-</b>	<b>466.97</b>
<b>Aging</b>		
<b>Disputed dues of MSME</b>	-	-
<b>Undisputed dues of MSME</b>		
Unbilled	-	-
Not Due	-	3.49
Outstanding for following periods from due date of payment		
Less than 1 year	3.18	5.81
1-2 year	0.17	0.02
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>3.35</b>	<b>9.32</b>
<b>Disputed dues of Creditors other than MSME</b>	-	-
<b>Undisputed dues of Creditors other than MSME</b>		
Unbilled	3.15	0.45
Not Due	0.19	15.37
Outstanding for following periods from due date of payment		
Less than 1 year	175.06	232.93
1-2 year	78.26	0.04
2-3 years	0.28	187.67
More than 3 years	0.23	21.19
<b>Total</b>	<b>257.17</b>	<b>457.65</b>

a) Trade payables are majorly non-interest bearing and are normally settled upto 180 days (31 March 2025: 180 days) terms.

b) For amount due and terms and conditions of related party payables, refer note 44.

27 Other financial liabilities - Current

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
Liability for capital expenditure	0.96	1.60
Employee payables	1.43	2.55
Due to Related Parties (Refer note 44)	25.45	24.75
Deposits from Vendors and others	1.84	2.96
Interest accrued but not due on borrowings from bank	0.23	0.35
Interest accrued and due on Loan from related party	133.70	89.73
Advance refundable to customers	0.58	-
Sub total	164.19	121.95
Liabilities directly associated with the disposal group held for sale (Refer note 2G)	(164.19)	-
<b>Total</b>	<b>-</b>	<b>121.95</b>

28 Other current liabilities

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
Claims and other payables (Refer note (a) below)	49.17	51.51
Statutory liabilities	1.14	3.93
Amount payable to employee provident fund	0.00	0.02
Advance from customers	1.10	3.03
Advance from related party (Refer Note 44)	0.63	0.63
Sub total	52.04	59.12
Liabilities directly associated with the disposal group held for sale (Refer note 2G)	(52.04)	-
<b>Total</b>	<b>-</b>	<b>59.12</b>

(a) Claims and Other Payables represent provisions recognised by the Company in respect of ongoing legal and regulatory litigations. These amounts have been provided based on management's assessment of the present obligations arising from such matters and the probability of outflow of resources.

29 Provisions - Current

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
Provision for Gratuity (Refer Note 45)	0.02	-
Provision for Leave encashment	0.44	0.27
Provision for Super Annuity	0.01	0.06
Sub total	0.47	0.33
Liabilities directly associated with the disposal group held for sale (Refer note 2G)	(0.47)	-
<b>Total</b>	<b>-</b>	<b>0.33</b>



*[Handwritten signature]*

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30 Revenue from operations from discontinued operations

	Year ended 31 March 2026 Rs. Crores	Year ended 31 March 2025 Rs. Crores
Revenue from contract with customers	353.83	876.60
<b>Total</b>	<b>353.83</b>	<b>876.60</b>

a) Revenue from contract with customers for the year ended March 31, 2026 includes revenue from contracts with customers of Rs. 347.14 Crores (Mar 31, 2025: Rs. 866.30 Crores) and a net gain/(loss) on mark-to-market of Rs. 6.69 Crores (Mar 31, 2025: Rs. 10.30 Crores) on account of gains/(losses) relating to sales that were provisionally priced as at the beginning of the year with the final price settled in the current year, gains/(losses) relating to sales fully priced during the period, and marked to market gains/ (losses) relating to sales that were provisionally priced as at the end of the period.

b) Disaggregation of Revenue

Below table summarises the disaggregated revenue from contracts with customers

**Discontinuing operations**

Coke	100.52	506.48
Nickel	253.31	370.12
Power	-	-
<b>Total</b>	<b>353.83</b>	<b>876.60</b>

c) The revenue from contracts with customers is recognised at a point in time.

d) Majority of the Company's sales are against advance or are against letters of credit/ cash against documents/ guarantees of banks of national standing. Where sales are made on credit, the amount of consideration does not contain any significant financing component as payment terms are within the normal credit period.

e) As per the terms of the contract with its customers, either all performance obligations are to be completed within one year from the date of such contracts or the Company has a right to receive consideration from its customers for all completed performance obligations. Accordingly, the Company has availed the practical expedient available under paragraph 121 of Ind AS 115 and dispensed with the additional disclosures with respect to performance obligations that remained unsatisfied (or partially unsatisfied) at the balance sheet date. Further, since the terms of the contracts directly identify the transaction price for each of the completed performance obligations, in all material respects, there are no elements of transaction price which have not been included in the revenue recognised in the financial statements.

Further, there is no material difference between the contract price and the revenue from contract with customers.

31 Other Operating income from discontinued operations

	Year ended 31 March 2026 Rs. Crores	Year ended 31 March 2025 Rs. Crores
Scrap Sales	2.21	4.58
Export Incentives	1.53	6.05
Unclaimed credit balance written back	1.84	0.48
Refund from Tamil Nadu Electricity Board (TNEB) (Refer note (a) below)	5.84	-
Miscellaneous income	0.59	0.68
<b>Total</b>	<b>12.11</b>	<b>11.89</b>

(a) The Company has received Rs 5.84 crores during the year ended March 31, 2026 from Tamil Nadu Electricity Board (TNEB), pursuant to the Tamil Nadu Electricity Regulatory Commission (TNERC) Order dated May 22, 2025, as upheld in the Review Petition Order dated July 06, 2023. The TNERC Order determined a tariff of Rs 5 per unit for power supplied during June 2011 to September 2011, entitling the Company to a refund of charges paid in excess of the determined tariff which has been recognised under Other operating income in the Statement of Profit and Loss.

32 Other income from discontinued operations

	Year ended 31 March 2026 Rs. Crores	Year ended 31 March 2025 Rs. Crores
Gain on sale/fair valuation of current investment measured at FVTPL	0.05	0.92
Income from Interest		
- on bank deposits	0.20	0.44
- from customer	0.13	0.04
- on refund of electricity charges (Refer Note 31(a))	-	0.06
Provision no longer required Written back (Refer note (a) below)	2.69	1.10
Net gain on foreign currency transactions and translation	0.09	0.28
Other non operating revenue	0.42	-
Lease liabilities Written back (Refer note (b) below)	10.25	-
<b>Total</b>	<b>13.83</b>	<b>2.84</b>

(a) The Company was party to arbitration proceedings with Southern Railway relating to licensing of railway land under the MoU dated 10 December 1999, wherein Southern Railway had raised counter-claims aggregating approximately INR 4.27 crores. The arbitration has been finally concluded by a favourable arbitral award dated 9 March 2026, whereby all counter-claims were rejected. Consequently, no present or possible obligation exists as at 31 March 2026, the contingent liability disclosed in earlier periods has been withdrawn, and the provision of Rs 2.69 crores has been reversed and recognised under Other Income during the year ended March 31, 2026.

(b) The Company has completed the full and final settlement with the vendor and received an NOC confirming no outstanding dues. Accordingly, the outstanding lease liabilities has been written back in the Statement of Profit and Loss.



12

*[Handwritten signature]*

	Year ended 31 March 2026 Rs. Crores	Year ended 31 March 2025 Rs. Crores
<b>33 Cost of Raw Material Consumed from discontinued operations</b>		
Inventory of Raw Material at the beginning of the year	93.34	70.07
Add: Purchases	106.54	525.63
Less: Inventory of Raw Material at the end of the year	(14.21)	(93.24)
<b>Cost of Raw Material Consumed</b>	<b>185.67</b>	<b>502.36</b>
<b>34 Changes in inventories of finished goods and work in progress from discontinued operations</b>		
<b>Inventory at the beginning of the period</b>		
-Finished Goods	36.23	49.83
-Work in Progress	49.14	40.63
<b>Inventory at the end of the period</b>		
-Finished Goods	16.51	36.23
-Work in Progress	12.36	49.14
<b>Changes in inventories of finished goods</b>	<b>56.50</b>	<b>5.09</b>
<b>35 Employee benefits expense from discontinued operations</b>		
Salaries, wages and bonus	10.19	17.77
Contributions to provident and other funds (Refer note 45)	1.08	1.11
Gratuity Expenses (Refer note 45)	0.44	0.16
Staff welfare expenses	1.09	1.89
<b>Total</b>	<b>12.80</b>	<b>20.93</b>
<b>36 Power and Fuel from discontinued operations</b>		
Power and fuel charges	9.25	14.02
<b>Total</b>	<b>9.25</b>	<b>14.02</b>
<b>37 Finance costs from discontinued operations</b>		
Interest expense on financial liabilities at amortised cost (refer note a)	55.05	49.83
Other finance costs	1.56	3.12
<b>Total</b>	<b>56.62</b>	<b>52.95</b>
a) Includes interest expense on lease liabilities for the year ended 31 March 2026 is Rs. 0.83 Crores (31 March 2025 : Rs. 1.49 Crore)		
<b>38 Depreciation and amortization expense from discontinued operations</b>		
Depreciation on Property, Plant and Equipment	38.42	41.43
Depreciation on Right-of-use assets	7.00	0.63
Amortization on intangible assets	0.01	1.01
<b>Total</b>	<b>45.43</b>	<b>43.07</b>

*Sh.*



*12*



39 Other expenses from discontinued operations	Year ended 31 March 2026	Year ended 31 March 2025
	Rs. Crores	Rs. Crores
Consumption of stores and spares	39.65	52.68
Contract Manpower Expenses	22.20	38.19
Repairs and maintenance	5.48	6.09
Rates And taxes	0.08	0.05
Insurance	0.96	1.80
Director Sitting fees	0.01	0.02
Travelling and conveyance	1.29	2.20
Payment to auditors (refer note (i) below)	0.81	0.61
Security service charges	3.28	3.61
Legal and professional fees	1.36	1.25
Net loss on foreign currency transactions and translation	2.51	1.16
Net loss on sale/discard of Property Plant and Equipment	0.55	2.35
Carriage outward	2.19	8.01
Business promotion expenses	0.11	0.20
IT Expenses	2.15	1.63
Bad and doubtful debts/advances (Refer note 4c)	5.16	0.03
Lease rent (Refer Note 52)	0.64	0.48
Miscellaneous expenses	10.07	14.89
<b>Total</b>	<b>98.50</b>	<b>135.25</b>

(i) Payment to auditors (exclusive of applicable taxes)

	Year ended 31 March 2026	Year ended 31 March 2025
	Rs. Crores	Rs. Crores
For statutory audit	0.39	0.57
For Audit of Interim financial statements	0.35	-
For limited review of Interim financial statements	-	0.18
For other services - certification fees	0.05	0.04
Out of pocket expenses (*)	0.02	0.02
<b>Total</b>	<b>0.81</b>	<b>0.61</b>

\* Amount is below the rounding off norms adopted by the company

(ii) Details of CSR expenditure

The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company.

*Sh*



*Sh*



40 Tax expenses

(a) Tax charge/(credit) recognised in profit or loss

	Year ended 31 March 2026 Rs. Crores	Year ended 31 March 2025 Rs. Crores
Current tax	-	-
Deferred tax	-	-
Income tax expense reported in the statement of profit or loss	-	-

(b) A reconciliation of income tax expense applicable to accounting profits before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

	Year ended 31 March 2026 Rs. Crores	Year ended 31 March 2025 Rs. Crores
Accounting profit before tax	(190.51)	(188.09)
Statutory income tax rate*	25.17%	25.17%
Tax at statutory income tax rate	(47.95)	(47.34)
Deferred tax assets not recognised in the absence of virtual certainty	47.95	47.34
Income tax charge for the year	-	-

\*As per section 115BAA of the Income Tax Act, 1961 a company can claim concessional tax rate of 22% plus surcharge and Cess. The company has opted for the same during the year ended March 31, 2022.

(c) Deferred tax assets/(liabilities):

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
<b>Deferred tax liability</b>		
Right of Use assets	(5.68)	(7.44)
<b>Deferred tax assets</b>		
lease liabilities	0.59	3.37
Property, Plant & Equipment and Intangibles	5.09	4.07
<b>Deferred tax assets/(liabilities)</b>	-	-

Deferred tax assets has been recognised to the extent of deferred tax liabilities on taxable temporary differences available in the absence of reasonable certainty of future taxable income against which such deferred tax asset can be realised.

(d) Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
Business losses	615.08	551.12
Unabsorbed depreciation	1,813.54	1,808.19
Deductible temporary differences	90.65	48.32

Deferred tax assets on carry forward unused tax losses have been recognised to the extent of deferred tax liabilities on taxable temporary differences available in the absence of reasonable certainty of future taxable profits against which the carry forward unused tax losses can be utilised.

Unused tax losses for which no deferred tax asset is recognized along with its expiry are as detailed below (refer note 43(a)(viii)):

Year ended	Nature of unrecognised deferred tax assets	Within one year	Greater than one year, upto eight years	No expiry date	Rs. Crores
					Total
March 31, 2026	Business Loss	-	615.08	-	615.08
March 31, 2026	Unabsorbed depreciation	-	-	1,813.54	1,813.54
March 31, 2025	Business Loss	11.47	539.65	-	551.12
March 31, 2025	Unabsorbed depreciation	-	-	1,808.19	1,808.19



MALCO Energy Limited  
CIN - U31300MH2001PLC428719  
Notes to the Financial Statements for the year ended 31 March 2026

41 Financial instruments

A. Financial instruments by category

The accounting classification of each category of financial instruments, their carrying value and fair values are set out below:

As at 31 March 2026	Carrying amount				(Rs. Crores)
	FVTPL <sup>§</sup>	Derivates Designated as Hedging Instruments	Amortised cost	Total carrying value	Total fair Value
<b>Financial assets</b>					
Investments - current*	-	-	-	-	-
Trade receivables	2.87	-	3.99	6.86	6.86
Cash and cash equivalents	-	-	9.14	9.14	9.14
Other bank balances	-	-	0.64	0.64	0.64
Derivatives	-	2.60	-	2.60	2.60
Other financial asset - current	-	-	3.60	3.60	3.60
Other financial asset - non current	-	-	4.96	4.96	4.96
<b>Total</b>	<b>2.87</b>	<b>2.60</b>	<b>22.33</b>	<b>27.80</b>	<b>27.80</b>
<b>Financial liabilities</b>					
Borrowings	-	-	682.51	682.51	682.51
Lease Liabilities	-	-	2.35	2.35	2.35
Operational buyers' credit/suppliers' credit	-	-	23.69	23.69	23.69
Trade payables	17.74	-	242.78	260.52	260.52
Derivatives	-	0.42	-	0.42	0.42
Other financial liabilities - current	-	-	30.26	30.26	30.26
<b>Total</b>	<b>17.74</b>	<b>0.42</b>	<b>981.59</b>	<b>999.75</b>	<b>999.75</b>

As at 31 March 2025	Carrying amount				(Rs. Crores)
	FVTPL <sup>§</sup>	Derivates Designated as Hedging Instruments	Amortised cost	Total carrying value	Total fair value
<b>Financial assets</b>					
Investments - current*	-	-	-	-	-
Trade receivables	16.94	-	72.75	89.69	89.69
Cash and cash equivalents	-	-	92.27	92.27	92.27
Other bank balances	-	-	0.38	0.38	0.38
Loans - Current	-	-	0.14	0.14	0.14
Derivatives	-	1.89	-	1.89	1.89
Other financial asset - current	-	-	24.24	24.24	24.24
Other financial asset - non current	-	-	4.96	4.96	4.96
<b>Total</b>	<b>16.94</b>	<b>1.89</b>	<b>194.74</b>	<b>213.57</b>	<b>213.57</b>
<b>Financial liabilities</b>					
Borrowings	-	-	441.47	441.47	441.47
Lease Liabilities	-	-	13.42	13.42	13.42
Operational buyers' credit/suppliers' credit	-	-	97.53	97.53	97.53
Trade payables	22.94	-	444.03	466.97	466.97
Derivatives	-	7.35	-	7.35	7.35
Other financial liabilities - current	-	-	121.95	121.95	121.95
<b>Total</b>	<b>22.94</b>	<b>7.35</b>	<b>1,118.40</b>	<b>1,148.69</b>	<b>1,148.69</b>

§ - Fair value through profit and loss

\*Other than investment in subsidiary accounted for in accordance with Ind AS 27 - 'Separate Financial Statements'

The management assessed that cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payable and other financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments



41. Financial Instruments (Continued)

B. Fair value hierarchy

The company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

Level 1: Fair value measurement are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

There were no transfers between Level 1 and Level 2 during the year.

As at 31 March 2026	Fair value			(Rs. Crores)
	Level 1	Level 2	Level 3	Total
<b>Financial assets*</b>				
Investments - current	-	-	-	-
Trade receivables	-	2.87	-	2.87
Derivatives	-	2.60	-	2.60
<b>Total</b>	-	<b>5.47</b>	-	<b>5.47</b>
<b>Financial liabilities</b>				
Derivatives	-	0.42	-	0.42
Trade payables	-	17.74	-	17.74
<b>Total</b>	-	<b>18.16</b>	-	<b>18.16</b>

As at 31 March 2025	Fair value			(Rs. Crores)
	Level 1	Level 2	Level 3	Total
<b>Financial assets*</b>				
Investments - current	-	-	-	-
Trade receivables	-	16.94	-	16.94
Derivatives	-	1.89	-	1.89
<b>Total</b>	-	<b>18.83</b>	-	<b>18.83</b>
<b>Financial liabilities</b>				
Derivatives	-	7.35	-	7.35
Trade payables	-	22.94	-	22.94
<b>Total</b>	-	<b>30.29</b>	-	<b>30.29</b>

\* Other than investment in subsidiary accounted for in accordance with Ind AS 27 - 'Separate Financial Statements'

*Sh.*



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41 Financial Instruments (Continued)

C. Financial risk management

The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty credit risk. The company does not engage in speculative treasury activity but seeks to manage risk and optimize interest and foreign currency through proven financial instruments.

(a) Liquidity

The company requires funds for short-term operational needs. The table below summaries the maturity profile of the company's financial liabilities based on contractual undiscounted cash obligations.

The company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening our balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below.

As at 31 March 2026						(Rs. Crores)
Financial liabilities	<1 year	1-3 Years	3-5 Years	> 5 Years	Total	
Trade payables	258.05	2.47	-	-	-	260.52
Derivative liabilities	0.42	-	-	-	-	0.42
Borrowings *	682.51	-	-	-	-	582.51
lease liabilities	0.94	1.41	-	-	-	2.35
Operational buyers credit/suppliers credit	23.69	-	-	-	-	23.69
Other financial liabilities - Current	30.26	-	-	-	-	30.26
<b>Total</b>	<b>995.87</b>	<b>3.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>999.75</b>

As at 31 March 2025						(Rs. Crores)
Financial liabilities	<1 year	1-2 Years	2-5 Years	> 5 Years	Total	
Trade payables	466.97	-	-	-	-	466.97
Derivative liabilities	7.35	-	-	-	-	7.35
Borrowings *	441.47	-	-	-	-	441.47
lease liabilities	11.22	1.61	0.32	0.26	-	13.41
Operational buyers credit/suppliers credit	97.53	-	-	-	-	97.53
Other financial liabilities - Current	121.95	-	-	-	-	121.95
<b>Total</b>	<b>1,146.49</b>	<b>1.61</b>	<b>0.32</b>	<b>0.26</b>	<b>-</b>	<b>1,148.68</b>

\* Borrowings from related parties are repayable on demand. These have been classified under 'less than one year' in the above maturity analysis.

The Company had access to following funding facilities:

As at 31 March 2026				(Rs. Crores)
Funding facilities	Total Facility	Drawn	Undrawn	
Fund Based/Non-fund Based				
- From Banks	232.00	23.69	208.31	
- From Related party	784.77	548.58	236.19	

Collateral

The Company has pledged its current assets at carrying value as per the requirements specified in various financial facilities in place.

*[Handwritten Signature]*



*[Handwritten Signature]*



**MALCO Energy Limited**  
**CIN - U31300MH2001PLC428719**  
**Notes to the Financial Statements for the year ended 31 March 2026**

**(b) Interest rate risk**

The company is exposed to interest rate risk on financial assets and liabilities. Floating rate financial assets are mutual fund investments which have debt securities as underlying assets. The return from the financial assets are linked to market interest rate movement; However the counterparty invests in the agreed securities with known maturity tenure and return and hence has manageable risk.

The exposure of company's financial assets and financial liabilities to interest rate risk as follows:

**As at 31 March 2026**

	(Rs. Crores)			
	Floating rate financial assets	Fixed rate financial assets	Non interest bearing financial assets	Total financial assets
Other financial assets	-	2.47	2.49	4.96
<b>Total financial assets - non current</b>	<b>-</b>	<b>2.47</b>	<b>2.49</b>	<b>4.96</b>
Investments - current*	-	-	-	-
Trade and other receivables	-	-	10.70	10.70
Cash and cash equivalents	-	-	9.14	9.14
Other bank balances	-	0.39	-	0.39
Derivatives	-	-	2.60	2.60
<b>Total financial assets - current</b>	<b>-</b>	<b>0.39</b>	<b>22.44</b>	<b>22.83</b>

	(Rs. Crores)			
	Floating rate financial liabilities	Fixed rate financial liabilities	Non interest bearing financial liabilities	Total financial liabilities
Lease liabilities - Non Current	-	1.40	-	1.40
<b>Total financial Liabilities - non current</b>	<b>-</b>	<b>1.40</b>	<b>-</b>	<b>1.40</b>
Trade and other payables	-	-	424.71	424.71
Borrowings	-	548.58	-	548.58
lease liabilities	-	0.94	-	0.94
Operational buyers' credit/suppliers' credit	-	23.69	-	23.69
Derivatives	-	-	0.42	0.42
<b>Total financial liabilities - current</b>	<b>-</b>	<b>573.21</b>	<b>425.13</b>	<b>998.34</b>

**41 Financial Instruments (Continued)**

**C. Financial risk management (Continued)**

**As at 31 March 2025**

	(Rs. Crores)			
	Floating rate financial assets	Fixed rate financial assets	Non interest bearing financial assets	Total financial assets
Other financial assets - non current	-	2.47	2.49	4.96
<b>Total financial assets - non current</b>	<b>-</b>	<b>2.47</b>	<b>2.49</b>	<b>4.96</b>
Investments - current*	-	-	-	-
Trade and other receivables	-	0.00	114.07	114.07
Cash and cash equivalents	-	-	92.27	92.27
Other bank balances	-	0.38	-	0.38
Derivatives	-	-	1.89	1.89
<b>Total financial assets - current</b>	<b>-</b>	<b>0.38</b>	<b>208.23</b>	<b>208.61</b>

	(Rs. Crores)			
	Floating rate financial liabilities	Fixed rate financial liabilities	Non interest bearing financial liabilities	Total financial liabilities
Lease liabilities - Non Current	-	2.20	-	2.20
<b>Total financial Liabilities - non current</b>	<b>-</b>	<b>2.20</b>	<b>-</b>	<b>2.20</b>
Trade and other payables	-	-	588.92	588.92
Borrowings	-	441.47	-	441.47
lease liabilities	-	11.22	-	11.22
Operational buyers' credit/suppliers' credit	-	97.53	-	97.53
Derivatives	-	-	7.35	7.35
<b>Total financial liabilities - current</b>	<b>-</b>	<b>550.22</b>	<b>596.27</b>	<b>1,146.49</b>

\*Other than investment in subsidiary company

*[Handwritten signature]*



*[Handwritten initials]*



The table below illustrates the impact of a 0.5% to 2.0% increase in interest rates on interest on financial assets assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

Increase in interest rates	(Rs. Crores)	
	Effect on pre-tax profit/(loss) during the year ended 31 March 2026	Effect on pre-tax profit/(loss) during the year ended 31 March 2025
0.50%	0.00	0.00
1.00%	0.00	0.00
2.00%	0.00	0.00

\* 0.00 - Amounts are below the rounding off norms adopted by the group

**(c) Counterparty credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The company is exposed to credit risk from trade receivables and other financial instruments.

None of the company's cash or cash equivalents and other bank balances are past due or impaired. Regarding other financial assets (both current and non-current), there were no indications as at March 31, 2026 that defaults in payment obligation will occur except as described in Note 8 & Note 12 for other financial assets - non current & trade receivables respectively.

Below mentioned other financial assets and Trade receivables are not considered impaired as at 31 March 2026 and 31 March 2025;

	As at 31 March 2026 Rs. Crores	As at 31 March 2025 Rs. Crores
	Not past due	5.96
Due less than 1 month	5.24	72.86
Due between 1-3 months	0.16	15.24
Due between 3-12 months	1.51	1.03
More than 12 months	5.37	4.99
<b>Total</b>	<b>18.24</b>	<b>119.03</b>

*Sh.*



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**41 Financial Instruments (Continued)**  
**(d) Foreign currency risk**

Fluctuations in foreign currency exchange rates may have an impact on the statement of profit and loss, the statement of changes in equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The carrying amount of the company's financial assets and liabilities in different currencies are as follows:

Financial Assets	(Rs. In Crores)		
	As at 31 March 2026		
	INR	USD	Total
Trade and other receivable	6.69	3.76	10.45
Other non current financial assets	4.96	-	4.96
Other bank balances	0.64	-	0.64
Investments	-	-	-
Cash and Cash Equivalent	9.14	-	9.14
Derivatives	-	2.60	2.60
	<b>21.43</b>	<b>6.36</b>	<b>27.79</b>

Financial Liabilities	(Rs. In Crores)		
	As at 31 March 2026		
	INR	USD	Total
Trade and other payables	290.78	-	290.78
lease liabilities	2.35	-	2.35
Buyers Credit	-	23.69	23.69
Borrowings	682.51	-	682.51
Derivatives	0.42	-	0.42
<b>Total</b>	<b>976.06</b>	<b>23.69</b>	<b>999.75</b>

Financial Assets	(Rs. In Crores)		
	As at 31 March 2025		
	INR	USD	Total
Trade and other receivable	37.42	76.65	114.07
Other non current financial assets	4.96	-	4.96
Other bank balances	0.38	-	0.38
Investments	-	-	-
Cash and Cash Equivalent	92.27	-	92.27
Derivatives	0.75	1.14	1.89
	<b>135.78</b>	<b>77.79</b>	<b>213.57</b>

Financial Liabilities	(Rs. In Crores)		
	As at 31 March 2025		
	INR	USD	Total
Trade and other payables	570.76	18.16	588.92
lease liabilities	13.42	-	13.42
Buyers Credit	14.15	83.38	97.53
Borrowings	441.47	-	441.47
Derivatives	0.17	7.18	7.35
<b>Total</b>	<b>1,039.97</b>	<b>108.72</b>	<b>1,148.69</b>

**Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

	(Rs. In Crores)		
	Change in USD Rate	Effect on profit before tax	Effect on equity
31 March 2026	10%	1.73	1.30
31 March 2025	10%	3.09	2.31



41 Financial Instruments (Continued)

(e) The Company's financial liabilities are significantly concentrated towards its holding company, Vedanta Limited, which constitutes a substantial portion of the total borrowings and payables as at the reporting date. The Company monitors such concentration risk as part of its overall financial risk management framework and believes that the risk is mitigated through the continued financial support and commitment from the holding company. Refer note 53 for further details.

D. Derivative financial instruments

The company uses derivative instruments as part of its management of exposure to fluctuations in foreign currency exchange rates and commodity prices. The company does not acquire or issue derivative financial instruments for trading or speculative purposes. The company does not enter into complex derivative transactions to manage the treasury and commodity risks. Both treasury and commodities derivative transactions are normally in the form of forward contracts and these are subject to the company guidelines and policies.

Cash flow hedge

The Company enters into forward exchange and commodity price contracts for hedging highly probable forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair value are recognised in equity through OCI until the hedged transaction occurs, at which time, the respective gain or losses are reclassified to profit or loss.

Fair value hedge

The fair value hedges relate to foreign currency forward contracts taken to hedge currency exposure on purchase of raw materials. The fair value of company's derivative positions recorded under derivatives - financial assets and derivatives - financial liabilities are as follows:

Derivative Financial Instrument	(Rs. In Crores)			
	As at 31 March 2026		As at 31 March 2025	
	Assets	Liabilities	Assets	Liabilities
- Commodity contracts	2.24	0.31	1.14	7.18
- Forward foreign currency contracts	0.36	0.11	0.75	0.17
<b>Total</b>	<b>2.60</b>	<b>0.42</b>	<b>1.89</b>	<b>7.35</b>

Impact on future cash flows

The Company's hedging activities are aimed at reducing variability in future cash flows and earnings arising from fluctuations in foreign exchange rates and commodity prices. The timing of cash flows from hedging instruments generally aligns with the underlying hedged transactions, such as forecast sales and inventory settlements. However, differences may arise due to changes in market conditions, resulting in some degree of hedge ineffectiveness.

Effect of hedge accounting on financial statements

For cash flow hedges, the effective portion of changes in the fair value of hedging instruments is recognised in Other Comprehensive Income (OCI) and accumulated in the cash flow hedge reserve. These amounts are reclassified to the Statement of Profit and Loss when the hedged transaction affects profit or loss.

For fair value hedges, changes in the fair value of the hedging instrument and the corresponding changes in the fair value of the hedged item are recognised in the Statement of Profit and Loss.

Any ineffective portion of the hedge is recognised immediately in the Statement of Profit and Loss. Based on the effectiveness assessments performed during the year, the hedge relationships are considered to be effective, with no material ineffectiveness identified.

E. Derivative contracts executed by the Company and outstanding as at Balance Sheet date

(i) To hedge currency risks and interest related risks, the Company has executed various derivatives contracts. The category wise break up of amount outstanding as at Balance Sheet date is given below :

Particulars	(Rs. In Crores)	
	As at	As at
	31 March 2026	31 March 2025
Forex forward cover (buy)	19.38	7.54
Forex forward cover (sell)	104.41	121.97
	<b>123.79</b>	<b>129.51</b>

(ii) For hedging commodity related risk :- Category-wise break up is given below

Particulars	As at 31 March 2026		As at 31 March 2025	
	Purchases	Sales	Purchases	Sales
	Nickel (Quantity in MT)	102.00	264.00	12.00
Cobalt (Quantity in MT)	-	19.00	-	108.00
	<b>102.00</b>	<b>283.00</b>	<b>12.00</b>	<b>354.00</b>



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#### 42 Capital management

The Company's objectives when managing capital is to safeguard continuity and maintain a healthy capital ratios in order to support its business and provide adequate return to shareholders through continuous growth. The Company sets the amount of capital required on the basis of annual business. The funding requirements are met through a mixture of equity, borrowings and internal accruals.

The Company monitors capital using gearing ratio; being the ratio of net debt as a percentage of total capital employed. The Company is not subject to any externally imposed capital requirements.

Net debt are short term debts as reduced by cash and cash equivalents, other bank balances and short term investments. Equity comprises all components including other comprehensive income.

The following table summarizes the capital of the Company:

Particulars	(Rs. Crores)	
	31 March 2026	31 March 2025
Cash and cash equivalents	9.14	92.27
Other bank balances	0.64	0.38
Short term investments	-	-
<b>Total cash (a)</b>	<b>9.78</b>	<b>92.65</b>
Short-term borrowings	548.58	441.47
lease liabilities	2.35	13.41
<b>Total debt (b)</b>	<b>550.93</b>	<b>454.88</b>
<b>Equity</b>	<b>(474.19)</b>	<b>(280.16)</b>
<b>Net debt (c= b-a)</b>	<b>541.15</b>	<b>362.23</b>
<b>Debt Equity Ratio</b>	<b>(1.16)</b>	<b>(1.63)</b>

#### 43 Contingent liabilities and Commitments

(a) Contingent Liabilities	(Rs. Crores)	
	31 March 2026	31 March 2025
<b>(I) Claims not acknowledged by the company</b>		
(i) Electricity tax on self generated power (refer note 1 below)	93.51	93.51
(ii) Electricity duty, tax and additional duty on the surplus power wheeled (refer note 2 below)	8.76	8.76
(iii) Electricity tax on sale of electricity to TNEB (refer note 3 below)	28.80	28.80
(iv) Electricity tax on Start Up power (refer note 4 below)	1.50	-
(v) Remitting the excess claim for the period from Oct,2014 to May, 2015 for the excess units (refer note 5 below)	8.58	8.58
(vi) Water charges (refer note 6 below)	9.80	11.09
(vii) Railway land license fees demand (refer note 7 below)	-	4.27
(viii) Customs duty (refer Note 8 below)	8.75	8.75
(ix) Income Tax (refer Note 9 below)	-	-
	<b>159.70</b>	<b>163.76</b>

#### Note :

- Tamil Nadu Electricity Board ("TNEB") issued a demand of Rs. 93.51 Crores towards electricity tax on consumption of self-generated power for the period May 1999 to June 2003. The Company had filed a writ petition in Honourable High Court of Madras stating that the Industry in which the Company operates should also be considered, being power intensive industry, for exemption from payment of electricity tax as other power intensive industries were considered for exemption and a stay was granted by Honourable High Court in this matter in April 2013. Based on the direction of Honourable High Court, fresh representation is made before Energy Department and an order is awaited from the Government.
- TNEB has also demanded Rs 8.76 Crores towards electricity duty, tax and additional duty on the surplus power wheeled to an associate company (now holding Company), which is being contested by the company. The Company's representation to the Tamil Nadu Government that no duty, tax or additional duty is leviable as the Company is not a licence has been denied. Aggrieved by the same, the Company filed a writ petition and a stay has been obtained from Honourable High Court, Madras. Based on the direction of Honourable High Court, representation is made before Energy Department. Based on the direction of Honourable High Court, fresh representation is made before Energy Department and an order is awaited from the Government.
- The office of Electrical Inspectorate, Salem, Government of Tamil Nadu, raised a demand towards electricity tax of Rs. 28.80 Crores on sale of electricity to TNEB through Power Trading Corporation ("PTC") during June 2009 and May 2011 on the ground that the company has sold the power to PTC and not to TNEB. The company had filed a writ petition in the Honourable High Court of Madras and Honourable High Court of Madras vide Order Dated 9th July 2021 granted liberty to appeal within weeks from the receipt of order before Secretary Govt of Tamil Nadu, Energy Dept. Appeal has been filed on 17th Aug 2021. Accordingly, an appeal has been filed and the appeal is yet to be heard by the Secretary to Government, Energy Department. Based on the advice of external counsel, the Company believes that it has good ground for success.



43 Contingent liabilities and Commitments (Continued)

- 4 A contingent liability of ₹1.50 crore has been recognized in respect of the ongoing dispute relating to start-up power charges. The matter arises from the impugned instructions issued by the 2nd Respondent vide letter dated 12.12.2024 directing billing under High Tension Tariff-I (two-part tariff) for the period from 01.08.2017 to 30.05.2024, along with the consequential demand notice dated 20.12.2024. The Company has challenged the same before the Hon'ble Madras High Court through W.P. Nos. 991 of 2025 and 993 of 2025. In W.P. No. 991 of 2025, the Hon'ble Court (order dated 18.03.2025) directed payment of start-up power charges under single-part tariff, pending disposal of R.A. No. 5 of 2024. In W.P. No. 993 of 2025, the Hon'ble Court directed TNERC to consider the stay application in M.P. No. 51 of 2024 on merits. Pursuant thereto, TNERC vide order dated 28.01.2025 granted interim protection by directing that no coercive action shall be taken. Accordingly, the demand is being contested as arbitrary and contrary to the Electricity Act, 2003, TNERC tariff orders, and the order dated 29.12.2023 in T.A. No. 13 of 2022 and batch. The liability remains contingent, subject to final adjudication, and interim protection presently extends to similarly placed generators, including the Company.
- 5 The company has received a demand from Tamilnadu Generation and Distribution Corporation Limited ("TANGDECO") for Rs. 8.58 Crores towards excess amount paid by it in respect of electricity units supplied by the company in excess of the requirements of TANGDECO. The company has filed an writ petition before Honourable High Court of Madras and stay was granted in this matter. The case was heard on 10th Oct 22 and the Hon'ble Court while taking note of the fact that the Tamil Nadu Electricity Regulatory Commission ("TNERC") has no quorum as on date of passing the Order, directed the Company to approach the TNERC within one month of receipt of the order copy, since a Legal Member will be appointed shortly. Accordingly, a petition has been filed before the Hon'ble TNERC. Based on the advice of external counsel, the Company believes that it has good grounds for success.
- 6 a) The contingent liability of ₹1.29 crore pertains to water drawal charge disputes with the Public Works Department (PWD) before the Madras High Court. The matter originated from revisions in water tariffs and disputes surrounding the execution of an agreement aligned to reduced operational requirements (5,000 Cu.m/day) during the period when the plant was under care and maintenance. Multiple writ petitions were filed over time, including challenges to tariff increases and demands raised on higher sanctioned quantities, along with requests for appropriate agreements and refund of excess payments. Pursuant to directions of the Hon'ble High Court, payments were made under protest, discussions were held with PWD authorities, and requisite affidavits and supporting documents were filed before the Court. The matter progressed through various hearings, including directions for execution of an agreement and consideration of reduced demand, with the Government seeking time for administrative approvals. Subsequently, based on the order dated 16.06.2025, the matter has been favourably resolved. Accordingly, the case stands closed and has been removed from the Pending Proceedings Register (PPR).
- b) Tamilnadu government passed a GO Ms.No.890 PWD on 09.05.91 raising the water charges from Rs.60 to Rs.500 per 1000 cubic metres. The PWD demanded charges for the contracted quantity of 87,60,000 cubic metre per annum with retrospective effect from May 1991. The Company filed WP 9333/1991 which was disposed of giving opportunity to represent to Govt. Revised Demand of Rs.300/1000 cubic metre from 09.05.91 to 31.03.02 received from PWD for Rs.1.48 Cr. Even after representations, Govt again revised the water charges @ Rs.500/1000 cubic metres. The Company filed WP No.1298/02 in which Stay was obtained with a direction to pay Rs.300 /1000 cubic metres. On 28.02.06 High Court dismissed all WP and directed the petitioners to pay water charges @ Rs.500/1000 cubic metres as per GC 474/13.11.01. WA 516/2008 yet to be listed. All surrounding industries viz., Chemplast have paid rate increase impact with a request to PWD for interest waiver. The Gf appearing for the government acknowledged that GO. No. 47 covers the present period (2019-2024) and that agreement will be executed in terms of the order. Further the judge has recorded our representation dated 20.01.2025 and directed the Govt. to pass orders on our request for execution of agreement for 2005-2019 and refund any excess sums paid by us as prayed for, within 6 weeks. PWD has issued notice of dis-connection dt 24.10.2008 for non payment of revised charges amounting to Rs.3.31 Crs along with penal interest of Rs.6.49 Crs. The Company filed a fresh WP in Madras High Court WP No.No.6220/2008 and 6229/2008, WA 516/2008 both are pending for further hearing and disposal. We have made payment of Rs.3.31 Crs in view of the disconnection notice from PWD in installments and have requested for waiver of penal interest portion. Since PWD refused to waive the interest, The Company had filed WP 2528/2011 against which an interim stay was granted by the Hon'ble High Court of Madras vide order dated 04.02.2011.
- 7 The Company had entered into a Memorandum of Understanding ("MoU") dated 10 December 1999 with the Divisional Railway Manager, Palghat, Southern Railway, to invest in the Mettur Dam Railway Station (MTDM) towards creation of infrastructural facilities for reception of coal rakes and unloading coal for transfer into the Company's plant through conveyors. Disputes arose between the Company and Southern Railway, Salem Division with respect to (a) the period for which the leased railway land was in possession of the Company, (b) the extent of leased land, and (c) the base land value to be adopted for computation of lease rent. Pursuant to directions of the Hon'ble Supreme Court dated 24 January 2025, the disputes were referred to institutional arbitration under the aegis of the Nani Palkhivala Arbitration Centre, Chennai, and a re-constituted Arbitral Tribunal was formed. The arbitration proceedings have since been completed, and a final arbitral award dated March 2026 has been passed in favour of the Company, whereby the counter-claims raised by Southern Railway were rejected and Southern Railway was directed to refund amounts paid in excess by the Company. Consequently, no present or possible obligation exists as at 31 March 2026, the contingent liability disclosed in earlier periods has been withdrawn, and the provision of Rs 2.69 crores has been reversed and recognised under Other Income during the year.
- 8 a. The custom authorities have raised demand for levy of custom duty amounting to 7.09 crores wherein Directorate of revenue intelligence (DRI) has contended the coal imported by the Company is bituminous coal and not steam coal basis General Rules of Interpretation [a set of 6 rules for classification of goods in the Tariff Schedule]. However, these rules have to be applied sequentially. Rule-1 gives precedence to the Section notes/Chapter notes while classifying a product. Therefore when heading itself clearly describes the classification of goods, there is no need to refer further rules for interpretation. The coal imported by the Company was Steam coal which is classifiable under Tariff Item 27011920 and cleared after extending exemption in terms of serial No. 123 of Notification No. 12/2012-Cus dated 17.3.2012 whereunder steam coal has been specifically included and given total exemption from Basic Customs Duty (BCD) and in excess of 1% from Additional Duty of customs. The Superintendent of Excise & Customs, Salem had conducted an investigation on import of coal at the Company, Mettur on 18.02.2013 and asked the Company to submit all coal related files/emails etc. DRI, Coimbatore also issued a summons dated 20.02.2013 asking the Company to submit complete details of import of coal from March 2012 till date. The Company had formally submitted all Coal related files/emails/other records for the FY 2012-13 to the authorities. Further DRI had instructed the Company to submit entire bill of entry details from March 2012 and to appear before them on 05.03.2013 to which the Company had provided the details and appeared before the Official on 06.03.2013. The company believes that the demand is not tenable under the law and it has good grounds for success.
- b. AC Nagapattinam vide OIO No.111/2016 dtd 08.11.2016 demanded differential duty payment of Rs.1.59 Crores due to coal classification issue. The Company has classified imported coal under steam coal and department has contended that imported coal should be classified under coking coal which will attract 6% CVD instead of 2% CVD. Further, the Company is in non-receipt of OIO due to wrong addressed mentioned by department while sending the OIO. The Company has filed an appeal before commissioner appeal who has passed unfavourable order vide OIA NO.74/2018-TRY Dated 20.04.2018 against which the Company has filed appeal before CESTAT Chennai. The company believes that the demand is not tenable under the law and it has good grounds for success.
- c. Ld. Commissioner Customs (Appeals), Chennai vide Order in Appeal 1196-1197 and 1199 /2013 dated 30.08.2013 have sanctioned us a refund of Rs. 0.08 Crores and has directed Asst Commissioner to verify unjust enrichment aspect in respect of Order in Original No. 15425 dated 25.03.2011. The company believes that the demand is not tenable under the law and it has good grounds for success.
- 9 The Income Tax Authorities have issued assessment orders for various assessment years from AY 2009-10 to AY 2025-26, proposing additions/disallowances aggregating to Rs. 664.39 crore (March 31, 2025: Rs. 715.94 crore). These additions/disallowances have been adjusted by the authorities against the Company's carried-forward business losses.

The Company, based on its independent evaluation and external legal advice, believes that the aforesaid adjustments are not sustainable in law. Accordingly, the Company has filed appeals before the higher appellate authorities, and the matters are currently pending adjudication. Pending the final outcome of the appeals, no impact has been recognised in the financial statements.



**43 Contingent liabilities and Commitments (Continued)**

**(b) Commitments**

Estimated amounts of contracts net of advances, remaining to be executed on capital account and not provided for is Rs. 7.43 Crores (31 March 2025: Rs.27.78 Crores).

**(c) Bank guarantees**

The Company has given guarantees in the normal course of business, primarily towards statutory obligations and contractual performance requirements. as stated below:

	(Rs. Crores)	
	31 March 2026	31 March 2025
Bank guarantees	7.07	7.17
	<b>7.07</b>	<b>7.17</b>

**44 Related party disclosures**

**(a) Details of related parties**

Description of relationship	Name of the related parties
<b>(i) Where control exists</b>	
Immediate Holding Company	Vedanta Limited
Intermediate Holding Company	Vedanta Resources Limited (VRL) Vedanta Resources Investment Limited (VRIL)
Ultimate Holding Company	Vedanta Incorporated (formerly Volcan Investments Limited) Volcan Investments Cyprus Limited
Subsidiary Company	Fujairah Gold FZC
Fellow Subsidiary	Hindustan Zinc Limited Electrosteel Limited Sesa Mining Corporation Limited Meenakshi Energy Limited Ferro Alloy Corporation Limited
<b>(ii) Other related parties</b>	
Key management personnel	Ms. A Sumathi - Director Mr. Navin Kumar Jaju - Director Mr. A R Narayanaswamy - Independent Director

**(b) Transactions with related parties during the year**

Particulars	(Rs. Crores)	
	Year Ended 31 March 26	Year Ended 31 March 25
<b>Vedanta Limited</b>		
Sale of Finished goods	25.78	26.87
Sales of Stores & spares	0.02	-
Sale of Assets	0.46	-
Purchase of Goods/Service	78.13	416.08
Purchase of Assets	-	0.01
Reimbursement of expenses	4.71	2.17
Corporate expenses	2.09	2.52
Recovery of expenses	3.10	2.61
Interest Expense	48.73	39.02
Other Expenses	0.53	0.65
Borrowings received	234.34	384.12
Borrowings repaid	118.73	292.51



**44 Related party disclosures (Continued)**

**(Rs. Crores)**

<b>Particulars</b>	<b>Year Ended 31 March 26</b>	<b>Year Ended 31 March 25</b>
<b>Hindustan Zinc Limited</b>		
Sale of Finished goods	0.60	97.50
Purchase of Goods/Service	2.43	3.72
Reimbursement of expenses	0.13	0.00
Recovery of expenses	0.15	-
Provision for doubtful Trade Receivables	4.85	-
<b>Electrosteel Limited</b>		
Reimbursement of expenses	-	0.38
<b>Sesa Mining Corporation Limited</b>		
Purchase of Goods/Service	-	5.95
<b>Meenakshi Energy Limited</b>		
Recovery of expenses	0.01	-
<b>Ferro Alloy Corporation Limited</b>		
Recovery of expenses	0.03	-

**(c) Transactions with Key Managerial Personnel during the year**

**(Rs. Crores)**

<b>Particulars</b>	<b>Year Ended 31 March 26</b>	<b>Year Ended 31 March 25</b>
Director Sitting Fee		
- Mr. A R Narayanaswamy	0.02	0.02

**(d) Outstanding balances at period end**

**(Rs. Crores)**

<b>Particulars</b>	<b>As at 31 Mar 2026</b>	<b>As at 31 March 2025</b>
<b>Vedanta Limited</b>		
Financial Liabilities		
- Borrowings	548.58	432.97
- Other payables	25.02	24.37
- Interest payables	133.70	89.73
- Trade payables	233.15	422.31
<b>Total</b>	<b>940.45</b>	<b>969.39</b>
Financial assets		
- Other receivables	0.16	0.12
	<b>0.16</b>	<b>0.12</b>
<b>Vedanta Limited</b>		
Corporate Guarantee received	32.00	161.00
<b>Hindustan Zinc Limited</b>		
- Trade receivables	4.85	11.87
Provision for doubtful Trade Receivables	(4.85)	-
- Other receivables	0.05	0.23
- Other payables	0.05	-
<b>Electrosteel Limited</b>		
- Other payables	1.02	1.02
<b>Sesa Mining Corporation Limited</b>		
- Other receivables	0.06	0.06
<b>Meenakshi Energy Limited</b>		
- Other receivables	0.01	-



**(e) Transactions with related parties are carried out in the normal course of business and are based on mutually agreed terms.**

- Sale and purchase transactions are generally undertaken at market prices or prices determined based on benchmarking with similar transactions with non-related parties. Credit period for trade transactions generally ranges from 0 to 90 days, consistent with industry practices.
  - Borrowings from the holding company carry interest at agreed rates ranging from 8.65% to 8.9% and are repayable within the contractual terms or as mutually agreed between the parties.
  - Reimbursement and recovery of expenses represent cross-charges for shared services / costs on an actual basis.
- All outstanding balances are unsecured and are generally settled in cash. No guarantees or securities have been provided, except as disclosed separately.

45 Employee benefit

i. Defined contribution plan

The Company contributed a total of Rs. 1.08 Crore for the year ended March 31, 2026 and Rs. 1.11 Crores for the year ended March 31, 2025 to the following defined contribution plans:

a. Provident fund

In accordance with The Employees Provident Funds Act, 1952 employees are entitled to receive benefits under the provident fund. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (12% for fiscal year 2025 and 2024) of an employee's salary. All employees have an option to make additional voluntary contributions. These contributions are made to the fund administered and managed by the Government of India (GOI). The Company has no further obligations under the fund managed by the GOI beyond its monthly contributions which are charged to the statement of profit and loss in the period they are incurred.

b. Superannuation

Superannuation, another pension scheme applicable in India, is applicable only to senior executives. The Company holds a policy with Life Insurance Corporation of India ("LIC"), to which it contributes a fixed amount relating to superannuation and the pension annuity is met by LIC as required, taking into consideration the contributions made. The Company has no further obligations under the scheme beyond its monthly contributions which are charged to the Statement of Profit and Loss in the period they are incurred.

ii. Defined benefit plan

The Company has defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years of more services are eligible for gratuity. The level of benefit provided depends on the member's length of service and salary at retirement date. The Plan is funded with Life Insurance Corporation of India (LIC) in the form of a qualifying insurance policy.

The following tables summaries the component of net benefit expenses recognised in the Statement of Profit and Loss, other comprehensive income, the funded status and the amount recognised in the balance sheet for the gratuity plan:

Changes in the defined benefit obligation and fair value of plan assets:

	Funded		
	Defined benefit obligations	Fair value of plan assets	Net Status
<b>At 31 March 2024</b>	<b>(1.16)</b>	<b>1.41</b>	<b>0.25</b>
Current service cost	(0.15)	-	(0.15)
Past service cost including curtailment gains/losses	-	-	-
Net interest expense	(0.08)	0.10	0.02
<b>Included in Statement of Profit and Loss</b>	<b>(0.23)</b>	<b>0.10</b>	<b>(0.13)</b>
Actual Return on plan assets (excluding amounts included in net interest expense)	-	(0.03)	(0.03)
Actuarial changes arising from changes in demographic assumptions	0.04	-	0.04
Actuarial changes arising from changes in financial assumptions	0.04	-	0.04
Actuarial changes arising from changes in experience adjustments	(0.13)	-	(0.13)
<b>Included in OCI</b>	<b>(0.05)</b>	<b>(0.03)</b>	<b>(0.08)</b>
Benefits paid	0.25	(0.25)	-
Acquisition Adjustment	0.20	-	0.20
Contribution by employer	-	0.01	0.01
<b>At 31 March 2025</b>	<b>(1.00)</b>	<b>1.24</b>	<b>0.24</b>
Current service cost	(0.15)	-	(0.15)
Past service cost including curtailment gains/losses	(0.28)	-	(0.28)
Net interest expense	(0.07)	0.09	0.02
<b>Included in Statement of Profit and Loss</b>	<b>(0.50)</b>	<b>0.09</b>	<b>(0.41)</b>
Return on plan assets (excluding amounts included in net interest expense)	-	0.01	0.01
Actuarial changes arising from changes in demographic assumptions	(0.04)	-	(0.04)
Actuarial changes arising from changes in financial assumptions	0.01	-	0.01
Actuarial changes arising from changes in experience adjustments	(0.00)	-	(0.00)
<b>Included in OCI</b>	<b>(0.03)</b>	<b>0.01</b>	<b>(0.02)</b>
Benefits paid	0.38	(0.38)	-
Acquisition Adjustment	0.15	-	0.15
Contribution by employer	-	0.04	0.04
<b>At 31 Mar 2026</b>	<b>(1.01)</b>	<b>1.00</b>	<b>(0.01)</b>
Plan Asset (refer note 18)			0.31
Defined benefit obligation (refer note 22)			(0.32)
Net Balance			<b>(0.01)</b>



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**MALCO Energy Limited**  
**CIN - U31300MH2001PLC428719**  
**Notes to the Financial Statements for the year ended 31 March 2026**

The principal assumptions used in determining gratuity obligation for the Company plans are shown below:

	31 March 2026	31 March 2025
Discount rate	7.25%	7.03%
Future salary increase	5.50% - 8.50%	5.50% - 8.50%
Withdrawal rate		
Ages: up to 30 years	0%-3%	3% - 25%
from 31 to 44 years	0%-2%	3% - 25%
above 44 years	0%-1%	3% - 25%
Retirement age	58	58
Mortality rate	IALM (2012 - 14)	IALM (2012 - 14)

**45 Employee benefit (Continued)**

A quantitative sensitivity analysis for significant assumption is as shown below:

	(Rs. Crores)	
Assumptions	31 March 2026	31 March 2025
Sensitivity level		
0.5% Increase in discount rate	(0.04)	(0.03)
0.5% Decrease in discount rate	0.05	0.03
0.5% Increase in future salary increase	0.05	0.03
0.5% Decrease in future salary increase	(0.04)	(0.03)

The above sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Further, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

The expected maturity analysis of undiscounted defined benefit obligation (Funded and Unfunded) is as follows:

Year	31 March 2026	31 March 2025
Within 1 Year	0.01	0.21
Between 1 and 2 years	0.01	0.08
Between 2 and 3 years	0.26	0.06
Between 3 and 4 years	0.07	0.19
Between 4 and 5 years	0.02	0.07
Beyond 5 years	0.63	0.37

The contribution expected to be made by the Company during the financial year 2025-26 is Rs. 0.20 crores

The average duration of the defined benefit obligation is ranging from 6.23 to 16.80 years and 6.23 to 16.80 years as on Mar 31, 2026 and March 31, 2025 respectively.

**46 Share based compensation plans**

The Holding Company ('Vedanta Limited') offered equity based and cash based option plans to its employees, officers and directors through the Company's stock option plan introduced in 2016, Cairn India's stock option plan now administered by the Company pursuant to merger with the Company and Vedanta Resources Limited (earlier known as Vedanta Resources Plc) plans [Vedanta Resources Long-Term Incentive Plan ("LTIP"), Employee Share Ownership Plan ("ESOP"), Performance Share Plan ("PSP") and Deferred Share Bonus Plan ("DSBP")] collectively referred as 'VRL ESOP' scheme.

The Company introduced an Employee Stock Option Scheme 2016 ("ESOS"), which was approved by the Vedanta Limited shareholders to provide equity settled incentive to all employees of the Company including subsidiary companies. The ESOS scheme includes tenure based, business performance based, sustained individual performance based and market performance based stock options. The maximum value of options that can be awarded to members of the wider management group is calculated by reference to the grade average cost-to-company ("CTC") and individual grade of the employee. The performance conditions attached to the option is measured by comparing Company's performance in terms of Total Shareholder Return ("TSR") over the performance period with the performance of two group of comparator companies (i.e. Indian and global comparator companies) defined in the scheme. The extent to which an option vests will depend on the Company's TSR rank against a group or groups of peer companies at the end of the performance period and as moderated by the Remuneration Committee.

Options granted during the year ended March 31, 2026 includes business performance based, sustained individual performance based and market performance based stock options. Business performances will be measured using Volume, Cost, Net Sales Realisation, EBITDA or a combination of these for the respective business/ SBU entities.

The ESOPs granted to employees of the Company relate to equity instruments of the Holding Company. Accordingly, in the books of the Company, such arrangements have been accounted for as equity-settled share-based payment arrangements in accordance with Ind AS 102. The share-based payment expense measured at the grant date fair value of the Holding Company's equity instruments and attributable to services received during the year has been recognised in the Statement of Profit and Loss.

Amount recovered by the Parent and recognized by the company in the statement of profit and loss account for the period ended Mar 31, 2026 was ₹ 0.28 Crores (Year ended March 31, 2025 was ₹ 0.17 Crores). The Company considers these amounts as not material and accordingly has not provided further disclosures.

During the year, consequent to planned acquisition of Holding Company shares from the market through an Employee Benefit Trust, an incremental amount of INR 1.68 Crores arising due to an increase in the market price of the Holding Company's shares was recovered by the Holding Company from the Company. As this amount does not represent additional employee services received by the Company and relates to settlement of the Holding Company's own equity instruments, the same has not been recognised in the Statement of Profit and Loss and has instead been recognised directly as a debit to retained earnings under "Other Equity", in accordance with Ind AS 32.



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47 Loss per share

Particulars	For the Year ended	For the Year ended
	31 March 2026	31 March 2025
	Rs. Crores	Rs. Crores
Profit attributable to the equity shareholders for Basic EPS	(190.51)	(188.09)
Add: Adjustment for Diluted Instrument	-	-
<b>Profit attributable to equity holders adjusted for Diluted EPS</b>	<b>(190.51)</b>	<b>(188.09)</b>
Weighted average number of Equity Shares for basic EPS	23,366,406	23,366,406
Effect of Dilution of Convertible debentures	131,661,981	131,661,981
<b>Weighted average number of Equity shares adjusted for the effect of dilution</b>	<b>155,028,387</b>	<b>155,028,387</b>
<b>Loss per share - Basic &amp; Dilutive (Rs.) *</b>	<b>(81.53)</b>	<b>(80.49)</b>

Compulsorily convertible debentures (CCDs), although classified as instruments entirely equity in nature in accordance with Ind AS 32, represent potential ordinary shares for the purposes of Ind AS 33.

\* The effect of conversion of CCDs would result in a reduction in loss per share and is therefore considered anti-dilutive. Accordingly, CCDs have not been considered in the computation of basic or diluted earnings per share for the periods presented.

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48 Other Statutory Information

- (i) The Company do not have any Benami Property, where any proceeding has been initiated or pending against the company for holding any Benami Property
- (ii) The Company do not have any transactions with struck off Companies
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the Financial year
- (v) The Company is not having any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income tax Act, 1961)
- (vi) The company during the period have not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) 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 (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) The company during the period have not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall: (a) 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 (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (viii) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013, read with Companies (restriction on number of layers) Rules, 2017
- (ix) The Company is maintaining its books of accounts in electronic mode and these books of accounts are accessible in India at all the times and the back up of books of accounts has been kept in servers physically located in India on a daily basis.
- (x) 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 with. Additionally, the audit trail of prior years has been preserved as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

49 Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at	As at
	31 March 2026	31 March 2025
	Rs. Crores	Rs. Crores
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	3.35	9.32
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are	-	-

50 Segment Information  
 Acquisition (Refer Note 1)  
Gujarat NRE

In FY 21-22, the company acquired Bachau and Khambalia blocks of Gujarat NRE Coke Limited which was under liquidation as per the Insolvency and Bankruptcy Code 2016 for the time being in force for a cash consideration of Rs 165.99 crores and subsequent stamp duty for the transactions for Rs 9.7 crores. The assets acquired mainly included Land, Building and Plant & Machinery of similar value as the cash consideration. Gujarat NRE Coke Limited (GNRE), has two Met Coke plants in Bhacha and Khambalia for a total operating capacity of 400 KTPA and 265 KTPA respectively.

Nicomet Industries

In FY 21-22, the Company acquired the assets of Nicomet Industries Limited which was under liquidation process as per the Insolvency and Bankruptcy code, 2016 (including all amendments for the time being in force) for a cash consideration of Rs 51.55 crores and subsequent stamp duty and registration fee of Rs 3.3 crores. The assets acquired mainly include land, building and Plant & Machinery of similar value as the cash consideration. Nickel unit is the first and the only company engaged in manufacturing Nickel and Cobalt through processing of Concentrates in India, which is a vital raw material for manufacturing of EV batteries, High quality steel product and super alloys.

The Company acquired assets of Gujarat NRE on 20th May 2021 and Nicomet Industries on 6th Jan 2022. As Malco Energy Limited has no present obligations, the acquisition shall serve to kick start and boost operations. Potential future synergies through vertical integration.

The Company primarily engaged in the business of generation and sale of electricity, production of low ash Metallurgical coke and Nickel and Cobalt sulphate and Nickel Cathode in India. As per the view of Chief Operating Decision maker (CODM), there are three operating segments (a) Generation of electricity ("Power") (b) Production of coke ("coke") (c) Production of Nickel sulphate crystal, Nickel Cathode and Cobalt sulphate crystal ("Nickel") Each of the reportable segments has an ability to derive revenue and hence have been identified as reportable segments by the Chief Operating Decision Maker.

The power plant of the company has been put under care and maintenance w.e.f. May 26, 2017 due to prevailing business conditions.

Segment Revenue, Results, Assets and Liabilities include respective amount identifiable to each segments. Tax, Depreciation and Amortization and EBITDA is evaluated regularly by the CODM, in deciding how to allocate resources and in assessing performance. The operating segments reported are the segments of the company for which separate financial information is available. The Company's income taxes are reviewed on an overall basis and are not allocated to operating segments.



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*[Handwritten signature]*

50 Segment Information (Continued)

The following table presents revenue and profit information and certain assets and liabilities information regarding the Company's operating segments as at and for the period ended on respective dates. Since the Power Plant is under care and maintenance, there is no Revenue from operations from this segment.

Particulars	Operating Segments (Discontinued operations) #			
	Coke	Nickel	Power	Total
<b>Revenue</b>				
External Revenue	100.52	253.31	-	353.83
Add : Inter Segment Revenue	-	-	-	-
<b>Segment Revenue</b>	<b>100.52</b>	<b>253.31</b>	<b>-</b>	<b>353.83</b>
<b>Other Operating Income</b>				
External	3.26	2.42	6.43	12.11
Inter Segment	-	-	-	-
<b>Total revenue from operations</b>	<b>103.78</b>	<b>255.73</b>	<b>6.43</b>	<b>365.94</b>
<b>Expenses</b>				
Cost of materials consumed	27.43	158.24	-	185.67
Purchases of Stock-in-Trade	53.43	42.07	-	105.51
Changes in inventories of FG, WIP & Stock in trade	18.27	38.24	-	56.50
Power & Fuel	0.31	7.28	1.65	9.25
Employee benefits expense	0.61	11.48	0.72	12.80
Other expenses	8.24	85.55	4.73	98.52
<b>Total Expense</b>	<b>118.29</b>	<b>342.86</b>	<b>7.10</b>	<b>468.25</b>
<b>Results</b>				
<b>Segment Results (EBITDA)*</b>	<b>(14.51)</b>	<b>(87.13)</b>	<b>(0.67)</b>	<b>(102.31)</b>
Less: Depreciation and Amortisation	(31.13)	(9.91)	(4.39)	(45.43)
Add: Other Income	10.68	0.30	2.87	13.85
Less: Finance cost	(17.95)	(34.02)	(4.65)	(56.62)
<b>Net Profit before tax</b>	<b>(52.91)</b>	<b>(130.76)</b>	<b>(6.84)</b>	<b>(190.51)</b>
<b>Other information</b>				
<b>Segment Assets</b>	<b>160.29</b>	<b>247.97</b>	<b>92.56</b>	<b>500.83</b>
Financial Asset (Investments)	-	-	-	-
Financial Asset (Loans)	(0.01)	-	-	(0.01)
Income tax Asset	0.72	0.84	66.49	68.04
Cash & Cash Equivalents (including other bank balance & bank deposits)	0.21	9.02	0.30	9.53
<b>Total Assets</b>	<b>161.21</b>	<b>257.83</b>	<b>159.35</b>	<b>578.39</b>
<b>Segment Liabilities</b>	<b>275.52</b>	<b>171.54</b>	<b>56.93</b>	<b>503.99</b>
Borrowings	181.57	307.01	60.00	548.58
<b>Total Liabilities</b>	<b>457.09</b>	<b>478.55</b>	<b>116.93</b>	<b>1,052.57</b>
<b>Capital Expenditure</b>	<b>154.74</b>	<b>89.02</b>	<b>71.43</b>	<b>315.19</b>



50 Segment Information (Continued)

The following table presents revenue and profit information and certain assets and liabilities information regarding the Company's operating segments as at and for the period ended on respective dates. Since the Power Plant is under care and maintenance, there is no Revenue from operations from this segment.

Particulars	(Rs. Crores)			
	Operating Segments (Discontinued operations) #			
	Coke	Nickel	Power	Total
<b>Revenue</b>				
External Revenue	506.48	370.12	-	876.60
Inter Segment Revenue	-	-	-	-
<b>Segment Revenue</b>	<b>506.48</b>	<b>370.12</b>	<b>-</b>	<b>876.60</b>
<b>Other Operating Income</b>				
External	5.94	5.23	0.72	11.89
Inter Segment	-	-	-	-
<b>Total Revenue from operations</b>	<b>5.94</b>	<b>5.23</b>	<b>0.72</b>	<b>11.89</b>
<b>Expenses</b>				
Cost of materials consumed	202.45	299.91	-	502.36
Purchases of Stock-in-Trade	305.75	-	-	305.75
Changes in inventories of FG, WIP & Stock in trade	(1.93)	7.01	-	5.08
Power & Fuel	1.40	11.68	0.94	14.02
Employee benefits expense	6.19	14.09	0.65	20.93
Other expenses	38.30	95.43	1.53	135.26
<b>Total Expense</b>	<b>552.16</b>	<b>428.12</b>	<b>3.12</b>	<b>983.40</b>
<b>Results</b>				
<b>Segment Results (EBITDA)*</b>	<b>(39.74)</b>	<b>(52.77)</b>	<b>(2.40)</b>	<b>(94.91)</b>
Less : Depreciation and Amortisation	(28.70)	(9.87)	(4.50)	(43.07)
Add : Other Income	0.81	1.00	1.03	2.84
Less: Finance cost	(23.73)	(29.15)	(0.07)	(52.94)
<b>Net Profit before tax</b>	<b>(91.36)</b>	<b>(90.79)</b>	<b>(5.94)</b>	<b>(188.09)</b>
<b>Other information</b>				
<b>Segment Assets</b>	<b>347.13</b>	<b>383.17</b>	<b>97.99</b>	<b>828.29</b>
Financial Asset (Investments)	-	-	-	-
Financial Asset (Loans)	0.00	0.08	0.06	0.14
Income tax Asset	0.45	0.49	6.41	7.35
Cash & Cash Equivalents (including other bank balance & bank deposits)	84.02	8.24	0.01	92.26
<b>Total Assets</b>	<b>431.60</b>	<b>391.98</b>	<b>104.47</b>	<b>928.05</b>
<b>Segment Liabilities</b>	<b>462.51</b>	<b>160.45</b>	<b>54.05</b>	<b>677.01</b>
Borrowings	211.74	319.45	-	531.20
<b>Total Liabilities</b>	<b>674.26</b>	<b>479.90</b>	<b>54.05</b>	<b>1,208.21</b>
<b>Capital Expenditure</b>				
<b>Capital Expenditure</b>	<b>186.10</b>	<b>91.57</b>	<b>75.82</b>	<b>353.49</b>

\* Earnings before interest, tax, depreciation and amortisation ('EBITDA') is a Non GAAP measure

# All 3 business segments are Discontinuing operations (Refer note 2G)



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51 Key Ratios are as follows

Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	Percentage change	Reason for change
a) Current Ratio (in times)	Current Asset	Current Liabilities (excluding current maturities of long-term borrowings)	0.16	0.45	-64%	Decrease is due to higher reduction in current assets as compared to current liabilities as at March 31, 2026 as compared to March 31, 2025.
b) Debt Equity Ratio (in times)	Gross Debt	Total Equity	(1.16)	(1.58)	-27%	Not applicable
c) Debt service coverage Ratio (in times)	Income available for debt service = Profit After tax + Depreciation + Finance cost	Interest expense + Principal payments of loans	(0.15)	(0.15)	-5%	Not applicable
d) Return on Equity Ratio (%)	Net Profit After tax	Average Total Equity	40.18%	67.14%	-40%	Decrease is on account of increase in loss for the year and a corresponding decrease in total equity in FY 2025-26 compared to FY 2024-25.
e) Inventory Turnover Ratio (in times)	Cost of Goods Sold	Average Inventory	2.66	4.23	-37%	Decrease is due to decrease in Cost of Goods Sold during FY 2025-26 compared to FY 2024-25.
f) Trade Receivable Turnover Ratio (in times)	Revenue from Operations	Average Trade Receivable	7.33	14.96	-51%	Decrease is due to decrease in Revenue from Operations during FY 2025-26 compared to FY 2024-25.
g) Trade Payable Turnover Ratio (in times)	Cost of Goods Sold + Other Expenses	Average Trade Payable	1.25	2.61	-52%	Decrease is due to decrease in Cost of Goods Sold + Other Expenses during FY 2025-26 compared to FY 2024-25.
h) Net Working Capital Turnover Ratio (in times)	Revenue from Operations	Working capital = Current Assets - Current Liabilities (excluding current maturities of long-term borrowing)	(0.40)	(1.33)	-70%	Decrease is due to decrease in Revenue from Operations during FY 2025-26 compared to FY 2024-25.
i) Net Profit Ratio (%)	Net Profit after tax	Revenue from operations	-53.84%	-21.46%	151%	Decrease is due to an increase in net loss during FY 2025-26 compared to FY 2024-25.
j) Return on Capital Employed (%)	Profit before tax + Finance cost	Capital employed = Net Debt + Total Equity	-179.98%	-83.78%	115%	Not applicable
k) Return on investment (%)	Income from investment measured at FVTPL	Average current investment	5.61%	5.02%	12%	Not applicable

52 Leases

The Company has lease contracts for land, Machinery, vehicles and other equipment for its business operations. Generally, the Company is restricted from assigning and subleasing the leased assets.

- i) Details of carrying amount of Right-of-use assets and movement during the period disclosed under Note 6.  
ii) Set out below are the carrying amounts of lease liabilities and the movement during the year:

Particulars

Balance at the beginning of the period	13.42	9.03
Additions	-	3.18
Modification	-	7.50
Lease payment made during the period	(1.35)	(7.78)
Accretion of interest	0.83	1.49
Write back	(10.55)	-
Balance at the end of the period	2.35	13.42

	31 March 2026	31 Mar 2025
Balance at the beginning of the period	13.42	9.03
Additions	-	3.18
Modification	-	7.50
Lease payment made during the period	(1.35)	(7.78)
Accretion of interest	0.83	1.49
Write back	(10.55)	-
Balance at the end of the period	2.35	13.42
Non Current	1.41	2.20
Current	0.94	11.22

- a) The effective interest rate for lease liabilities ranges from 7.58% to 10.30%.  
b) The maturities for lease liabilities are as follows

Particulars	Maturity
Leasehold Land	60-80 years
Leasehold Vehicles	1-2 years
Leasehold Equipment	5 Years

- c) The maturity analysis of lease liabilities are disclosed in Note 41 (C) "Liquidity risk"  
d) The Company had total cash flows for leases of Rs. 1.35 crores for the year ended 31 March 2026 (31 March 2025: Rs. 7.78 crores)

- vi) The following are the amounts recognised in profit or loss:

Particulars

Depreciation of Right-of-use asset	38.42	41.43
Accretion of interest on lease liabilities	0.83	1.49
Expenses relating to short-term leases and leases of low-value assets (included in other expenses)	0.64	0.48
<b>Total amount recognised in profit or loss</b>	<b>39.89</b>	<b>43.40</b>

	(Rs. Crores)	
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation of Right-of-use asset	38.42	41.43
Accretion of interest on lease liabilities	0.83	1.49
Expenses relating to short-term leases and leases of low-value assets (included in other expenses)	0.64	0.48
<b>Total amount recognised in profit or loss</b>	<b>39.89</b>	<b>43.40</b>

*[Handwritten signature]*



**53 Going concern**

As at March 31, 2026, the Company has a net current liability of Rs 878.85 Crores and has incurred a loss of Rs. 190.51 Crores during year ended March 31, 2026. Current liabilities as at March 31, 2026 includes borrowing, interest payable, trade payable and other payable amounting to Rs. 548.58 Crores, Rs. 133.70 Crores, Rs. 233.15 Crores and Rs. 25.02 Crores respectively payable to Holding Company.

Further, the holding Company has provided a commitment in the form of a support letter to provide the necessary financial support to the Company to meet its operational and financial obligations as and when they fall due.

As explained in Note 2G - Assets held for sale and discontinued operations, the Board of Directors has approved a reorganisation involving the simultaneous vesting of the Oil & Gas undertaking of Vedanta Limited into the Company and the simultaneous transfer of the Company's existing business undertakings and investment, subject to fulfilment of regulatory approvals and other conditions precedent under the approved Scheme. The transactions are inter-dependent and will be implemented simultaneously. Pending the effectiveness of the Scheme, business continuity is ensured, as the Company continues to operate its existing businesses in the ordinary course, meet its obligations as they fall due.

Based on the approved Scheme, the commitment of the Board to effect the reorganisation, the continued conduct of business until the Scheme becomes effective, and the support letter from the Holding Company, management is confident that the Company will be able to discharge its liabilities and continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

**54 Subsequent events**

Other than the matters disclosed in Note 2G (Disposal group held for sale and discontinued operations), there are no significant events that have occurred after the reporting period up to the date of approval of these financial statements.

**55 New labour code**

On 21 November 2025, the Government of India notified four Labour Codes—Code on Wages, 2019; Industrial Relations Code, 2020; Code on Social Security, 2020; and Occupational Safety, Health and Working Conditions Code, 2020—consolidating 29 existing labour laws. The Ministry of Labour & Employment has published draft Central Rules and FAQs to facilitate assessment of financial impact due to changes in regulations. The Company has assessed and accounted for the incremental impact of these changes with the best information available, and guidance from the Institute of Chartered Accountants of India. The incremental impact of Rs. 0.28 crore (Power - 0.09 Crores, Nicomet - 0.12 Crores & GNRE 0.07 Crores) has been recognised in the financial statement for the year ended 31 March 2026. The Company continues to monitor the finalisation of Central/ State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect as and when such clarifications are issued/ rules are notified.

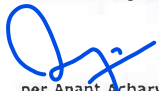
**56 Short Seller report**

During the year ended 31 March 2026, a short seller has published a series of reports making certain allegations against Vedanta Group ("the Group") entities including the Company's subsidiary. Based on management assessment, legal advice obtained, and involvement of external experts, management of the Company continues to believe that these allegations are baseless and that the transactions stated in the allegations have appropriate commercial substance and that the said transactions have been duly approved through necessary processes and the Group remains compliant with contractual obligations and applicable laws and regulations. During and subsequent to the year ended 31 March 2026, the Group has received requests for information and summons for production of documents from the regulators. These have been submitted/ are in the process or being submitted within the relevant due dates and no further communication has been received thereafter.

Based on the above, management is confident that no adjustments are required to these financial statements and financial information of the Company as of and for the year ended March 31, 2026 or any prior periods with respect to the allegations in the short seller reports published to date.

As per our report of even date

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No : 324982E/E300003

  
per Anant Acharya  
Partner  
Membership No. - 124790

Place : Mumbai  
Date : April 28, 2026



For and on behalf of Board of Directors

  
Navin Kumar Jaju  
Director  
DIN 00669654

Place : Panjim  
Date : April 28, 2026

  
Poovannan Sumathi  
Director  
DIN 07147100

Place : Tuticorin  
Date : April 28, 2026



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