

FORGING TOMORROW



STRENGTH. SCALE. SUSTAINABILITY.

About our Integrated Annual Report

We are pleased to present our Fourth Integrated Annual Report (IAR), which includes voluntary information to the extent possible in accordance with the reporting framework developed and designed by the International Integrated Reporting Council (IIRC).

This report communicates information about Bharat Aluminium Company Limited's governance framework, value creation plan, opportunity evaluation, material risks, operational highlights and financial performance for FY 2025-26. It is intended to address the information needs of all our stakeholders while maintaining transparency and relevance.



Reporting Period and Framework

The reporting period is from April 1, 2025 to March 31, 2026. This report provides an overview of the operations and business development activities of the Company for FY 2025-26.

Alignment with regulatory standards includes:

- The Companies Act, 2013 along with relevant rules made thereunder.
- Indian Accounting Standards
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable
- International Integrated Reporting Council (IIRC) Frameworks
- Global Reporting Initiative Standards, 2021
- United Nations Sustainable Development Goals Principles (UN SDGs)

Sustainable Development Goals

This report is aligned with the United Nations Sustainable Development Goals (SDGs). The relevant SDGs addressed across our operations, capitals, and disclosures are referenced throughout this report.

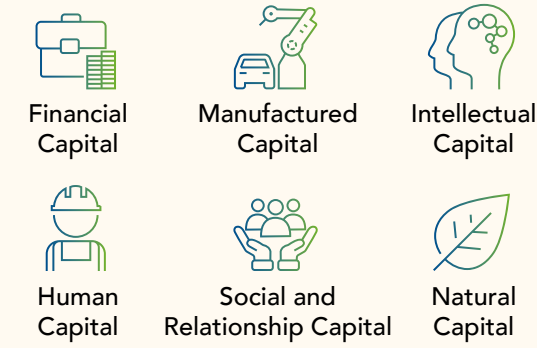


Approach to materiality

We embrace the concept of materiality to identify information that is most relevant to our stakeholders, including it in our Integrated Report. This report focuses on addressing key issues, opportunities and challenges that significantly impact our business operations and our ability to create lasting value for our shareholders and key stakeholders.

Our approach to integrated thinking

Our capitals framework underpins this report, reflecting how BALCO creates, preserves and erodes value across six capitals:



Reporting Scope and Boundary

This report outlines BALCO's strategic framework for value creation across the short, medium and long term. It offers a concise assessment of the Company's performance and governance over the past year, highlighting how these efforts have contributed to executing our strategy.

Forward looking statement

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

Auditor's report

To ensure the integrity of facts and information, the financial statements are audited by M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, and the 'Independent Auditor's Report' has been duly incorporated as part of this report.

What's Inside

01 Know BALCO

Forging Tomorrow	4
BALCO for Tomorrow	6
Capital Highlights	8
About Balco	12
Product Portfolio	14
Global Reach	16
Journey of Impact	18
Chairman's Communique	20
Message from the CEO	22
CFO's Message	24

02 Business Overview

Case Study	26
The 525 kA Standard	28
How We Create Value	30
Materiality Assessment	32
Forged under discipline	34
Forging with Purpose	36
VSF and VSAP	40
Engaging with our stakeholders	42
Financial Capital	46
Manufactured Capital	54
Intellectual Capital	64
Human Capital	72
Social and Relationship Capital	82
Natural Capital	104
Profiles of Board of Directors	114

03 Statutory Reports

Management Discussion and Analysis	118
Notice	130
Board's Report	144
Report on Corporate Governance	186

04 Financial Statements

Independent Auditor's Report	206
Balance Sheet	218
Statement of Profit and Loss	219
Statement of Cash Flows	220
Statement of Changes in Equity	222
Notes to Financial Statements	224



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To know more about us visit our website : www.balcoindia.com



Forging Tomorrow

Strength. Scale. Sustainability.

Building the metal that builds India.

In a year defined by record-breaking milestones, transformative expansion, and deepening commitment to responsible industry, we entered a new chapter. Our theme: ‘Forging Tomorrow’, draws from the very essence of what we do: “we apply heat, pressure, and precision to create metal that shapes the world”. But it also speaks to something larger: our resolve to forge a future that is stronger, more expansive, and fundamentally sustainable.

In FY2025-26, BALCO commissioned India’s first 525 kA Potline (PL) and advanced towards 1 MTPA of total aluminium capacity. This is not merely a production milestone. It is a statement of industrial ambition, technological leadership, and national purpose. Aluminium is the metal that powers India’s energy transition, urban infrastructure, digital connectivity, and manufacturing renaissance — and BALCO stands at the center of it all.



Three pillars of our story



Strength

Core. Competitive. Consistent.

BALCO’s operational foundation stands stronger than ever. In FY 2025-26, we achieved record hot metal production of 598 KT, Plant Load Factor (PLF) of 79 % at our 1,440 MW captive power plant and the lowest-ever specific carbon consumption of 409 kg/Mt for PL1 & PL2. Our 525 kA Potline, India’s first, sets a new national benchmark for smelter technology. With over 50 years of metallurgical expertise, our people and processes deliver best-in-class outcomes year after year.



Scale

India’s Second Largest. A Global Contender

The commissioning of PL 3 positions BALCO as India’s second largest integrated aluminium producer targeting 1 MTPA of total capacity. Our downstream expansion matches this ambition: record wire rod production of 231 KT, record Primary Foundry Alloy output of 92 KT, and a growing value-added portfolio spanning automotive, construction, packaging, power transmission and EV applications. Value Added Product (VAP) share closed at 60% for the year.



Sustainability

RESTORA. Renewable. Responsible.

FY2025-26 marked a watershed moment; as BALCO initiated production of our low-carbon aluminium RESTORA for the first time. Our water intensity dropped to an all-time low of 0.37 m³/MT; recycling rates hit 17.9%, our best-ever. We planted 77,000 saplings, replaced 33 diesel LMVs with EV, and through our partnership with Serentica, we are on the path to sourcing 224 MW of clean energy paving path towards decarbonising our operations for the decade ahead.



“We are not just expanding our smelter. We are expanding India’s capability to produce the metal that will power its next chapter of growth — cleaner, smarter and built to last.”

BALCO for Tomorrow

How BALCO creates enduring value, powered by integrated thinking

BALCO creates value by transforming natural resources into high-quality aluminium that powers India’s infrastructure, mobility and growth.

Our integrated model connects bauxite mining with world-class smelting and captive power generation. This is in addition to an expanding value-added product portfolio underpinned by technological capability, strong stakeholder relationships, and an unwavering commitment to sustainability.

Our value creation is propelled by



Vision

To be a world-class Integrated Aluminium and Power producer, generating sustainable value for all stakeholders.



Mission

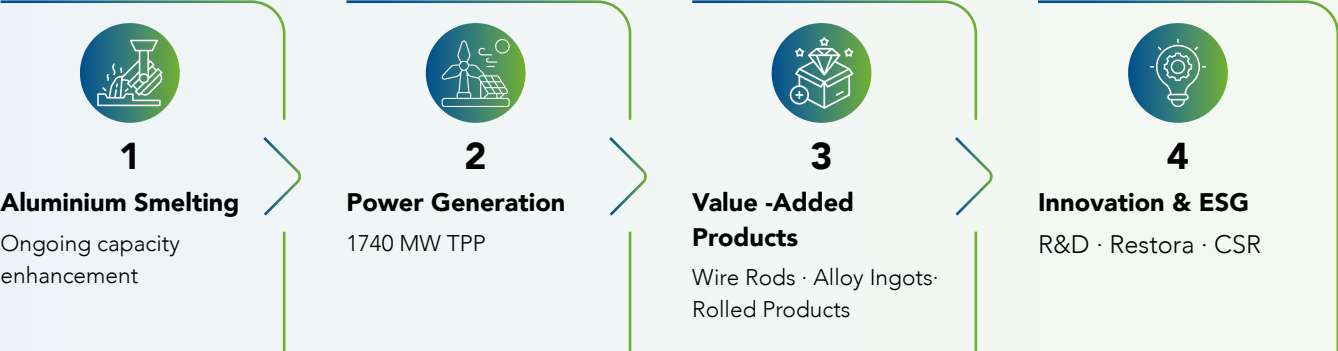
- To be amongst top decile in Global Cost Curve.
- Operational Excellence.
- Ensure Resource Security with Efficient Supply Chain Management.
- Effective Collaboration with Stakeholders.
- Unleash Employee potential.
- Build and Strengthen Brand Equity.



Strategic Focus Areas

- S1** Smelter excellence & cost leadership
- S2** Capacity expansion to 1 MTPA
- S3** Value-added product portfolio growth
- S4** ESG Footprint towards Decarbonisation
- S5** Community development & social value

Supported by our business model



And influenced by key factors in our operating environment

India's Growth Context

- T1** India's aluminium demand growing > 6% CAGR
- T2** Infrastructure, renewable & EV boom driving usage
- T3** Import substitution opportunity amid global uncertainty
- T4** Government's Make in India impetus

Material Issues

- M1** GHG Emissions & Climate Risk
- M2** Energy cost & supply security
- M3** Occupational Health & Safety
- M4** Water Management
- M5** Community Relations

Risks

- R1** Unavailability of Raw Materials and its quantity/ quality
- R2** Risk associated with Safety
- R3** Risk associated with Expansion Project
- R4** Regulatory Risk

Resulting in an impact across the capitals and for stakeholders

Capitals

- Financial Capital
- Manufactured Capital
- Human Capital
- Intellectual Capital
- Natural Capital
- Social & Relationship Capital

Value creation for stakeholders

Shareholders & Vedanta Group	Customers & End Markets
Employees & Contractors	Government & Regulators
Communities & Society	Communities & Society

Financial Capital

Building on operational scale and disciplined capital allocation

We are focused on optimising capital allocation, sustaining strong operational cash flows and maintaining a healthy balance sheet while investing in the growth assets that will deliver returns for the long-term. FY2025-26 demonstrates the structural strength of our business: revenue and EBITDA tracking ahead of prior-year trajectory through Q1–Q4, driven by higher realization, improving value-added product volumes and the leverage of our expanded 1 MTPA smelting base.

Key FY 2025–26 Outcomes

₹17,379 cr

Revenue from operations
Tracking towards full-year record

₹7,126 cr

EBITDA
Consistent profitability maintained

~41%

EBITDA Margin
Despite input cost headwinds

₹4,825 cr

Full Year PAT (FY2025-26)
Highest-ever

₹1,403 cr

Cash and Cash Equivalents
Supporting liquidity

₹2,390 cr

Growth Capex
Headroom for expansion

₹878 cr

Net Debt (FY2025-26)
Disciplined leverage management

33.92 %

ROCE (FY2025-26)
Return on capital employed

₹6,311 cr

Tax Contribution
Direct contribution to exchequer

FY 2026-27 Priorities

Strength

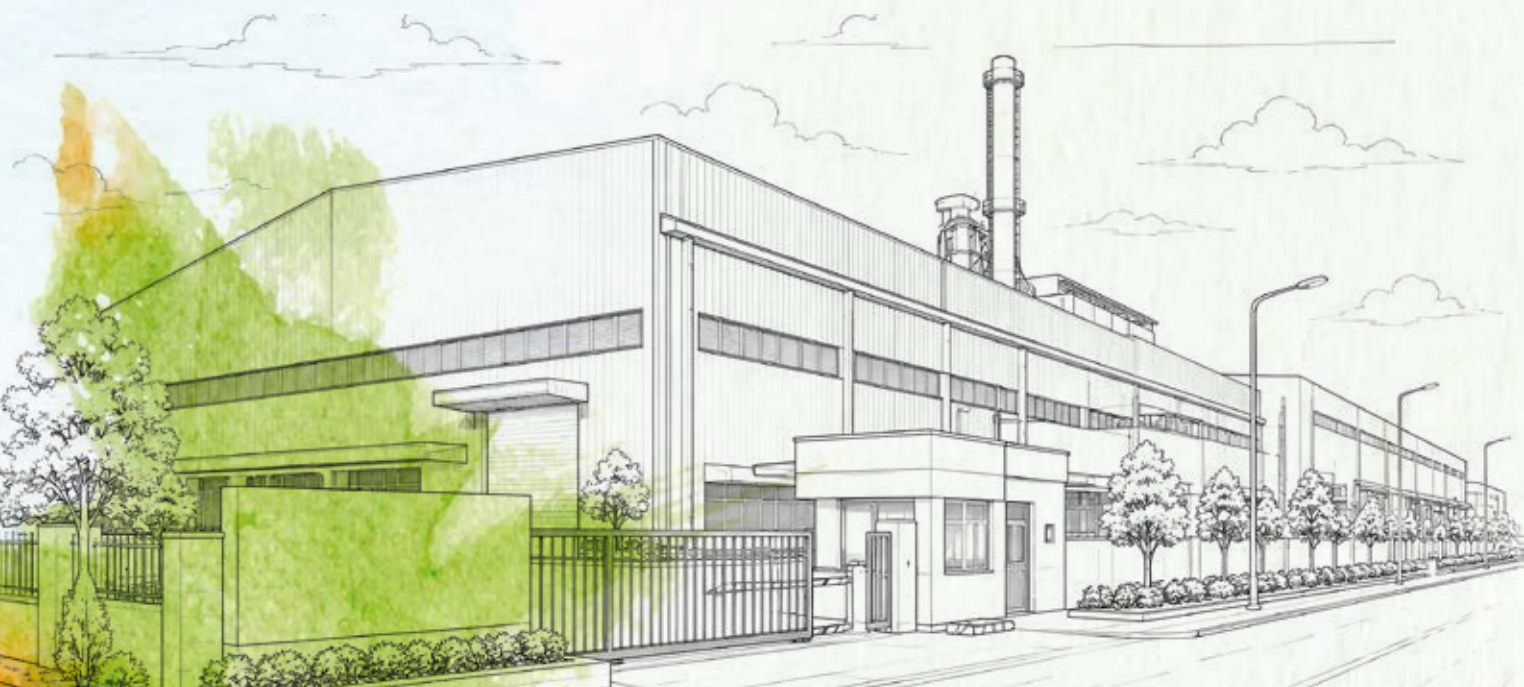
Complete FY2026-27 on full-year revenue and EBITDA targets; defend margin above 41%

Scale

Expand value-added product premium to grow realisation per tonne

Sustainability

Maintain disciplined leverage; fund decarbonisation within balance sheet capacity



Manufactured Capital

1 MTPA smelting capacity under development

BALCO is progressing towards 1 MTPA of smelting capacity, a scale that will place it among India’s leading aluminium producers once commissioned. Our 1740 MW power plant ensures cost-competitive energy, while our expanding value-added product portfolio: wire rods, ingots, rolled products and alloys, deepens our customer relationships and improves realisation. Production of 598 KT during the year reflects strong smelter uptime and disciplined operational management.

Key FY 2025–26 Outcomes

0.9937 MTPA

Installed Smelting Capacity

598 KT

Hot Metal Production (FY2025-26)

1740 MW

Thermal Power Capacity

11933.6

Power generated (million units)
From 1740 MW Power plant

60%

Capacity Utilisation (FY2025-26)
Including newly commissioned

60%

Value-Added Product Share
Wire Rods, Rolled Products, Alloy Ingots

FY 2026-27 Priorities

Strength

Sustain smelter uptime above benchmark; advance pot health and efficiency programme

Scale

Deliver 861 KT production in FY2026-27; expand value-added product capacity

Sustainability

Integrate renewable energy into CPP mix; reduce specific power consumption

Human Capital

People powering Strength, Scale and Sustainability

BALCO’s 7,345 employees and business partners are the engine of everything we build. We invest in their safety, capability, and wellbeing, because a Company that operates at our scale can only sustain performance through the quality and commitment of its people. FY2025-26 saw continued progress on safety, skills development, women’s participation, and the cultural foundation that drives high performance.

Key FY 2025–26 Outcomes

1,982

Permanent employees
Including workmen

0

Employee Fatalities
Target achieved in FY2025-26

82%

Employee Satisfaction
Annual engagement survey

1,15,872

Total Training Hours
FY2025-26 full year

24%

Women in Workforce
Increasing YoY

0.96

TRIFR
Total recordable injury frequency rate

FY 2026-27 Priorities

Strength

Sustain zero fatalities; advance workforce safety, wellbeing and productivity

Scale

Build a stronger leadership and skills pipeline for 1 MTPA and beyond

Sustainability

Deepen diversity, engagement and retention to shape a future-ready organisation



Social & Relationship Capital

Building the communities that sustain our licence to operate

BALCO's relationships with its communities, customers, suppliers, and government partners are foundational to its long-term success. Our CSR programmes viz Connect, NandGhar, Unnatti, Mor Jal Mor Maati, Vedanta Skills School, Arogya, Mobile Health Van, Balco Medical Centre etc. touch health, education, livelihoods, and women's empowerment across the communities around Korba. We are aligned with UN SDGs and invest in social value as a strategic priority, not a compliance obligation.

Key FY 2025–26 Outcomes

180482 CSR Beneficiaries <i>Lakh — direct & indirect</i>	₹23.2 Cr CSR Spend (FY2025-26) <i>As per Schedule VII</i>	123 Villages Covered <i>Around Korba operations</i>
16 SDGs Addressed <i>All SDGs except SDG 14</i>	16 Community Programmes <i>Active in FY2025-26</i>	₹2 - ₹4 Social value generated <i>For every ₹1 invested</i>

FY 2026-27 Priorities

Strength Strengthen stakeholder trust through focused, high-impact engagement	Scale Expand the reach of community development, local sourcing and livelihood programmes	Sustainability Expand the reach of community development, local sourcing and livelihood programmes
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Intellectual Capital

Technology and innovation driving efficiency, product quality, and competitive edge

Our collective knowledge, digital systems, R&D capabilities, and proprietary process know-how are the competitive differentiators that sustain BALCO's cost and quality leadership. In FY2025-26, we deepened investment in digital transformation, advanced ERP and MES systems, new alloy development, and AI-assisted process control. Our intellectual capital strategy is the bridge between our current operational excellence and our future Edge.

Key FY 2025–26 Outcomes

₹5.7 Cr R&D & Innovation Spend <i>FY2025-26 investment in capability</i>	2 New Alloy Grades Developed <i>Expanded product portfolio</i>	97 Digital Initiatives Active <i>AI, automation & analytics</i>
460+ Employees trained on AI/ML & AR/VR	93% IT System Coverage <i>ERP & MES deployment</i>	1 Patents & IP <i>Filed or held by BALCO</i>

FY 2026-27 Priorities

Strength Advance operational excellence through digitalisation, analytics and automation	Scale Scale innovation, product development and intelligent systems across the enterprise	Sustainability Embed technology and knowledge systems that support agility, efficiency and low-carbon growth
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Natural Capital

Responsible stewardship of resources that minimise impact and maximise reclamation

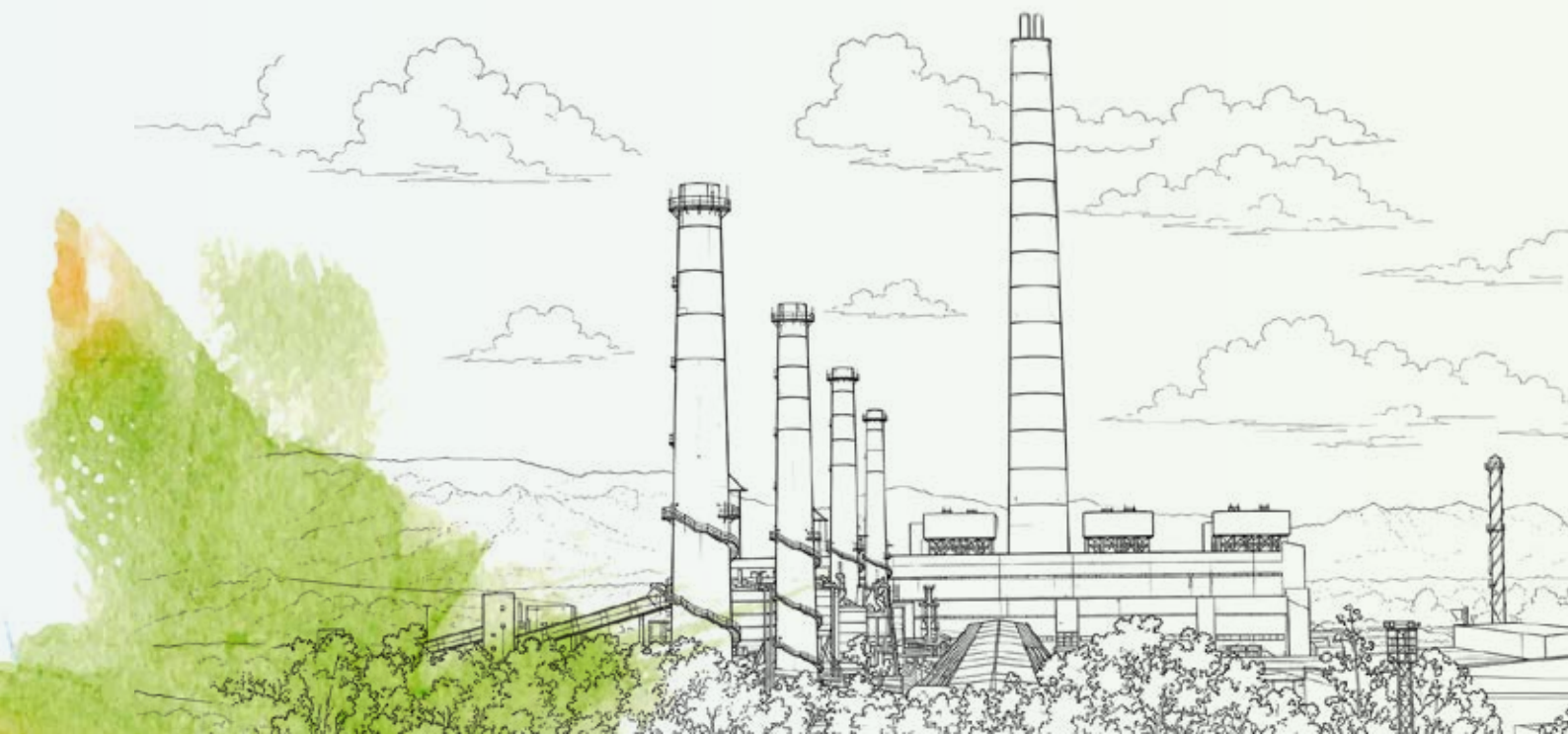
Aluminium production is resource-intensive, and we take that responsibility seriously. We are reducing specific GHG intensity on a defined Paris-aligned trajectory, growing our renewable energy share, and managing water with increasing efficiency. Our natural capital strategy reflects both regulatory compliance and genuine conviction that sustainable operations are the only viable long-term model.

Key FY 2025–26 Outcomes

3.3+ mil MT Fly ash Utilised in Sustainable Avenues	17.91% Water Recycled <i>Of total water consumed</i>	6.2% Renewable Energy Share <i>Of total power consumption</i>
16.02 Specific GHG (tCO ₂ e/t Al) <i>FY2025-26 intensity</i>	77,000+ Trees Planted (FY2025-26) <i>As part of afforestation effort</i>	100% Solid Waste Recycled <i>Incl. fly ash, SPL</i>

FY 2026-27 Priorities

Strength Reduce resource intensity and improve environmental performance across operations	Scale Scale renewable energy, circularity and water stewardship initiatives	Sustainability Progress steadily towards water positivity for operational smelters, decarbonisation and Net Zero 2050
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About Balco

We were built to forge metal that moves Industries, progress that moves the Nation!

Bharat Aluminium Company Limited (BALCO), established in 1965, is India's first public sector enterprise for aluminium production. Over the decades, the Company has contributed significantly to strengthening the nation's industrial capabilities, supporting infrastructure growth, and advancing manufacturing self-reliance.

In 2001, the Government of India divested 51% of its stake in BALCO to Sterlite Industries Limited, now Vedanta Limited. This transition marked a new phase of growth, enabling operational transformation, capacity expansion and enhanced efficiency, while reinforcing BALCO's role in India's industrial development.

From an initial capacity of 1 LTPA, BALCO is steadily progressing towards becoming a 1 MTPA operation. Located in Korba, Chhattisgarh, the Company operates a state-of-the-art aluminium smelting facility supported by a power plant with a capacity of 1,740 MW. In FY2025-26, the Company achieved a key milestone by producing its first metal from India's largest 525 kA smelter, surpassing the earlier national benchmark of 378 kA and setting new standards in operational excellence, thereby advancing its 1 MTPA expansion journey.

Beyond operations, BALCO continues to create sustained value through its community development

initiatives, positively impacting over 1.8 lakh lives across 123 villages. The Company remains focused on driving inclusive growth alongside business excellence.

With a diversified product portfolio, including ingots, wire rods, , and rolled products, BALCO plays a critical role in promoting aluminium as a sustainable and efficient alternative across sectors such as construction, power transmission, and infrastructure. As it moves forward, the Company remains committed to responsible growth, operational excellence, and contributing to India's vision of self-reliance.



Our identity & strategic direction

Core Values

Care

We put people, safety, communities and the planet at the heart of every decision.

Integrity

We do what is right, with transparency, accountability and responsible leadership.

Innovation

We challenge convention, create smarter solutions, and build for the future.

Agility

We move fast, adapt quickly, simplify constantly and stay ahead of change.

Ownership

We take responsibility, act decisively and deliver like owners with an enterprise mindset.

Sustainability at a glance

3.3+ mil MT

Ash Utilised -
Fly ash Utilised in Sustainable Avenues

16

SDGs Addressed
All SDGs except SDG 14 (Life Below Water)

0

Employee Fatalities
FY 2025–26 target achieved

6.2%

Renewable Energy Share
Of total power consumption (FY2025-26)

1.8 L+

CSR Beneficiaries
Around Korba — direct & indirect

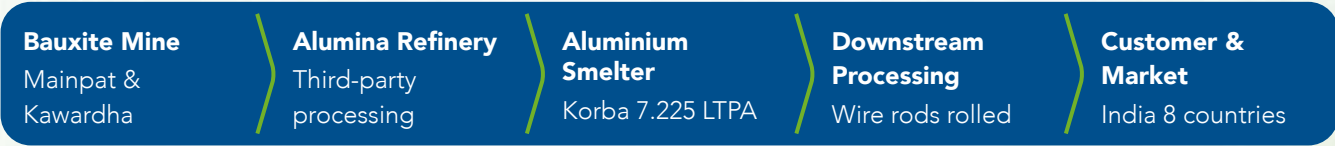
16.02

GHG Intensity (tCO₂e/t Al)
Specific intensity, Paris-aligned trajectory

Presence & operations

From ground to grid.

One mine-to-market supply chain. Three asset locations. Serving India and the world.



Asset locations

Every tonne of BALCO aluminium begins here, in the mines and plants of Chhattisgarh.

Korba — Integrated Manufacturing Hub Chhattisgarh, Central India

- Primary operations facility
- 7.225 LTPA aluminium smelter
 - 1,740 MW power plant
 - India's first 525 kA Potline technology
 - Wire rod, Rolled Products
 - Primary Foundry Alloy — 180 KTPA

Barra Coal Block Chhattisgarh

- Under regulatory approval
- Will augment Chotia supply when approved
 - Long-term energy security
 - Part of BALCO's fuel diversification plan

Product Portfolio

Five products. One claim.
The most complete aluminium portfolio in India.



Value-added products i.e. wire rods, rolled products, and Primary Foundry Alloy (PFA) represent a growing share of BALCO’ revenue mix, improving realisation per tonne and reducing dependence on commodity price cycles.

Wire Rods

330 kV+

and above — conductors that keep India’s lights on EC and alloy grades produced on a continuous casting & rolling line. IS 8084, IEC 60889, ASTM B233. Used for ACSR/ACSS conductors, motor winding, OEM cable.

231 KT Wire Rod Production FY2025-26



Rolled Products

0.3 mm

thickness — thinner than a human hair
100 KTPA rolling mill. 1xxx, 3xxx, 8xxx alloy series. Sheet, coil, strip, fin stock. Packaging, automotive heat exchangers, refrigeration.

32 KT Rolling Mill Production FY2025-26

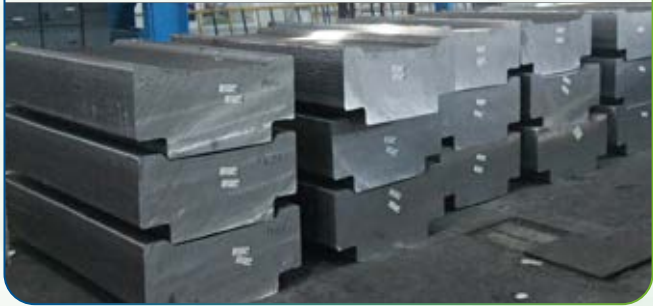


AL-SI

For Manufacturing of Alu-zinc coated Steel Strips

3.8 KT

Production FY2025-26



Primary Foundry Alloy

10 Kg

Target — India’s largest PFA producer
180 KTPA capacity. A356, alloy. OEM-certified for die-cast auto components. Aligned with EV platform requirements.

92 KT PFA Production FY2025-26

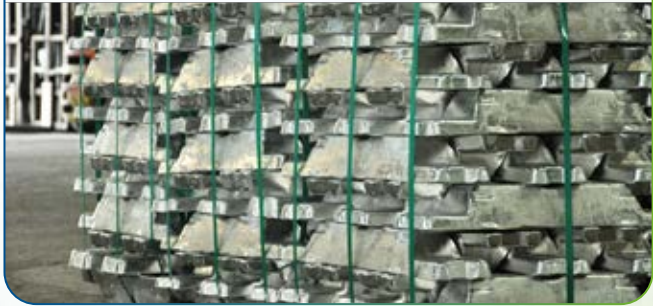


Ingots

P1020

— the universal currency of aluminium
Standard and alloy ingots across a full range of grades. Foundation product enabling customer flexibility across downstream applications.

235 KT Ingots Production FY2025-26



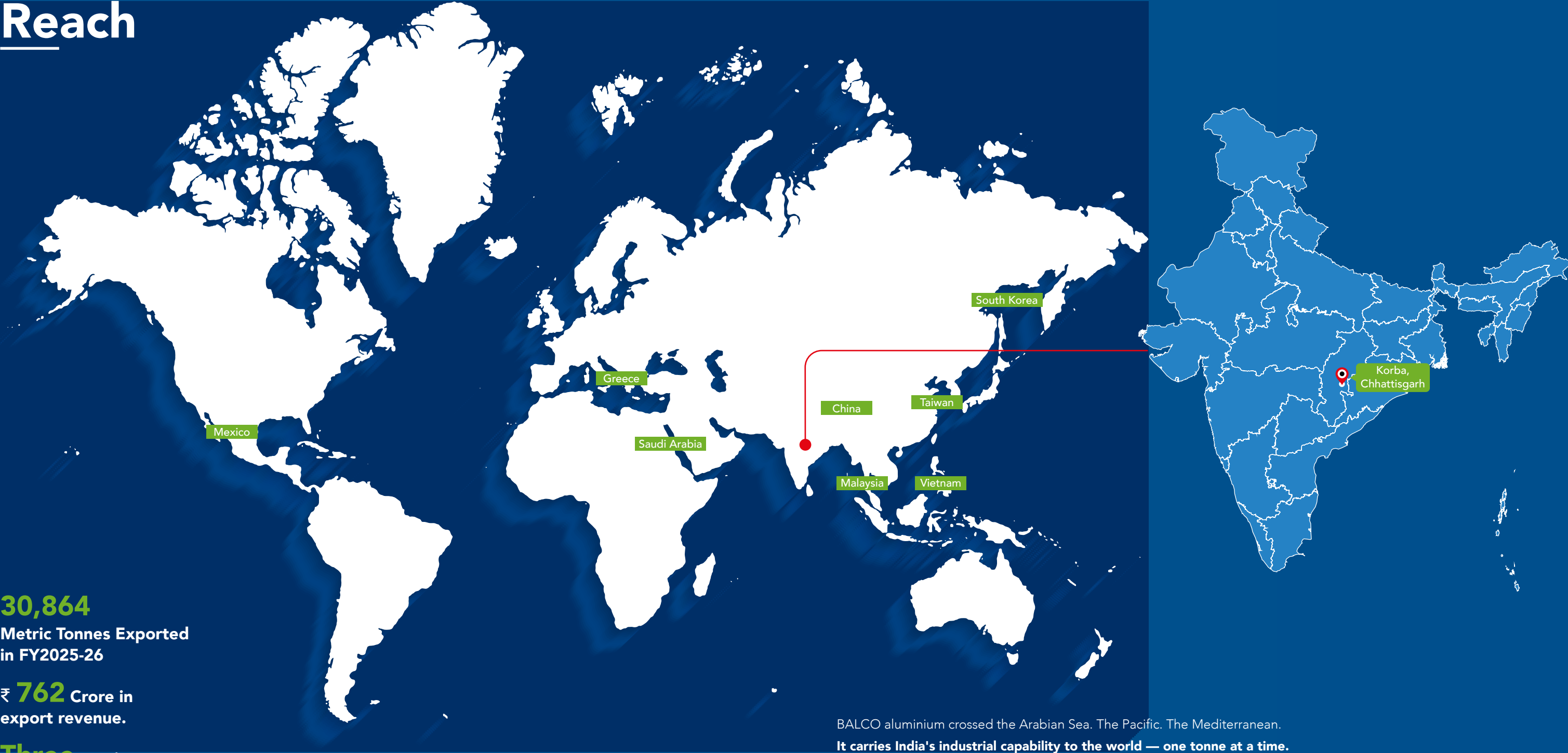
India uses BALCO.

Four products. Four sectors. One integrated portfolio that powers, moves, and builds the nation.

Application	Balco Product	What It Enables
India's Power Grid	Wire Rods	Electrical conductor & alloy grades for transmission lines
India's Automobiles	Primary Foundry Alloy	Die-cast engine blocks, EV battery housings, structural parts
India's Packaging	Rolled Products	Flexible packaging, fin stock, heat exchangers, foil
India's Foundries	Ingots	P1020A and alloy ingots for re-melting and casting



Global Reach

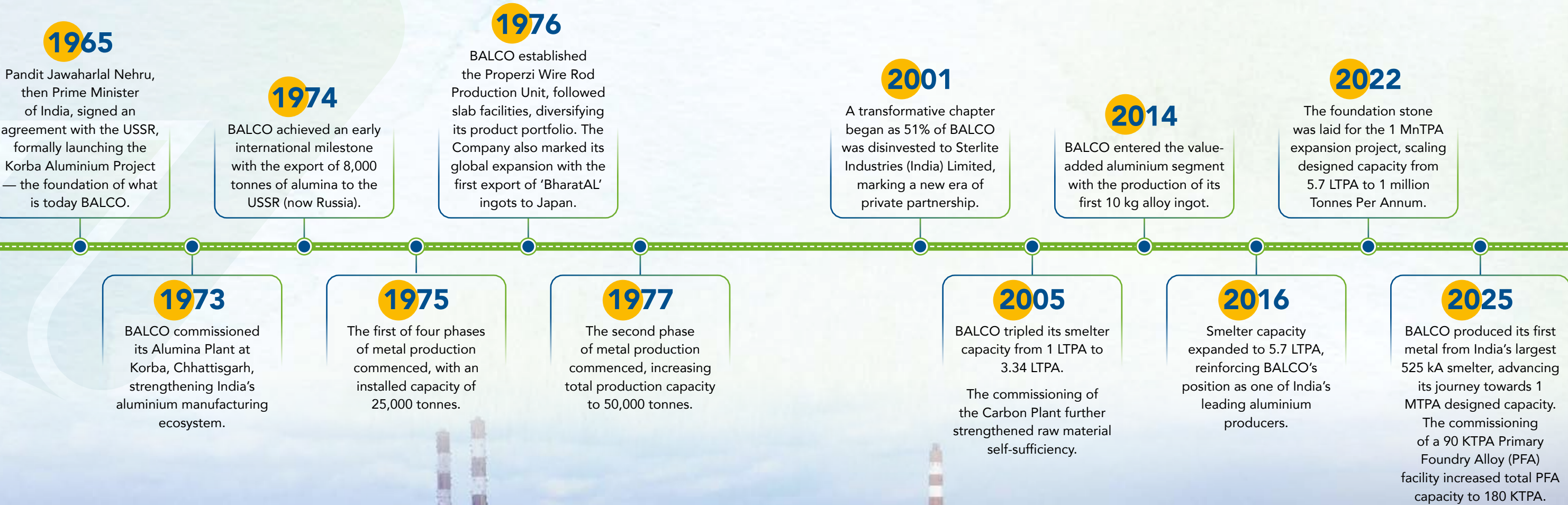


Export Markets — FY 2025-26

China	Greece	Malaysia	Mexico	Taiwan	Saudi Arabia	South Korea	Vietnam
Ingots	Ingots	Ingots	Ingots	Ingots	Ingots	Alloy ingots	Ingots and Wire Rod

Journey of Impact

Six decades of shaping aluminium and building a legacy of excellence



Chairman's Communique

Forging Tomorrow: Strength, Scale and Sustainability

Dear Shareholders,

FY2025-26 was a year that tested BALCO's resilience and clarified its direction.

The Company operated through a period shaped by geopolitical uncertainty, volatile commodity markets, shifting trade flows and rising expectations from customers, regulators, communities and capital providers. At the same time, India continued to advance with confidence, led by infrastructure creation, manufacturing momentum, energy transition and a renewed emphasis on domestic industrial capability.



In this environment, BALCO strengthened its financial base, progressed its expansion journey, and shifted gears on sustainability, reinforcing its role in India's aluminium self-reliance. Profit after tax grew 63% during the year, while EBITDA margin expanded to 41%, reflecting a business that is retaining more value from its collaborative and strategic approach.

The theme of this year's Integrated Annual Report, Forging Tomorrow: Strength. Scale. Sustainability., driving BALCO to become stronger at its core - Larger in its ambition - More responsible in the way it grows.

Aluminium and the India opportunity

Aluminium is gaining strategic relevance in the future economy. It is integral to power transmission, renewable energy, electric mobility, railways, construction, packaging, defence and advanced manufacturing. Its strength, lightness, recyclability and versatility make it central to a world seeking more efficient and lower-carbon growth.

For India, this relevance is even sharper. The country is expanding infrastructure, strengthening domestic manufacturing, building

new energy systems and preparing for a more electrified mobility future. Each of these priorities will require aluminium in greater volumes, more specialised forms and more reliable supply chains.

BALCO has been part of India's aluminium journey for more than six decades. The responsibility before the Company now is to help shape the next phase of that journey, with scale, reliability, cost discipline and environmental credibility.

Building a stronger enterprise

The year's performance showed that BALCO is improving in depth, not only in size. The Company delivered stronger profitability while continuing to invest in the assets, systems and capabilities required for its next phase.

For us, this is an important signal. Growth must strengthen the enterprise. Expansion must improve competitiveness. Capital must create long-term value. FY2025-26 demonstrated that BALCO is moving in that direction.

Scale with discipline

BALCO's movement towards 1 MTPA is one of the most important strategic shifts in its recent history.

It is a repositioning of the Company for a larger role in India's aluminium ecosystem.

Scale, when built well, improves cost absorption, strengthens competitiveness, supports deeper value-added participation and gives the Company greater relevance in sectors that will shape India's future demand. The significance of this journey lies in the capability being built to produce high-quality aluminium consistently, competitively and responsibly.

Our view is clear. BALCO must become larger without becoming less focused. It must become more ambitious without becoming less prudent. It must grow without lowering the standards that protect the business over the long term.

Resilience in a changing world

FY2025-26 reinforced the importance of resilience in industrial businesses. Commodity prices moved through the year. Energy and raw material markets remained exposed to global pressures. Freight and supply chains continued to face uncertainty.

BALCO's integrated aluminium and power model provides an important advantage in such conditions. It gives the business greater control over critical inputs, better visibility over cost structures and a stronger ability to respond when external conditions change.

This resilience will matter even more in the years ahead. The next decade will reward companies that can operate with scale, AI Augmentation, flexibility and credibility while managing volatility, regulation, climate expectations and supply chain realignment. BALCO is preparing itself for that reality.

Sustainability as strategic relevance

Sustainability is now central to business relevance. It influences customer decisions, financing conditions, regulatory confidence and long-term market access.

In FY2025-26, BALCO received RESTORA certification for low-carbon aluminium production, strengthening its position in a market where customers increasingly assess how materials are produced, not only what they cost. The Company also delivered measurable environmental progress. Water intensity improved to 0.37m³ per tonne of aluminium. Water recycling improved to 17.9%. Fly ash utilisation in line with the plan. More than 77,000 saplings were planted during the year, taking cumulative plantation since 2001 to ~8.5 lakh saplings.

For BALCO, sustainability is therefore a question of competitiveness. It reduces risk, strengthens trust and supports the Company's long-term position in domestic and global value chains.

Trust as the cornerstone of progress and success

Every long-term industrial enterprise is built on trust. For BALCO, trust begins with safety and extends to employees, contractors, communities, customers, regulators and partners.

The Company recorded zero employee fatalities in FY2025-26.

This outcome deserves acknowledgement. The Board remains focused on stronger governance, sharper risk oversight and a culture where prevention, transparency and accountability are embedded in daily work.

BALCO's relationship with Korba and the surrounding communities remains central to its future. CSR spend increased to ₹23.20 crore, reaching 1.8 lakh beneficiaries across 123 villages. A Company of BALCO's scale must grow with the region around it. The trust of communities is one of the foundations of industrial progress.

Sharper alignment for the future

Subsequent to the close of FY2025-26, Vedanta Limited's group reorganisation became effective from May 1, 2026. Vedanta Aluminium Metal Limited has been established

as the focused aluminium platform under the approved demerger structure, and Vedanta has approved the transfer of its shareholding in BALCO to VAML as part of this reorganisation.

This marks for a positive development for long-term strategic alignment. A focused aluminium platform can support clearer capital allocation, sharper sectoral direction and a stronger growth context for BALCO. The Company's operating identity remains anchored in Korba, its people, its assets and its contribution to India's aluminium self-reliance.

Looking ahead

BALCO enters the next phase with a clear strategic agenda: complete the disciplined journey towards higher capacity, strengthen cost competitiveness, deepen value-added growth, improve safety performance, advance low-carbon aluminium and continue building trust with communities and partners.

The opportunity that lies before the Company is significant. India will need more aluminium. Capital will favour businesses with clearer strategy, stronger governance and measurable sustainability outcomes.

FY2025-26 has strengthened BALCO's base for this future. The task ahead is to convert this base into durable performance over the decade.

On behalf of the Board, I thank our employees, business partners, customers, communities, government authorities, shareholders and the Vedanta Group for their continued trust and support.

BALCO is forging tomorrow with strength in its core, scale in its ambition and sustainability in its choices.

Regards,



S. K. Roongta

Chairman & Non-Executive Director



Message from the CEO

Raising the Standard of Execution

Dear Shareholders,

FY2025-26 was a year of execution at BALCO.

The task before us was clear. We had to keep the existing business steady while preparing the Company for a larger operating platform. Expansion brings opportunities to strengthen our capabilities across people, systems, and plant interfaces, while also enabling us to enhance processes and address areas for improvement proactively. Our focus was to ensure that growth was built on operating strength.



The year's outcomes reflect that discipline. Hot metal production stood at 598 KT. Sales stood at 599 KT. Power generation was 11,934 million units. Value-added products accounted for 60% of the portfolio. Wire rod production reached a record 231 KT.

This operating performance translated into stronger financial delivery. Revenue from operations increased to ₹17,379 crore, EBITDA rose to ₹7,126 crore and profit stood at ₹4,825 crore. EBITDA per tonne improved from ~₹63,000 to ~₹102,000. These numbers show that the plant did more than maintain output. It improved the quality of performance while preparing for scale.

FY26 marked a defining year for our smelter, highlighted by the successful commissioning of India's highest-amperage 525 kA smelter, with first metal tapped on 6 October 2025 and 25% of the new capacity operational. Our existing potline recorded its highest-ever hot metal production for the third consecutive year at 590 KT, achieving ~106% capacity utilization and contributing

USD 3 million to EBITDA. Operational excellence was further reinforced with a record smelter amperage of 343.9 kA, surpassing the previous benchmark, alongside extensive pot relining that enhanced stability and performance with reduction in our net carbon consumption by 8 kg/Mt in the last financial year, improving efficiency benchmarks, while the adoption of the Recoverable Copper Cathode (RCC) lining across 114 pots delivered significant energy savings of ~300 kWh/Mt and generated a financial benefit of USD 1.47 million, underscoring our continued focus on innovation, cost optimization, and sustainable growth.

Our Carbon operations achieved strong milestones during FY26 with the successful commissioning of the new Green Anode Plant, producing the first green anode on 15 January 2026. The year recorded highest-ever GAP throughput of 33.68 TPH, reinforcing our focus on efficiency, reliability and sustained capacity ramp-up.

Aligned with India's growing focus on self-reliance under the Atmanirbhar Bharat vision, BALCO

recorded its highest sales in FY26, with 95% being in the domestic market. The Cast Houses recorded its highest-ever wire rod production of 231 KT, PFA production from the existing line reached a record high of 83 KT, further strengthening our Value-Added Products portfolio in FY26. This momentum enabled the Company to achieve its highest-ever VAP production of 360 KT, increasing the VAP share to 60% and exiting March at 73%. Operational scale-up was further supported by the commissioning of new facilities, including a 50 KTPA Wire Rod Mill that achieved 103% capacity utilization and a 90 KTPA PFA line.

Our Power Business achieved its lowest power cost in the last five years, reducing by 100\$/T year-on-year through operational excellence and coal cost reduction. Power business delivered \$51 million of EBITDA with a Plant Load Factor (PLF) of 78%, from IPP unit. Fuel security and logistics efficiency were further strengthened through a record 77% coal rail coefficient, improved coal quality, and expansion of coal storage capacity to 8.3 lakh tonnes, ensuring 30 days of availability. BALCO integrated wind power consumption into its RE portfolio along with solar power to the tune of 62 MW from Serentica in FY'26. Asset capability improvement achieved through turbine re-blading of 135 MW Unit-1, improving thermal efficiency by 2.2% and generation capacity by 10 MW. BALCO's power network reliability were further strengthened through 400 kV GIS upgradation, GILMS upgradation at 1200 MW, and enhancement of the CPP-2 to MRSDS line capacity from 150 MW to 500 MW ensuring uninterrupted supply to our Smelters.

In our commitment to build a sustainable future significant progress

were made during the year through the relining of 114 pots with the new Recoverable Copper Cathode (RCC) lining method, delivering power savings of approximately 300 kWh/MT, integrating wind power of ___ MW into renewable energy portfolio from Serentica, transitioning 33 diesel-powered forklifts to electric vehicles, monitoring Ash Dykes stability through 58 solar powered digital piezometers providing real-time data. In addition, the installation of ionisation-based air purification scrubbers improved the local Ambient Air Quality Index by 25-30%. Further reinforcing our sustainability journey, BALCO launched its first-ever Low Carbon Aluminium product, RESTORA.

Further improving resource circularity, we achieved several milestones in sustainable waste utilization during FY26. Ash disposal to cement plants doubled through the induction of new partners such as JK Lakshmi and Nuvoco Cement, enabling 100% ash utilization through sustainable avenues, while maintaining 180 days of storage capacity at the ash dyke. We also recorded the highest-ever disposal of hazardous waste, including 19 KT of Shot Blast Dust and 20 KT of Spent Pot Lining-Refractory (SPL). We initiated the co-processing of SPL in cement industries and achieved over 100% hazardous waste disposal through certified recyclers and TSDFs.

Guided by our Chairman's vision of an AI-led future, we accelerated the adoption of Artificial Intelligence, automation, and advanced analytics across our operations in FY26. Key initiatives included AI-powered flue wall inspection and analysis for enhanced flue wall life, intelligent water recommendation systems for Green Anode production to reduce rejection in Green Anode, AI/ML-

based pot reaction early control, and advanced OCR-enabled coal invoice integration with SAP. These digital interventions delivered cost savings of 6.05 Mn\$.

BALCO has shown strong performance in governance around operations and is a Tier-I+ rated company among Vedanta Group businesses. This achievement reflects our strong governance standards and continuous improvement culture and was further recognized through the Chairman Business Performance Award for H1 FY'26 and British Safety Council Awards, securing Distinction in Power and Project Merit in Metal.

Operating priorities ahead

FY2025-26 has created a stronger operating base. The work ahead is to make performance more consistent as scale rises.

Our priorities are clear: ramp up the 525 kA potline, prepare the system for 1 MTPA, increase value-added contribution, strengthen cost discipline, deepen digital control and improve safety outcomes.

I thank our employees, business partners, customers, communities, government authorities, shareholders and the Vedanta Group for their continued support.

Together, we will keep raising the standard of execution that will forge tomorrow.

Regards,

Rajesh Kumar Singh

Chief Executive Officer and Whole-time Director



CFO's Message

Funding Growth. Protecting Returns.

Dear Shareholders,

FY2025-26 was a year in which BALCO strengthened the financial architecture of its next phase.

Revenue from operations grew 9.9% to ₹17,379 crore from ₹15,808 crore in FY2024-25. EBITDA grew 57% to ₹7,126 crore from ₹4,534 crore. Profit after tax grew 63% to ₹4,825 crore from ₹2,969 crore. EBITDA margin expanded from 28.68% to 41%. Net profit margin stood at 28%. ROCE stood at 34%.



The financial meaning of the year is clear. Earnings grew much faster than revenue. BALCO converted a larger share of its topline into operating profit and net profit. In a commodity-linked business, that happens when several levers move together: realisation, cost, mix, productivity, working capital and capital allocation.

Where profitability improved

The clearest proof of improvement is visible in per-tonne economics.

Net Sales Realisation improved 11% from ~₹246,000 per tonne to ~₹273,000 per tonne. V2 cost reduced 6.6% from ~₹183,000 per tonne to ~₹171,000 per tonne. EBITDA per tonne increased 62% from ₹63,000 to ₹102,000.

This is the core financial story of FY2025-26. Realisation improved, key operating cost reduced and the spread expanded. At 598 KT of hot metal production, that spread had a material impact on earnings.

Volume created the base. Cost discipline and realisation quality created the return.

A broader earnings base

The year's improvement came from more than one lever.

Market fundamentals supported realisation, but they were not the only driver. Value-added products increased to 60% of the portfolio. Auxiliary energy consumption improved from 0.45 MWh per tonne to 0.42 MWh per tonne. Total specific power consumption was held at 13.7 MWh per tonne despite higher operating amperage.

Procurement discipline, productivity measures and digital interventions supported the cost base. The result was a financial outcome with better breadth. A business that depends on one market variable remains exposed. A business that improves through mix, cost, productivity and operating control becomes stronger.

Capital allocation through transition

BALCO deployed ₹3,186 crore in total capex during FY2025-26. This comprised ₹2,390 crore in project capex and ₹796 crore in sustaining capex. In FY2024-25, total capex stood at ₹3,707 crore including

growth capex of ₹3260 Cr.

This level of capital deployment across two years reflects the scale of the transition underway. Growth capital is supporting plant infrastructure and the journey towards 1 MTPA. Sustaining capital is protecting reliability, safety, asset integrity and continuity of operations.

Our capital allocation discipline is built around three tests. The investment must strengthen BALCO's long-term competitive position. It must improve volume, cost, reliability, downstream capability or future flexibility. It must preserve the balance sheet strength required to complete the growth journey.

Capital must do more than fund expansion. It must build returns.

Balance sheet strength

BALCO reduced net debt from ₹2,883 crore at the end of FY2024-25 to ₹878 crore at the end of FY2025-26, a reduction of 70%. Equity and reserves increased from ₹12,156 crore to ₹16,382 crore, a rise of 35%.

This is an important outcome in an expansion year. The Company increased its operating and capital base while reducing net debt. That reflects strong internal cash generation and disciplined financial management.

Working capital discipline supported this result. Expansion increases complexity across inventories, receivables, procurement cycles, project payments and logistics. During the year, we maintained close focus on inventory planning, supplier terms, collections, cash forecasting and liquidity visibility. Growth did not trap disproportionate cash inside the system.

Managing market exposure

Commodity volatility remained a key financial risk. London Metal

Exchange (LME) prices, alumina costs, coal availability, exchange rates and freight costs moved through the year. These variables can influence margins sharply if left unmanaged.

BALCO manages these exposures through a structured framework under approved limits. Imported alumina

price risk is hedged on a back-to-back basis. Aluminium sales hedging is used to realise month-of-sale London Metal Exchange (LME) prices. Hedging decisions are taken at Executive Committee level under defined guidelines and monitored internally.

The objective is to reduce avoidable earnings volatility, protect cash flow visibility and keep the capital programme on track.

Sustainability through a financial lens

Sustainability is becoming a financial variable. It affects customer access, financing conversations, regulatory confidence and long-term risk.

Verified low-carbon aluminium strengthens BALCO's relevance in markets where customers are evaluating the carbon profile of materials they procure. Resource efficiency also has financial value. Lower water intensity, higher recycling and improved waste utilisation reduce operating risk and future liability.

The finance function's role is to ensure that sustainability-linked investments are funded within balance sheet capacity, measured for impact and aligned with long-term returns.

Wider economic value

BALCO's financial performance supported a wider economic contribution. Tax contribution stood at ₹6,311 crore in FY2025-26, compared with ₹5,863 crore in FY2024-25.

This outcome is linked to business strength. Stronger earnings support investment, employment, supplier ecosystems and local development. Financial performance is the base from which broader value creation becomes possible.

Priorities ahead

FY2025-26 demonstrated that BALCO can improve margins, reduce debt, deploy growth capital and protect returns at the same time. The next phase must make this performance repeatable.

Our priorities are clear: preserve balance sheet strength, fund the 1 MTPA journey with discipline, protect per-tonne margins, improve working capital precision, support value-added product growth and fund sustainability investments with financial rigour.

As BALCO scales, finance must move even closer to operations. Larger capacity will increase complexity across raw materials, energy, logistics, inventories, receivables, project execution and customer servicing. Our role is to help the business see risks earlier, allocate capital better and convert scale into lasting returns.

Volume creates opportunity. Returns require discipline. BALCO understands both.

I thank our Board, shareholders, lenders, customers, employees, business partners and communities for their trust and continued support.

Regards,



Anand Soni

Chief Financial Officer

Case Study

Delivering superior profitability through cost efficiency and value enhancement

FY2025-26 was a case study in profit conversion.

At the surface, the volume movement was modest. Hot metal production moved from 587 KT to 598 KT, while sales moved from 585 KT to 599 KT. Both were broadly around 1% higher year-on-year. Yet the financial outcome was far sharper. EBITDA rose from ₹4,534 crore to ₹7,126 crore, and profit after tax increased from ₹2,969 crore to ₹4,825 crore, a 63% rise. EBITDA per tonne moved from ₹63,000 to ₹102,000.



This is the real story of the year.

This performance is primarily anchored in two strategic shifts: sustained cost optimisation and a deliberate move towards value-added products.



The question

Can a commodity business grow profit without relying only on volume?

Aluminium businesses operate within a moving equation. Realisations change with London Metal Exchange. (LME), exchange rates and customer premiums. Costs move with

alumina, coal, carbon, power and logistics. In such a business, higher production does not automatically mean higher profit.

The test in FY2025-26 was clear: could BALCO carry more value from every tonne to the bottom line?



The answer was yes.



The shift

The spread widened from both sides

BALCO improved the economics of each tonne through a powerful combination: higher realisation and lower operating cost.

Net Sales Realisation (NSR) improved from ₹246,000 per tonne to ₹273,000 per tonne. At the same time, key operating cost reduced from ₹183,000 per tonne

to ₹171,000 per tonne reflecting strong cost discipline across key inputs, operational efficiency, and tighter control over resources. This created a ₹39,000 per tonne improvement in the spread between realisation and cost.

That is where the profit conversion happened.

The year also ended with stronger momentum. In Q4, NSR reached ₹312,000 per tonne and EBITDA margin touched ₹139,000 per tonne. The business did not merely close the year with a strong full-year result. It exited the year with a stronger earnings rhythm.

The levers

Better mix. Better control. Better conversion.

The improvement came from several levers moving together.

First, the product mix strengthened. Value-added products accounted for 60% of the portfolio. Wire rods increased to 231 KT from 217 KT, while alloy ingots increased to 92 KT from 78 KT. These products improve revenue quality because they move BALCO closer to customer applications, where consistency, technical performance and reliability matter more. This shift not only enhances realisation

through premium pricing but also strengthens BALCO's positioning closer to end-user applications, where product consistency and quality command higher margins.

Second, cost discipline held through an expansion year. BALCO operated with India's first 525 kA Potline forming the base of the next phase, while installed smelting capacity stood at 0.9937 MTPA. Even in this higher-complexity environment, operating cost per tonne reduced, supporting a stronger margin profile.

Third, the business began opening deeper downstream pathways. The portfolio now spans wire rods, rolled products, Primary Foundry Alloy, AlSi and ingots, serving applications across power grid, automobiles, packaging and foundries. This matters because the profit story is not limited to one year's spread. It points to a business moving steadily from basic metal towards application-led aluminium.

The result

PAT became a measure of business quality

Revenue grew 10%. EBITDA grew 57%. PAT grew 63%. EBITDA margin expanded to 41%. ROCE stood at 34%, and net debt reduced to ₹878 crore.

This is what made FY2025-26 significant. BALCO did more than grow. It converted better.

A stronger realisation improved the top of the spread. Lower operating cost protected the bottom. A richer product mix improved the quality of revenue. Operating discipline carried the gain through to EBITDA. The result was a rise in PAT that was far stronger than the movement in volume.

That is profitable growth at BALCO: The year underscores a clear shift towards higher-quality earnings, where improved margins, efficient operations, and value-added offerings collectively drive superior financial outcomes and position the business strongly for the next phase of growth.

Technology Leap

The 525 kA Standard

What it takes to run a Potline where no Indian smelter has run before

Strength is what you build when no one is watching. Scale is what happens when it holds. In FY2025-26, BALCO commissioned its new Potline at 525 kA. The OEM design current was 500 kA. The previous Indian benchmark was 378 kA.



The demand

The distance between 378 kA and 525 kA is a different standard of operation entirely. Running a Potline at 525 kA demands sustained precision across hundreds of reduction cells simultaneously. A deviation that a lower-amperage

operation absorbs becomes a production event at this current level. The tolerance for undetected process drift compresses sharply.

The only way to hold that standard, consistently, across shifts and

seasons, is to see everything, in real time, across every part of the plant. That is the context for the digital programme BALCO built in FY2025-26.

The system



Manufacturing Execution System

Continuous tracking of production parameters, resource utilisation, and equipment status across smelting, casting, and power, integrated with SAP for a single data source from raw material intake to finished goods dispatch. Replaces the information gaps that accumulate between shifts when process knowledge lives in people rather than systems.



PI Vision Dashboards

Real-time monitoring of critical process parameters across the plant. Deviations surface before they develop into operational problems, converting breakdown response into scheduled maintenance across Potline, carbon, and power operations.



AI/ML Process Intelligence

High-resolution imaging scans anode baking furnace flue walls for cracks, spalling, and misalignment to millimetre accuracy. Machine learning ranks defects by severity and predicts failure points before they emerge. Maintenance moves from scheduled to predictive.

Spotlight: AI/ML Flue Wall Health Monitoring

The AI analyses each frame of flue wall imaging, ranks every detected defect by severity, and forecasts which will become failures before they emerge. Maintenance is scheduled against the data. Heat loss falls. Equipment life extends. Unplanned shutdowns in the carbon operations come down. The result is fewer surprises in the one part of the plant that cannot afford them.



USD 5 MILLION

in digital savings delivered in FY2025-26 — across cost-of-production reduction, breakdown hours, TAT reduction, wire rod rejection rates, and working capital discipline in inventory and dispatch.

The human layer

At 1 MTPA, the knowledge required to run this operation cannot be concentrated in a handful of experienced people and carried between shifts in memory. Two programmes address this directly.



AI ALAISA.

India's first AI-powered humanoid robot trainer in aluminium

manufacturing. Standardises technical training and onboarding at the scale that 1 MTPA demands, reducing variability as the business ramps to full capacity.



VR AR/VR Potline Training.

Employees rehearse the highest-risk Potline

scenarios, pot leakages, open circuits, pot blasting, in a zero-risk virtual environment before encountering them on the floor. No exposure, full learning.

What's Nexts

Unified Operations Centre.

Integrates production, reliability, energy, and safety data into a single real-time enterprise view across all operational units.

Digital Twin Models. For potrooms and furnaces, enabling real-time simulation and scenario planning at the cell and system level.

Predictive Maintenance at Scale. Expanding sensor coverage and AI-driven failure prediction across compressors, turbines, and casting equipment.

Robotics. Enhancing adoption of autonomous and humanoid robots with AI-driven perception and decision-making across material handling, inspection, and shopfloor operations to improve safety, efficiency, and person-less execution.

The strength to scale is not declared. It is built, measured and proven. BALCO has done all three.

460+ EMPLOYEES

trained on AI/ML, Robotics, RPA, IoT, and AR/VR in FY2025-26

January 2026: The Proof

Four records fell in a single month. They share a common cause.

408.10 kg/MT

Specific Carbon Consumption — Lowest ever

83.15%

GAP Availability — Highest ever

\$429/T

Power Cost — Lowest ever

21kT

Wire Rod Production — Highest ever

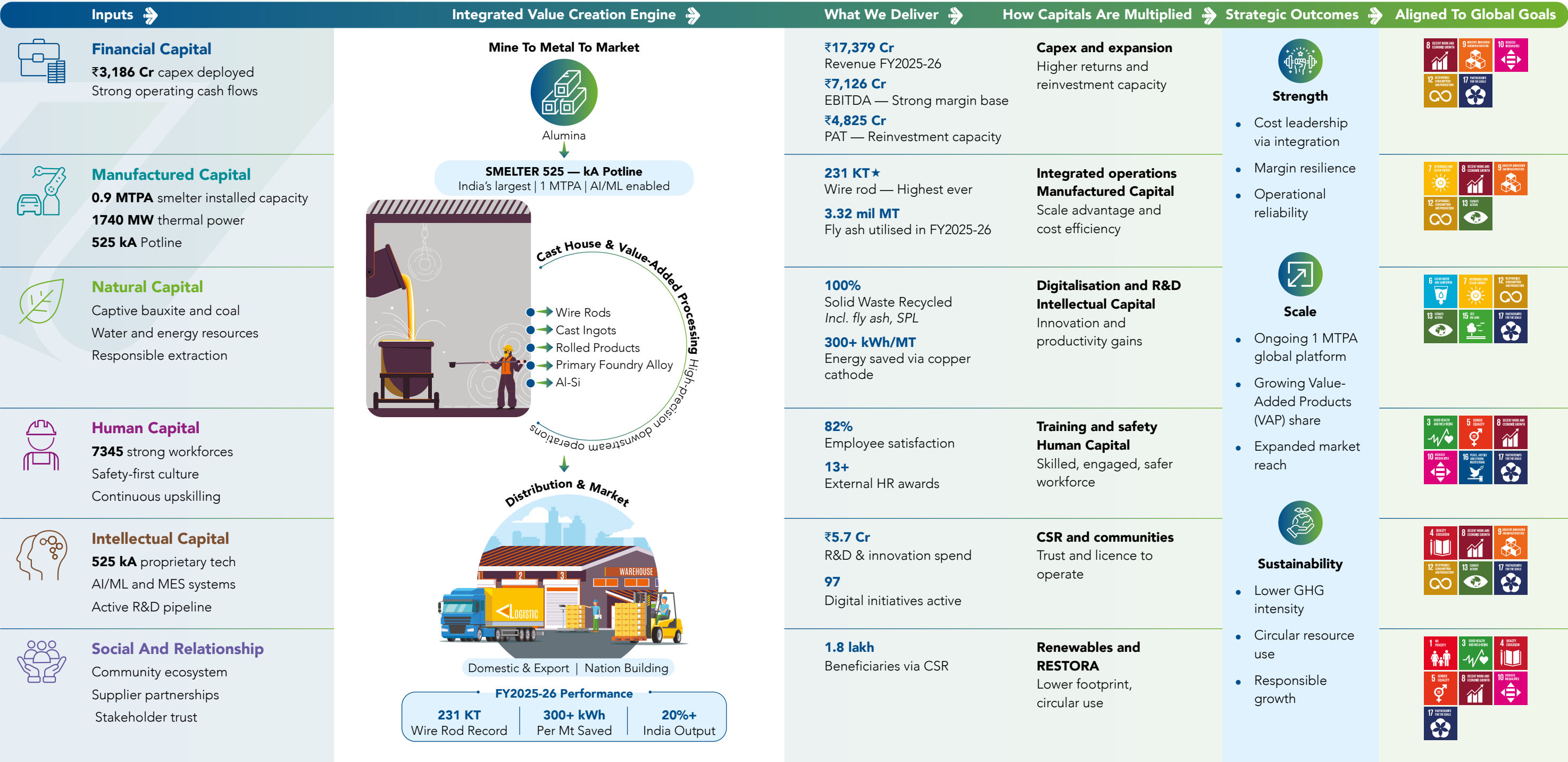
A plant running closer to its designed parameters than at any point in its history, because the systems watching it have made deviations harder to miss.

How We Create Value

Integrated value creation model

Forging Tomorrow **STRENGTH · SCALE · SUSTAINABILITY**

BALCO operates a fully integrated, mine-to-metal platform that converts natural resources into high-quality aluminium, creating enduring value through a continuous cycle of scale, efficiency and sustainability for shareholders, communities and the nation.





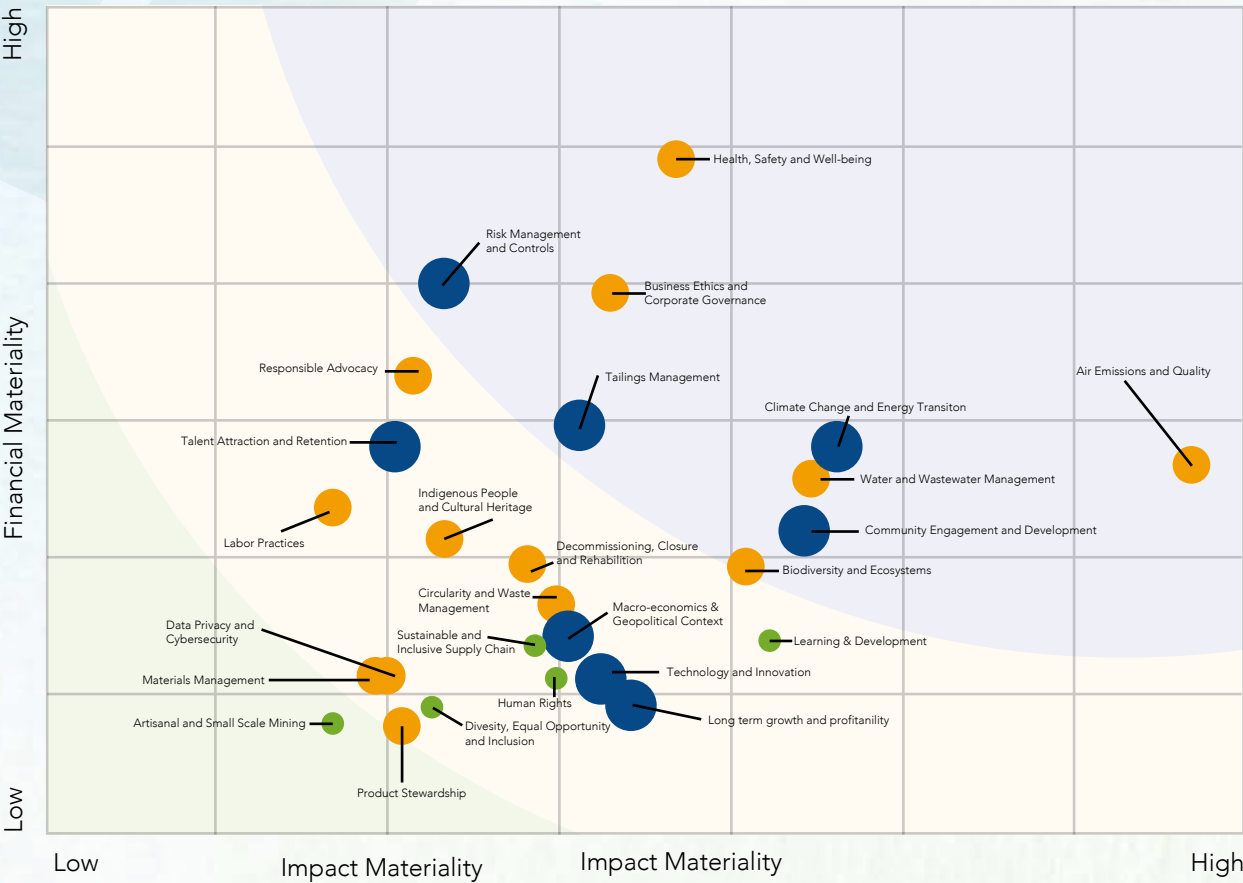
Materiality Assessment

We continued to strengthen our materiality process by building on the foundation established through our first Double Materiality Assessment.

The assessment helped us review the issues that carry the greatest relevance for our business, our people, the environment and the communities connected to our operations. Inputs from internal teams across functions enabled a broader understanding of how these matters influence our strategy, risk preparedness, operating priorities and long-term value creation.

This exercise has brought sharper focus to our sustainability agenda. It has helped us align our priorities with evolving expectations, improve the quality of our disclosures, and identify areas where focused action can create lasting business and social value.

Double Materiality Assessment Process



● Financial Impact <10 Cr. INR/yr ● 10 Cr. INR/yr < Financial Impact <100 Cr. INR/yr ● Financial Impact >100 Cr. INR/yr

Material topics identified for Balco

Dimension	Material Topic	Overall Order	Short-term	Medium-term	Long-term
 Environment	Air Emissions and Quality	High	High	High	Medium
	Climate Change and Energy Transition	High	High	High	High
	Water and Wastewater Management	High	High	High	Medium
	Tailings Management	High	Medium	Medium	Medium
	Biodiversity and Ecosystems	High	Medium	Medium	Medium
	Circularity and Waste Management	Medium	Medium	Low	Medium
	Materials Management	Medium	Low	Medium	Medium
 Social	Health, Safety and Well-being	High	High	High	Medium
	Community Engagement and Development	High	High	High	High
	Learning & Development	Medium	Medium	Medium	Medium
	Talent Attraction and Retention	Medium	Medium	Medium	Medium
	Decommissioning, Closure, and Rehabilitation	Medium	Low	Low	Medium
	Indigenous People and Cultural Heritage	Medium	Medium	Medium	Medium
	Sustainable and Inclusive Supply Chain	Medium	Low	Medium	Low
	Labor Practices	Medium	Medium	Medium	Medium
	Human Rights	Medium	Medium	Medium	Medium
	Diversity, Equal Opportunity, and Inclusion	Medium	Medium	Low	Low
	Artisanal and Small-Scale Mining	Low	Low	Low	Low
	Business Ethics and Corporate Governance	High	High	High	High
 Governance	Risk Management and Controls	High	Medium	High	High
	Responsible Advocacy	Medium	Medium	Medium	Medium
	Macro-economic & Geopolitical Context	Medium	Medium	Medium	Medium
	Technology and Innovation	Medium	Medium	Medium	Medium
	Long-term Growth and Profitability	Medium	Low	Low	Medium
	Data Privacy and Cybersecurity	Medium	Medium	Medium	Medium
	Product Stewardship	Low	Low	Low	Low
	Macro-economic & Geopolitical Context	Medium	Medium	Medium	Medium
	Technology and Innovation	Medium	Medium	Medium	Medium
	Long-term Growth and Profitability	Medium	Low	Low	Medium

Risk Management

Forged under discipline

Growth at scale brings risk at scale. The same ambition that drove BALCO to record aluminium production in FY2025-26, a materially strengthened balance sheet, and an accelerating capital programme also created exposure: to supply disruptions, environmental compliance thresholds, regulatory deadlines, and the execution complexity of an expansion running in parallel with full smelter operations. Managing these exposures is the operating discipline that makes the ambition credible.

At BALCO, a robust risk management framework has been implemented based on a “Risk Matrix”. This framework is aligned with the Company’s operational strategies, enabling effective mitigation of potential risks and minimisation of performance volatility.

Risk Management Matrix

Impact / Likelihood	Rare (1)	Unlikely (2)	Possible (3)	Likely (4)	Almost Certain (5)
Critical (5)					
Significant (4)					
Moderate (3)					
Major (2)					
Acceptable (1)					



Risk identification and assessment

- BALCO assesses risks through a structured Risk Matrix, based on quantitative and qualitative parameters.
- Risks are documented in the Risk Register after evaluating the risk statement, contributing factors, impact and likelihood.
- Risks are classified across six categories: Financial, Health, Safety, Environment, Legal and Regulatory, and Brand and Reputational.



Risk evaluation scales and scores

- Risks are evaluated through a 5x5 Matrix (“Impact x Likelihood”), with scores ranging from 1 to 5.
- The overall score determines the risk rating and aligns each risk with BALCO’s risk appetite.
- Risks are classified as:

Acceptable: Below 5

Moderate: 6 to 14

Significant: 15 to 24

Critical: 25



Risk mitigation and response

- Each risk is mapped with existing mitigation measures and proposed future actions.
- Every risk has a defined Risk Owner and Risk Mitigation Owner.
- Owners are responsible for monitoring the risk, driving mitigation actions and reducing exposure over time.



Risk monitoring

- All risks under the framework are reviewed every quarter.
- Mitigation progress is presented to the Management quarterly.
- Key risks and action status are reviewed by the Board of Directors on a half-yearly basis.

Category	Risk description	Severity	Source
Environment	Sox Emission – Non-Compliance with the MOEF guidelines to keep the SO2 emission level below 600 mg/NM³.	Acceptable	Internal
	Storage of hazardous waste beyond 90 days may result in legal penalties and cancellation of HWA license.	Moderate	Internal
Operation	Risk of unavailability of Alumina quantity & quality could lead to higher production cost, replenishment of buffer stock& impact to NSR.	Significant	External
	Operational risk arises from interruptions in coal supply from South Eastern Coalfields Limited (SECL) and price fluctuations due to reliance on SECL, with BALCO forced to rely on spot auctions for unpredictable costs. Additionally, there is a risk of low Gross Calorific Value (GCV) of coal.	Moderate	External
	Tailing dam stability	Acceptable	External
Financial and Regulatory	Risk of Unfavourable orders on litigations involving changes in policy/ regulation or demands & adverse outcomes of legal disputes related to land acquisition and changes in regulatory framework may lead to eviction and financial loss.	Moderate	Internal and External
	Risk of being grouped under Denied Entity List due to non-redemption of licenses which could lead to operational disruptions and regulatory challenges and demand notices resulting in financial loss and legal disputes.	Acceptable	External
Safety	Risk of failure to provide safe working environment, unsafe practices or injuries and non-compliance of safety regulations may lead to accidents, injuries, regulatory action, litigation and reputational loss.	Significant	Internal
	Inadequate security in the township may result in risk of encroachment by locals on vacant flats, unauthorized shops creating difficulties in eviction, electricity theft and Animal intrusion, may result in injuries and reputational damage.	Moderate	Internal
Technology and Cyber	Emerging Cyber Risks	Acceptable	Internal
Expansion Project	Risk of cost overruns.	Acceptable	External
	Delay in Project due to slow execution progress across Green Anode Plant (GAP) & Fume Treatment Plant (FTP).	Significant	External

ESG

Forging with Purpose

Every tonne of aluminium BALCO forged in FY2025-26 carried a measurably lower environmental footprint than the year before. That outcome reflects a sustainability programme embedded deep in the Company’s operations, governance and capital allocation, one that produced record water efficiency, India’s first certification for low carbon aluminium under Restora, and seven national environmental awards.

Our ESG strategy advances alongside the business. As BALCO scales from 0.58 MTPA toward 1 MTPA, sustainability disciplines scale with it, ensuring the Company grows without compounding its environmental burden.

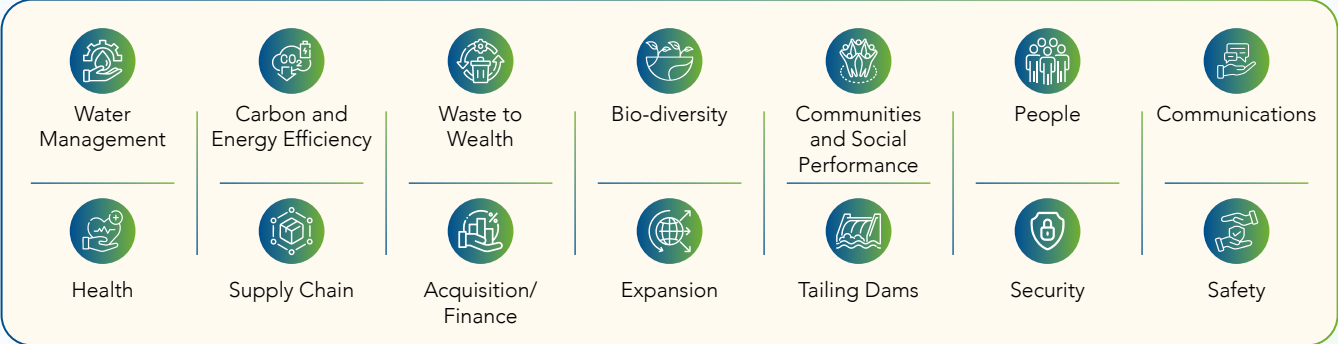
ESG governance

BALCO’s ESG governance operates through a layered accountability structure. The Board-level ESG Committee, alongside the Audit and Risk Management Committee, sets strategic direction, reviews performance against group commitments, and ensures that evolving global frameworks (including TCFD, TNFD, GRI and BRSR Core) are integrated into policy and planning. Execution sits with the Vedanta ESG Committee, working in close collaboration with BALCO’s Group Sustainability and ESG function, which drives initiatives under the Transforming for Good agenda across all business units.

Fourteen ESG Communities of Practice (COPs) anchor operational accountability. Each COP owns a defined sustainability domain and drives execution at the department level. The Vedanta Sustainability Assurance Programme (VSAP) conducts periodic internal and third-party audits. BALCO’s Environmental Management System holds ISO 14001:2015 certification. In FY2025-26, BALCO completed the ASI Performance Standard v3.1 certification process, a requirement for brand registration on the London Metal Exchange.



ESG communities of practice



About sustainability policies

BALCO’s sustainability commitments are grounded in a comprehensive policy architecture, each governing a specific domain of operational and social responsibility. These policies are reviewed and updated in line with the Vedanta Sustainability Framework and evolving regulatory standards, ensuring alignment with both national statutory requirements and international best practice.





Our ESG blueprint

Three pillars guide BALCO’s sustainability ambition: Strength, Scale and Sustainability. The blueprint below tracks where the business stands today across each dimension, against commitments that extend to 2030 and beyond.

Environment			
	Goal	Current Status	Target to reach
Carbon Intensity	Intensity Reduction for CCTS by 2030	Restora: BALCO’s First-ever Low Carbon Aluminium certification obtained in FY2025-26 RE Power: 224MW RE Power PDA signed with Serentica Renewables	Net Zero by 2050
Water Management	Net Water Positive for Smelter Operations by FY 2030	Specific water consumption: 0.37 m³/Mt Aluminium (Previous all-time lowest; FY2024-25 best: 0.40 m³/Mt Al) Water recycling rate: 17.9% (Previous all-time best; FY2024-25 best: 14.36%) Water positivity ratio for smelter: 1.91	Water Neutral for all operational Smelter Business by FY 2030
Waste Management	Zero waste by FY 2026	Fly ash utilization: 100% Ash supply to cement industry: Above 3 lakh MT (Record; FY2024-25: 1.55 lakh MT)	Above 100% waste utilization in FY2027
Renewable Energy Mix	Renewable Consumption Obligation (RCO) mandated by Ministry of Power	6.2%	19% by FY 2030



Social			
	Goal	Current Status	Target to reach
Safety	Zero fatality	Zero fatality	Zero fatality
Community Development	Families impacted	Aim 2 - Families Impacted - 26331 Aim 3 - Women & Children Benefitted - 381989	Targeted in FY'27 Aim 2 - 28,502 Aim 3 - 4,05,430
	Women and children impacted	381989	4,05,430 Targeted in FY2027
Diversity and Inclusion	Achieve 30% women workforce	24%	30% in FY 2030
	Increase LGBTQ+ to 50 in the workforce by FY 2030	21	50 targeted in FY 2030



Governance			
	Goal	Current Status	Target to reach
VSAP Score	Consistent attainment of Sustainability excellence	FY2025-26 Score: 70 (FY2026-27: Target 75+)	Maintaining MAS Tier1
Supply Chain	Local Procurement: achieve 40% by 2030	35% (FY2024-25: 31.8%)	40% by 2030
Code of Conduct	Achieve 100% Code of Conduct training for employees	100%	100%
Transparency and Fairness	Continue our commitment to a fair and transparent governance process	Tier 1+ MAS (Management Assurance) in 2026	Maintaining the Tier 1+
Data Privacy and Cyber Security	Continue our commitment to data privacy and cyber security compliances	Grade B in MAS audit 2025	Grade A in MAS audit 2026

Vedanta sustainability framework & assurance process

VSF and VSAP

The Vedanta Sustainability Framework gives BALCO’s six capitals a common operating architecture. Every capital decision, every operational choice, every stakeholder commitment sits within its logic. Value flows through all six in parallel. The VSF is the discipline that keeps those flows aligned, so that progress in one does not come at the cost of another.

The framework organises this discipline around three interconnected imperatives.



Responsible Stewardship

BALCO’s governance responsibilities run across four domains: safety and occupational health, environment, regulatory compliance and 360-degree project management. At 1 MTPA smelting capacity, the physical scale of operations demands governance that is embedded at the point of work. Process safety, environmental compliance and health protection are conditions of production at this level of throughput.

The FY2025-26 expansion has extended that requirement. New Potlines, additional captive power capacity, and a larger mine footprint each bring new risk surfaces under stewardship. The governance system has expanded in scope alongside the business.



Adding and Sharing Values

BALCO’s economic contribution flows through two channels. The direct channel carries wages, procurement payments, taxes and returns to shareholders and lenders. The indirect channel carries skills formation, community infrastructure and enterprise development across the operational zone.

At BALCO’s current scale, the breadth of that distribution matters as much as its size. Employees, communities, government bodies and the industrial supply chain that BALCO anchors, each hold a distinct claim on the value the business creates. **The VSF makes that claim visible and accountable.**



Building Strong Relationships

BALCO manages its relationships with employees, communities, lenders, government bodies and customers through structured neighbourhood dialogues, human rights due diligence reviews and multi-stakeholder forums. The purpose of engagement at this depth is to surface risks and opportunities before they become events.

Relationships maintained with this consistency gives BALCO the lead time to respond to shifts in its operating environment before they affect performance. That lead time has commercial and reputational value and compounds over years.

These three imperatives run concurrently. The VSF provides the architecture that connects them.

Vedanta Sustainability Assurance Process (VSAP)

VSAP translates the VSF into verifiable performance. It is an annual, structured audit cycle that assesses sustainability risk across BALCO’s operations against thirteen defined pillars: Compliance, Leadership, Objectives and Targets, Competency and Training, New Projects, Environment, Incident Investigation, Safety Management, Occupational Health, Management of Change (MoC) and Process Safety, Supplier and Contractor Management, Assessment and Continual Improvement and Social Sustainability and Stakeholder Engagement.

Each pillar is assessed through specialised modules. Independent external experts conduct periodic formal audits. BALCO’s internal teams manage continuous monitoring, document corrective and preventive measures and track the closure of identified gaps. Evidence of remediation is required before any finding is marked closed.

The Sustainability Committee and Executive Committee hold oversight, tracking performance outcomes and reporting findings to the Board. In FY2025-26, the scope of VSAP covers an expanded smelter complex, captive power generation and a supply chain spanning contractors, logistics providers, and raw material suppliers across multiple states.

Where gaps are identified, BALCO assigns defined owners, sets timelines and establishes evidence requirements. Corrective action tracking runs

continuously. Progress is reviewed at each Sustainability Committee meeting.

VSAP also functions as a learning system across the Vedanta Group. Successes and failures are documented and shared. A safety intervention proven at one site becomes standard practice at others. A gap identified in contractor management at one facility is addressed elsewhere before it produces an incident. Learning accumulated across annual cycles is the mechanism through which sustainability performance improves structurally.



13 Pillars of VSAP

The complete assurance model covers every material dimension of operational sustainability, from compliance and leadership through to social engagement and continual improvement.



To conclude, VSF and VSAP have been institutionalised to forge a resilient tomorrow, built on systems that outlast any single year of performance.

Engaging with our Stakeholders

Every relationship we invest in today is a foundation we are forging for tomorrow.

BALCO is advancing towards a landmark expansion that will place the Company among India’s largest aluminium producers. Realising that ambition requires more than capital and engineering. It requires the trust of every stakeholder the business touches. The investors who back the expansion, the partners who anchor the supply chain, the communities who share the land, the regulators who set the framework, the customers who raise the standard: each holds a stake in whether we succeed. Our engagement approach is systematic. We listen continuously, respond with transparency and integrate stakeholder perspectives into operational and strategic decisions. The result is a business that grows with its stakeholders, not merely alongside them.

Stakeholder engagement procedure

01

Identification

- Map all relevant stakeholders
- Understand interests, concerns and level of influence

02

Analysis

- Assess materiality and impact of engagement
- Prioritise based on strategic and operational relevance

03

Engagement Procedure

- Communicate on operations, changes and performance
- Listen, record and respond to feedback systematically

04

Engagement Plan

- Design channel-specific engagement strategies
- Define frequency, methods and accountabilities

05

Framework Implementation

- Execute across structured, multi-channel platforms
- Review continuously and improve based on outcomes



Our stakeholders

	Why we engage	How we engage	Frequency of engagement
 Business and supply partners	Our supply chain shapes cost position and sustainability footprint. Partners aligned with our operational and ESG standards are amplifiers of performance — and of risk if misaligned.	- E-mail and site visits - Safety apex meetings - O4R (Operate for Reliability) - Sahbhagita - Monthly management review - ESG supplier evaluations	Frequent and need-based
 Investors and lenders	Capital at scale requires confidence in depth. Transparent communication of our growth trajectory, governance practices and financial discipline builds the sustained trust that long-term investment demands.	- Annual general meetings - Press releases - Annual reports - News channels and website updates - Quarterly board presentations	Quarterly and need-based / Annual
 Employees and workers	Our people operate one of India’s most complex smelters. Engaged employees who see a future at BALCO deliver the discretionary effort that separates record performance from routine output.	- Employee engagement surveys - Grievance portal - Rewards and Recognition - Face-to-face interactions - Cultural events and workshops - V-Aspire leadership programme - Idea Portal	Monthly and need-based
 Customers	By serving our customers, we boost revenue generation and enhance brand value. Their feedback fuels our innovation and improves our operations.	- One-on-one interactions - Customer meetings - E-mails - Vedanta Metal Bazaar – Digital platform for collecting and analysing customer feedback - Trial and improvement programs	Frequent and need-based
 Regulators	Assist us in ensuring compliance and business continuity by adhering to local laws and regulations.	- Reports - E-mail communication - Letters	As and when required
 Communities	Assist in building relationships with people and paving the way for socioeconomic development.	- Co-created community development projects - Stakeholder engagement initiatives - Participatory planning and implementation - Inclusive growth programs	As and when required

Note: BALCO’s digital footprint across LinkedIn, Instagram, Facebook, X and YouTube enables frequent conversation and alignment to Company’s ethos.



Capital Allocation that Powers Sustainable Growth



Financial Capital

Page 46



Manufactured Capital

Page 54



Intellectual Capital

Page 64



Human Capital

Page 72



Social and Relationship Capital

Page 82



Natural Capital

Page 104

Financial Capital



Material Topics:

- Revenue Quality & Earnings Growth
- Cost Competitiveness
- Capital Allocation & Deployment
- Shareholder Returns
- Working Capital Efficiency
- Long-term Value Creation

SDGs Covered



Stakeholders Impacted

- Investors & Lenders: Risk, returns and growth
- Government & Regulators: Compliance & taxes
- Employees: Financial stability & ESOPs
- Business Partners: Payment security
- Customers: Pricing and continuity

Capital Linkages

- Human Capital: Productivity drives margins
- Manufactured Capital: Scale lowers unit cost
- Intellectual Capital: Technology reduces COP
- Natural Capital: Efficiency cuts input costs
- Social Capital: Licence to operate

The return engine

Capital creating Strength, Scale and Sustainability

It is capital that converts raw materials into productive assets, and productive assets into enduring returns. It is capital that enables a smelter to expand when others consolidate, to invest when others retreat, and to deliver for shareholders even as the business takes on its most ambitious growth phase. At BALCO, financial capital is not the end product of what we do. It is the engine that makes everything else possible.

In FY2025–26, BALCO's financial performance was shaped by a convergence of three forces: realisation strength driven by firmer LME fundamentals and an expanding value-added product portfolio, operational discipline that delivered EBITDA improvement from internal levers, and the early yield from a ₹3,186 crore capital deployment that is transforming BALCO from India's fourth-largest aluminium producer into the nation's second-largest.

The financial result is a Company that is simultaneously growing its earnings base, investing at scale for the future and building the structural cost position that will define its competitiveness over the next decade.

BALCO delivered revenue from operations of ₹17,379 crore in FY2025–26, against ₹15,808 crore in FY2024–25, with EBITDA of ₹7,126 crore and EBITDA margin of 41%, compared to ₹4,534 crore and 29% respectively in the prior year. Profit after tax stood at ₹4825 crore, against ₹2,969 crore. Wire rod production reached a record 231- KT. Total capex deployed of ₹3,186 crore — ₹2,390 crore in project investment and ₹796 crore in sustaining expenditure — represented one of the largest single-year capital deployments in BALCO's history. Long-term EBITDA target band, as the 1 MTPA expansion reaches operating maturity, is set at ~ \$1,000–\$1,500 per tonne.

At a glance

₹17379 cr Revenue from operations	₹7,126 cr EBITDA	41.00% EBITDA margin	₹4825 cr Profit after tax	₹3,186 cr Total capex deployed
~55% Operational EBITDA share	231 KT Wire rod production (record)	20%+ India's aluminium output	~\$1,000 – 1,500/т Long-term EBITDA target	₹2,390 cr Project capex FY2025-26

How financial capital creates value at BALCO

Inputs Bauxite, alumina, carbon, power, capital, talent, technology	What BALCO builds Scale-based cost advantage, Value Added Products (VAP) portfolio, disciplined capex framework, cash generation capability	Outputs delivered ₹17378.7 Cr revenue, ₹7126.07 Cr EBITDA, ₹4824.58 Cr PAT, ₹3,186 Cr capex deployed, 231 KT record wire rod production	Value created Stronger margins, investment capacity for 1 MTPA, shareholder returns, tax contribution, India's aluminium self-sufficiency
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Earnings built on substance

The operating discipline behind BALCO's financial performance

Revenue growth that rests on one variable is fragile. Revenue growth that rests on multiple reinforcing levers viz realisation, product mix, cost discipline and productivity is structural. In FY2025–26, BALCO's financial performance reflected the latter.

The primary driver of revenue improvement was realisation supported by stronger LME and market fundamentals, and by the continued expansion of BALCO's value-added product portfolio. Wire rod production reached a record 231 KT, reflecting BALCO's deliberate strategy of converting commodity aluminium into higher-value downstream forms.

Earnings performance dashboard

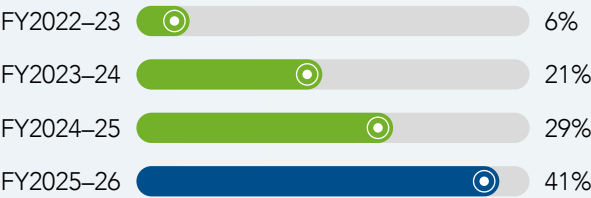
Revenue from operations (₹ Cr)



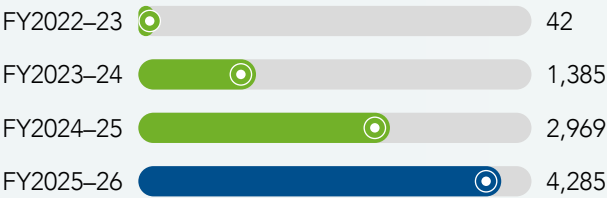
EBITDA (₹ Cr)



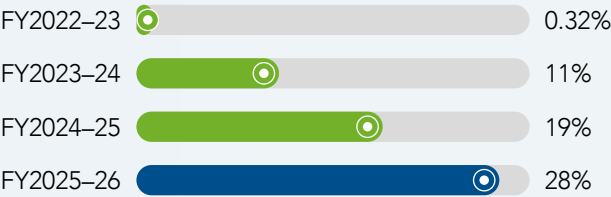
EBITDA margin (%)



Profit after tax (₹ Cr)



Net profit margin (%)



The drivers of EBITDA improvement

Initiative / Driver	Mechanism	FY2025–26 contribution
Realisation improvement	Higher LME fundamentals + premium pricing on Value Added Products (VAP) portfolio	Primary driver of revenue uplift YoY
Value-added products (VAPs)	Wire rod, rolled products, cast house shapes — higher realisations than commodity billets	Record wire rod production of 230 KT; expanding Value Added Products (VAP) share
Procurement optimisation	Tighter sourcing, competitive bidding, rail-based logistics for alumina & coal	Measurable savings in input cost per tonne
Workforce productivity	Zero-based manpower planning, shared-services deployment, digital enablement	Stable productivity per person despite expansion ramp
Digital automation	MES, AI/ML-driven process optimisation, predictive maintenance reducing downtime losses	Multi-million-rupee savings in COP/T across Potline, Carbon, Power

The economics of scale

How 1 MTPA will reshape BALCO's cost position and competitive standing

As output grows, fixed costs like power plant overheads, administrative infrastructure, maintenance systems, leadership and governance are spread across a larger base, reducing the per-tonne burden that every unit of metal must recover. This structural progress towards 1 MTPA expansion not only an industrial achievement but an earnings transformation.

In FY2025–26, BALCO commissioned India's first 525 kA Potline surpassing the Original Equipment Manufacturer (OEM) design specification of 500 kA. This milestone positions BALCO as India's second-largest single-location aluminium producer and admits it to high-capacity producers known for scale advantage, advanced technology and cost competitiveness. Alone, BALCO now contributes over 14% of India's total aluminium output from a single site in Korba.

The scale-cost-return relationship

Scale Lever	Economics	BALCO's position
Fixed cost absorption	Overheads, maintenance and admin spread across higher output → lower cost/tonne	Sustained improvement as PL3 ramps to full capacity
Energy cost dilution	1740 MW thermal power at record PLF distributes fixed power cost over more tonnes	Captive integration is a structural cost advantage
Technology-led efficiency	525 kA operation, copper cathode relining and graphitisation → 300+ kWh/Mt energy saved	Moving toward lower quartile of national cost curve
Global cost curve	Increased metal output moving towards the 'Million Tonne Club' — global competitive benchmark	BALCO among top global smelters in Potline current capacity



The financial implication is direct. As the 525 kA Potline scales up toward full capacity and production increases toward 1 MTPA, BALCO's cost per tonne will decline due to improved fixed cost absorption. Specific energy consumption remains controlled at 13.7 MWh/Mt on total SP AC, a level maintained despite the higher amperage. Auxiliary power also improved, from 0.45 to 0.42 MWh/Mt this year, an 8% gain that reflects tighter control over every unit of input.

BALCO's entry into the Million Tonne Club is not just India's second-largest aluminium story. It is the financial basis for a structurally lower cost position, a stronger earnings platform and a more resilient return profile for shareholders and for the country.

Capital put to work

Disciplined allocation building long-term returns

The decision about where to deploy capital is the most consequential financial decision a business makes. It determines not just the next year's returns but the competitive position of the organisation for the decade

The long-term EBITDA margin band of ~ \$1,000–\$1,500 per tonne is the output of a defined set of cost-reduction and scale-realisation steps, beyond being an aspiration, and is now underway. The target will be earned through lower conversion cost, better fixed-cost dilution, higher Value-Added Products (VAP) realisation and continued process innovation.

that follows. In FY2025–26, BALCO deployed ₹3,186 crore in capital, which was the single largest annual deployment in its recent history, with clarity of purpose and discipline of execution.

FY2025–26 capital deployment

Capex category	FY2025–26 deployment	Strategic purpose
Project capex (expansion)	₹2,390 Cr	Potline 3 (525 kA) ramp-up, plant, equipment, infrastructure for 1 MTPA target
Sustaining capex	₹796 Cr	Asset integrity, reliability upgrades, technology refresh across PL1, PL2 and CPP
Total capex deployed	₹3,186 Cr	Among the largest single-year capital deployments in BALCO's history

BALCO's capital return philosophy is deliberately balanced. It integrates growth-led reinvestment directing capital into high-impact capacity, technology and modernisation with yield-led discipline that ensures consistent value delivery to all stakeholders. This is not a trade-off; it is a philosophy of parallel commitment. Growth that does not generate returns is unsustainable. Returns that require no reinvestment are temporary. BALCO aims to do both simultaneously.

Working capital management remained stable despite the expansion ramp-up. The requirement to build inventory ahead of higher production volumes was managed within the existing working capital envelope, a result of operational efficiency improvements that contained current asset growth even as the production base expanded. This balance of investing at scale while maintaining cash discipline also reflects the financial maturity of an organisation that has learned, over successive cycles, on how to grow without losing control of its balance sheet.

₹3,186 crore deployed in FY2025–26 is the construction of the competitive position that BALCO will occupy for the next twenty years. The organisation works on the philosophy that capital, when put to work with discipline, compounds into earnings at scale.

Value created for every stakeholder

The financial case for BALCO's inclusive growth model

At BALCO, financial performance and stakeholder value creation are treated as a single objective rather than competing priorities. Growth in production and cost efficiency is expected to translate into sustained investment in the communities where the company operates, reinforcing the same operational base that drives shareholder returns.

The financial performance of FY2025–26 — revenue growth, margin expansion, record production, disciplined capex — represents the most visible form of value

creation. But the value delivered extends well beyond the income statement. BALCO contributes over 14% of India's aluminium output from a single location, reinforcing national supply security and the 'Make in India' industrial programme. It pays taxes, employs over 7,345 people directly and tens of thousands more through its contractor and supply chain ecosystem, and invests ₹53 lakh with tie-up with District Administration of ₹2.5 Crore for Sewage system construction for area adjacent to plant premises, as part of its community development around its Korba operations

Value created for key stakeholders

Stakeholder	Value delivered in FY2025–26	Mechanism
Investors	PAT of ₹4825 Cr, EBITDA margin 41%, disciplined capex with defined return profile	Scale-driven earnings growth + operational leverage
Government & regulators	Tax contribution, 20%+ of India's aluminium output, Make in India alignment	Industrial scale, employment and national supply security
Lenders & financiers	Earnings growth supporting debt service, working capital at stable levels despite expansion	Operational cashflows funding growth without proportional leverage increase
Business partners	Predictable procurement volumes, supplier development programmes, local sourcing	Scale enables longer-term, lower-risk supplier relationships
Employees	ESOPs, production incentives, retention bonus — financial participation in the upside	Shared value creation model linking performance to reward

The Value-Added Products (VAP) portfolio expansion is a particularly important dimension of stakeholder value creation. As BALCO increases the share of wire rod, rolled products, and speciality shapes in its output mix, it captures a larger share of the value chain, delivers higher-margin revenue per tonne, and builds relationships with customers who value consistency, technical quality and long-term supply partnerships. The record 231 KT of wire rod produced in FY2025–26 is the most tangible expression of this strategy in action.

The connection between financial strength and stakeholder value creation is not symbolic. Every crore of EBITDA funds the next investment. Every investment creates more employment, more tax contribution, more supplier income and more community impact. The engine is cumulative and the FY2025–26 results demonstrate that it is accelerating.

Strong earnings are not the conclusion of BALCO's story. They are the precondition for writing the next chapter — a larger capacity, a lower cost position, and a deeper contribution to India's industrial future.



Forging the return engine

Financial capital priorities for 2026–2030

BALCO's financial agenda for the next five years is shaped by three structural realities.

First, the 1 MTPA expansion will transition from capital-intensive construction to full-scale generation, shifting the financial narrative from investment to returns.

Second, the aluminium market will continue to reward producers with the lowest costs, the most integrated asset bases, and the highest Value-Added Products (VAP) shares — all areas where BALCO is building structural advantage.

Third, the integration of ESG performance with financial discipline will intensify, as investors, lenders and customers increasingly evaluate financial sustainability through a broader lens that includes carbon intensity, water stewardship and community value creation.

Forging tomorrow: financial priorities

Pillar	Priority	Specific commitments
 Strength	Earnings quality & cost competitiveness	Sustain and improve EBITDA margin above 41%; drive COP/T toward the lower quartile of the national cost curve; target long-term EBITDA of ~\$1,000–1,500/T at 1 MTPA steady state
 Scale	Expansion economics & capital return	Complete PL3 ramp to 1 MTPA by FY27; capture fixed-cost dilution benefits; expand Value Added Products (VAP) portfolio share; maintain disciplined capex with a defined return profile
 Sustainability	Long-term shareholder value creation	Balanced capital return philosophy combining growth-led reinvestment with consistent cash returns; integrate ESG-linked performance into financial governance; maintain working capital efficiency through expansion



These financial targets are business capabilities expressed in financial form. Cost leadership protects margin in down-cycles. Scale enables fixed-cost absorption. Value Added Products (VAP) expansion de-commoditises revenue. Working capital discipline preserves cash. Together, they constitute the financial architecture of a Company built not for a single cycle, but for the long arc of India's industrial growth.





Manufactured Capital



Material Topics:

- Operational Excellence
- Capacity Expansion
- Asset Integrity & Reliability
- Energy Efficiency
- Technology & Innovation
- Production
- Quality

SDGs Covered



Stakeholders Impacted

- Investors: Returns from asset performance
- Customers: Quality and supply reliability
- Employees: Safe, productive assets
- Government: Industrial scale
- Suppliers: Demand certainty

Capital Linkages

- Financial Capital: Asset performance drives return
- Human Capital: Skilled workforce enables uptime
- Intellectual Capital: Technology drives efficiency
- Natural Capital: Energy and resource stewardship
- Social Capital: Licence for expansion

The industrial platform

Assets driving strength, scale and sustainability

It is the industrial platform that determines whether a Company can grow, how efficiently it can grow, and how defensible its position becomes as it does. It is the plant, the Potline, the power station and the process technology; the physical infrastructure through which raw materials become precision metal and ambition becomes output. At BALCO, manufactured capital lies at the core of the business. Existing smelter operating at 106% of design capacity, with benchmark current levels at 343.95 kA from 100% graphitised pots. The smelter operations are supported by 1440 MW of captive power plants, ensuring a reliable, uninterrupted, and low-cost power supply throughout the year. BALCO has also strengthened its Value-Added Products (VAP) portfolio by commencing operations of new facilities: 50 KTPA Wire Rod Mill (WRM), 90 KTPA PFA, and 101 KTPA Rolled Product Foundry.

In FY2025–26, BALCO’s manufactured capital was defined by a landmark event: 25% of India’s first 525 kA smelter commissioned and started operation with 100% graphitised pots. This single milestone encapsulates

the year’s outlook towards achieving our targets by operationalizing the smelter to reap the market benefit through volume gain. The Company has invested over 11,500 Cr, in new smelter where the new smelter is under the stage of ramp-up and running along with 25% capacity, stands BALCO in 4th largest single location smelter, excluding China.

The year also delivered record hot metal production of 598 KT, record wire rod production of 231 KT, and record plant load factor at the 1,440 MW captive power plant. Auxiliary power efficiency improved by 8%, declining from 0.45 to 0.42 MWh/MT. Total specific power consumption remained controlled at 13.7 MWh/Mt despite higher amperage and expanded output. Carbon consumption per tonne fell by ~ 1 kg/MT. A first-in-India Recoverable Copper Cathode Relining design was developed and the patent filed, delivering 100–130 mV Cathode Voltage Drop reduction, 300+ kWh/Mt energy saving and a projected 167 kt CO₂e per annum reduction in greenhouse gas emissions.

At a glance

598 KT Hot metal production (record)	525 kA India’s first Potline at this current	231 KT Wire rod production (record)	0.42 MWh/MT Auxiliary power (8% improvement)
13.7 MWh/MT Total SP AC (controlled)	3.4 KT Incremental metal via current creep	~1 kg/MT Net carbon consumption reduced	300+ kWh/MT Energy saved via copper cathode

How manufactured capital creates value at BALCO

Inputs Alumina, carbon anodes, power (1,740 MW total), capital equipment, digital systems	What BALCO builds Integrated smelting complex, 525 kA Potline, 1740 MW TPP, wire rod capability, MES-enabled digital factory	Outputs delivered 598 KT hot metal (record), 231 KT wire rod (record), 78.3 PLF at 1740 MW TPP, 0.42 MWh/Mt auxiliary power	Value created 14%+ of India’s aluminium output, structural cost advantage, global technology benchmark, India’s second-largest single-location producer
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BALCO’s industrial platform is a living system being continuously upgraded, expanded and reimagined to deliver more metal, at lower cost, with less resource intensity, than at any point in the Company’s history.

Operational excellence and efficiency

The precision behind every tonne of aluminium produced

An aluminium smelter operates within narrow tolerances. Every parameter like the bath chemistry, the thermal balance, the anode quality and the electrical conditions of each pot must be held within defined bounds, across hundreds of reduction cells, across every shift of the year. Operational excellence in this environment is a discipline, built into every working practice, every supervisor’s judgement and every technological system.

FY2025–26 demonstrated the depth of BALCO’s operational discipline. A strategically engineered current

creep of 3.7 kA unlocked higher Potline productivity, delivering an incremental 3.4 KT of additional aluminium year-on-year from PL1 and PL2 representing the yield of superior magneto-hydrodynamic control and thermal stability. Simultaneously, anode effect management, pot superheat control and refined anode quality reduced net carbon consumption by ~ 1 kg per tonne. Total specific power consumption remained stable at 13.7 MWh/Mt even as amperage increased, while auxiliary energy improved by 8% from 0.45 to 0.42 MWh/MT.

Manufactured capital performance dashboard

Hot Metal Production (KT)



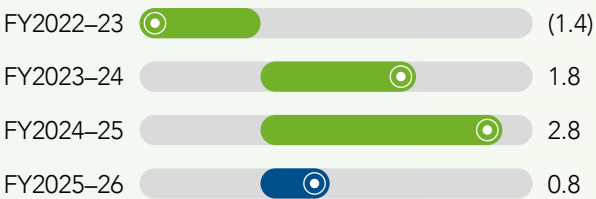
AUX Power (MWh/MT)



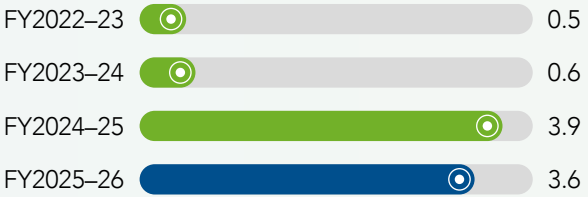
Total SP AC (MWh/MT)



Net Carbon Consumption reduction (kg/MT)



Current Creep delivered (KA)



Hot Metal Production (KT) (Including PL-3)



Wire rod production (KT)



Operational improvement initiatives

Initiative	What it improves	FY2025–26 result
Current creep (3.7 kA)	Higher Potline productivity via engineered amperage increase	+3.4 KT additional aluminium YoY from PL1 and PL2
Anode effect management	Pot superheat control and anode quality consistency	~1 kg/Mt reduction in net carbon consumption
Auxiliary power optimisation	Compressor load balancing, high-efficiency motors, pump resizing	0.45 → 0.42 MWh/Mt (8% improvement)
100% pot graphitisation	Thermal efficiency, reduced electrical losses across Potlines	300 kWh/Mt energy saving across BALCO Potlines
Advanced pot controllers	Operational stability and higher precision energy management	Improved SEC per tonne; stable total SP AC at 13.7 MWh/MT
Digital automation	MES, AI/ML-driven process optimisation, predictive maintenance reducing downtime losses	Multi-million-rupee savings in COP/T across Potline, Carbon, Power

Maintaining total SP AC at 13.7 MWh/Mt while increasing amperage and output requires continuous calibration, strong process control, and a culture that treats every deviation from optimal as an immediate priority to resolve.

The 525 kA breakthrough

India’s first, and a global benchmark

When BALCO commissioned operations at 525 kA which is 25 kA above the original design specification provided by the OEM, it moved beyond a production threshold to demonstrate that Indian engineering capability, applied with precision and intent, can exceed the parameters that global technology providers consider the ceiling. This was a statement of industrial confidence.

The 525 kA Potline makes BALCO the first aluminium smelter in India to operate at this amperage, the nation’s second-largest producer of aluminium from a single location, and a member of the global ‘Million Tonne Club’, an exclusive grouping of high-capacity smelters recognised for scale, advanced technology and operational efficiency. From this platform, BALCO

contributes over 20% of India’s total aluminium output, reinforcing both national supply security and the Make in India industrial programme. The operational results validate the ambition: record hot metal production, record wire rod production of 231 KT, and record PLF at the 1740 MW power plant, all in the same year.

Higher amperage directly translates into enhanced metal productivity, improved energy efficiency and strengthened cost competitiveness. The relationship is structural, not incidental: as current increases within a well-controlled Potline, output per pot rises, fixed cost absorption improves, and the per-tonne economics strengthens.

The 525 kA breakthrough which positions it as India’s first smelter to operate at this amperage and its second-largest aluminium producer, has set a global benchmark, built in Korba.

Technology and innovation

Engineering tomorrow’s competitive edge today

Manufacturing leadership is sustained by innovation. The Potline that outperforms today may not outperform tomorrow unless it is continuously re-engineered, digitally enhanced and technically advanced beyond its original design. BALCO’s technology investment in FY2025–26 reflects this conviction.

The year’s most significant technological achievement was the development of a first-in-India Recoverable Copper Cathode Relining design, a proprietary innovation for which BALCO has initiated the patenting process. By introducing high-conductivity copper into the reduction cells, the design meaningfully reduces energy consumption per tonne of aluminium produced, cuts greenhouse gas emissions, and opens the prospect of higher amperage operation in existing Potlines. It is also built for material circularity, allowing superior recovery of the copper at end-of-life. Full technical details will be shared once the patenting process is complete.



Technology and innovation platform

Innovation	Technical achievement	Performance outcome
Recoverable Copper Cathode Relining	First-in-India design; high-conductivity copper insert reduces electrical resistance in collector bars	100–130 mV CVD reduction; 300+ kWh/Mt energy saving; 167 kt CO ₂ e/yr reduction; patent filed
Manufacturing Execution System (MES)	Real-time production monitoring, digital logbooks, auto deviation reports across Potline, Carbon, Cast House, HRM, CRM	Reduced rework, improved throughput, data-driven decision-making embedded in daily operations
AI/ML predictive analytics	Pot health monitoring, mushroom formation, boiler leakage prediction, fan failure, quality control	Fewer unplanned breakdowns, higher asset uptime, multi-million-rupee COP/T savings
Unified Operations Centre (UOC)	Real-time integration of Power, Potline, Carbon, Rolled Products and Cast House data	Single command view of entire manufacturing chain; faster response to deviations
AR/VR Training (Potline Risk Management)	Immersive simulation for high-risk potroom scenarios, emergency response, equipment handling	460+ employees trained; better preparedness, reduced on-site learning risk
Digital Twin (planned)	Virtual replication of potroom, furnaces and cast house for scenario simulation and process optimisation	Predictive quality, throughput control and faster commissioning of expansion assets



Digital capability now underpins every layer of the manufacturing platform. The Manufacturing Execution System Spans Potline, Carbon, Cast House, HRM, CRM and Utilities. The Unified Operations Centre provides a single real-time view of the entire production chain. Predictive AI/ML models’ alert operations teams to pot

health deterioration, boiler anomalies, fan failure risk and quality deviations before they become costly incidents. And AR/VR training modules have already prepared 460+ employees for the high-risk scenarios of potroom operations, making training safer, faster and more effective than any classroom method.

The Recoverable Copper Cathode Relining design is a proprietary technological advantage that gives BALCO the necessary edge over others in aluminium production.

Future-Ready assets

Building reliability and resilience for the next decade of production

An industrial asset is only as strong as its maintenance philosophy. A smelter that produces at maximum capacity today but neglects the discipline of proactive maintenance, systematic reliability management and continuous upgrade will not produce at maximum capacity tomorrow. BALCO’s approach to asset management reflects a long-term view: maintain, upgrade and future-proof the physical platform so that the industrial capability of today becomes the competitive foundation of the next decade.

The ₹796 crore deployed in sustaining capital in FY2025–26 was instrumental in protecting the earnings

engine: the Potlines, the captive power plant and the cast house, while simultaneously laying the groundwork for the reliability standards required to operate a 1 MTPA complex. Annual overhauls of power plant units improved specific coal consumption and boiler-turbine efficiency. Advanced process stabilisation models for metal tapping, furnace operations and casting cycles strengthened consistency. Critical equipment redundancy was enhanced across systems where a failure during the expansion ramp-up would carry disproportionate operational risk.



Asset reliability and future-readiness programme

Asset reliability lever	Mechanism	FY2025–26 status
Predictive maintenance rollout	AI-driven failure prediction for furnaces, cranes, casting equipment, boilers, fans	Deployed across critical assets; reducing unplanned downtime
Power plant annual overhauls	Boiler-turbine efficiency improvement; specific coal consumption reduction	Record PLF achieved; stable coal consumption performance
Nano-ceramic anode coating	Reduces net anode consumption by improving anode surface performance	1kg/Mt reduction in anode consumption
Cast house throughput enhancement	Holding furnace upgrades, optimised cast-house layout, high-speed casting technologies	Record wire rod production of 231 KT; productivity gains in casting
Critical equipment redundancy	Enhanced backup systems to support uninterrupted production during expansion	Supports ramp-up of new Potline without compromising existing output

Looking ahead, the Digital Twin planned for the Metal Value Chain will enable virtual simulation of potroom, furnace and cast house operations allowing BALCO to test scenarios, optimise parameters and predict quality outcomes before committing physical assets to a new operating state. This capability will be particularly valuable during the ongoing ramp-up of PL3, where the ability to model commissioning trajectories before they become operational constraints will accelerate stabilisation and protect output.

BALCO’s ₹796 crore sustaining capex is the premium paid for certainty. Asset reliability at scale across 1 MTPA of production, 1,740 MW of power, and hundreds of reduction cells require not just maintenance, but mastery.





Forging the industrial platform

Manufactured capital priorities for 2026–2030

BALCO’s manufactured capital agenda for the years ahead is shaped by three structural imperatives:

First, the PL3 ramp-up must reach full operational capacity by FY2026-27, delivering the production volumes and unit economics that justify the ₹2,450 crore project investment.

Second, the technology trajectory; from 525 kA today to Digital Twin, further copper cathode deployment and expanded automation must continue to push BALCO toward the lower quartile of both national and global cost curves.

Third, the manufactured platform must become structurally compatible with low-carbon production by reducing energy intensity, increasing renewable energy share, and enabling the green aluminium certification that global markets are beginning to require.



Forging Tomorrow: manufacturing priorities

Pillar	Priority	Specific commitments
 Strength	Operational excellence & asset reliability	Complete 100% deployment of predictive maintenance across all critical assets; sustain total SP AC at or below 13.7 MWh/MT; further improve auxiliary power to below 0.40 MWh/MT; expand copper cathode relining technology across additional pots
 Scale	Full 1 MTPA ramp-up and downstream expansion	Complete PL3 ramp to full operational capacity by FY27; deploy Digital Twin for Metal Value Chain; expand wire rod and Value-Added Products (VAP) production; achieve target hot metal output across all three Potlines
 Sustainability	Low-carbon manufacturing & circular assets	Commercialise copper cathode relining patent for revenue and licensing; scale Recoverable Copper design to full Potline; integrate renewable energy to lower emission intensity; strengthen recycling and re-melting capability for circular aluminium

These priorities are business capabilities in industrial form. Operational excellence protects margin. Scale enables fixed-cost dilution. Technology creates proprietary advantage. Asset reliability underwrites growth. Together, they constitute the physical infrastructure of BALCO's next phase — the factory of the future being built in Korba today.

The 525 kA Potline that BALCO commissioned in FY2025–26 is Company the foundation on which the next level of performance will be built. This will seek to be more efficient, more intelligent, more sustainable, and more competitive than anything India's aluminium industry has yet achieved.





Intellectual Capital



Material Topics:

- Digital Transformation
- Process Innovation & R&D
- Proprietary Technology & IP
- Knowledge Management
- Cybersecurity & Data Governance
- AI & Intelligent Systems

SDGs Covered



Stakeholders Impacted

- Employees: Digital skills & career growth
- Investors: Technology moat & cost advantage
- Customers: Product quality & innovation
- Regulators: Transparency & compliance
- Technology partners: Co-development

Capital Linkages

- Human Capital: Digital skills training via ALAISA, AR/VR
- Manufactured Capital: MES and AI drive production efficiency
- Financial Capital: IP creates competitive moat
- Natural Capital: Digital monitoring of emissions, water
- Social Capital: ALAISA as community training tool

The intelligence advantage

Knowledge driving Strength, Scale and Sustainability

It is intelligence that converts a well-funded expansion into a well-executed one. It is knowledge embedded in systems, encoded in algorithms, embodied in people and protected through patents that determines whether a Company can operate at the frontier of its industry or merely replicate what others have already done. At BALCO, intellectual capital is the competitive advantage woven through every process, every training module, every predictive model and every engineering decision that shapes how aluminium is made.

In FY2025–26, BALCO’s intellectual capital delivered measurable industrial outcomes across four dimensions:

Digital infrastructure: the Manufacturing Execution System was fully deployed across Potline, Carbon, Cast House, HRM/CRM and Utilities, the Unified Operations

Centre integrated the entire production chain into a single real-time view, and AI/ML predictive models were applied to pot health, boiler behaviour, fan failure risk and casting quality.

Human-digital integration: ALAISA, India’s first AI-powered humanoid robot trainer in aluminium manufacturing, was deployed alongside AR/VR modules that have already trained 460+ employees in high-risk Potline scenarios.

Fourth, knowledge architecture: ramp-up playbooks, golden parameter libraries, digital logbooks and expert succession protocols were systematised to ensure that the knowledge embedded in PL1 and PL2 can be reliably transferred to PL3.

At a glance

460+ Employees trained on AI/ML & AR/VR	40+ e-learning modules on Darwinbox	1 Patent filed (copper cathode — first in India)	ALAISA India’s first AI humanoid robot trainer
MES Deployed across all major production areas	UOC Unified Operations Centre live	AI/ML Predictive models: pots, boilers, quality	Digital Twin Planned for Metal Value Chain

How intellectual capital creates value at BALCO

Inputs R&D investment, engineering talent, technology partnerships, digital infrastructure, data systems	What BALCO builds MES, UOC, AI/ML models, AR/VR training, ALAISA, proprietary process innovations, patent portfolio, Digital Twin roadmap	Outputs delivered 460+ employees trained on AI/ML and AR/VR, 40+ e-learning modules, 1 patent filed (first-in-India copper cathode), 525 kA OEM-exceeding achievement, multi-million-rupee COP/T reductions	Value created Lower cost per tonne, faster commissioning, safer operations, proprietary IP, lower quartile national cost curve movement, green aluminium qualification
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To conclude, Intellectual capital at BALCO is the competitive edge that makes its aluminium cheaper and safer to produce, greener to certify, and harder to replicate.

The digital infrastructure behind every tonne

Real-time intelligence across the full production chain

A modern smelter generates enormous volumes of data. From the thermal condition of each reduction cell to the power consumption of every compressor, from the quality parameters of each casting cycle to the attendance and competency records of every operator. The question is whether that data is captured, contextualised and acted upon or whether it accumulates in silos, reviewed in retrospect and applied too late to change the outcome. At BALCO, digital infrastructure is the system that answers that question. Affirmatively.

The Manufacturing Execution System is the backbone of BALCO’s digital factory. Deployed across Potline, Carbon, Cast House, HRM/CRM and Utilities/Power, it provides real-time monitoring of production processes, automates deviation reporting, enables digital logbooks that replace paper-based shift records, and creates complete traceability from raw material to finished goods. Auto-generated Morning Meeting Reports, department-wise performance dashboards and consequence-management alerts mean that every morning, every supervisor begins

the shift with a precise understanding of what happened on the previous shift and what the data indicates should be prioritised today.



Digital infrastructure portfolio

Digital System	Coverage	Operational value
Manufacturing Execution System (MES)	Potline, Carbon, Cast House, HRM/CRM, Utilities/Power	Real-time production monitoring, auto deviation reports, digital logbooks, quality traceability from pot to dispatch
OSI-PI Process Historian	All production areas — continuous parameter capture and trend analysis	Long-term process data library enabling ML training, benchmark analysis and root-cause investigation
Unified Operations Centre (UOC)	Real-time integration of Power, Potline, Carbon, Rolled Products and Cast House	Single command-and-control view of entire manufacturing chain; faster response to deviations
AI/ML Predictive Analytics	Pot health, mushroom formation, boiler leakage, fan failure, rolling and casting quality	Fewer breakdowns, higher asset uptime, multi-million-rupee savings in COP/T
Darwinbox e-Learning Platform	40+ modules available 24/7 across all employee levels	Self-paced technical, safety, compliance and digital learning; accessible across shifts and locations
Digital supply chain & procurement analytics	Vendor planning, procurement cycles, payment accuracy, spend analytics	Reduced working capital locked in inventory; improved cash discipline through digital MIS

The Unified Operations Centre (UOC) represents the integration layer above the individual systems: a single real-time command view of the entire manufacturing chain, from the boilers generating power to the cast house shipping metal, with dashboards that surface the parameters most likely to drive tomorrow’s deviation before they become today’s problem. Together,

Manufacturing Execution System (MES), OSIsoft PI (OSI-PI), Unified Operations Centre (UOC) and the AI/ML layer constitute a digital nervous system for one of India’s most complex industrial facilities and the platform from which BALCO is moving toward the lower quartile of the national aluminium cost curve.

Technology adoption has delivered multi-million-rupee reductions in cost per tonne across Potline, Carbon, Power, Rolled Products and Cast House. BALCO believes in digitising because digital systems are now the primary driver of cost and quality competitiveness in aluminium manufacturing.

Innovation and intellectual property

Engineering advances that create proprietary competitive advantage

Innovation is embedded on the potroom floor, in the engineering workshop, at the boundary where process chemistry meets electrical engineering, and where operational data is transformed into process insight. BALCO’s innovation model is applied, material-driven, commercially linked, and increasingly proprietary.

The year’s defining innovation was the Recoverable Copper Cathode Relining design. The conventional steel collector bar in an aluminium reduction cell has inherent resistive losses, contributing to elevated Cathode Voltage Drop and unnecessary energy waste. BALCO’s engineering team identified the opportunity to

introduce high-conductivity copper into the collector bar geometry not as a wholesale replacement, which would be impractical to recover at end-of-life, but as a precisely designed insert or ‘onsert’ that maximises conductivity while enabling high copper recovery at relining.

The result: a CVD reduction of 100–130 mV, a 300+ kWh per tonne energy saving, a 167 kt CO₂e per year reduction in greenhouse gas emissions, and a commercial benefit from the recovered copper at end-of-life. The patenting process has been initiated. This design is now BALCO’s intellectual property — the first such proprietary relining innovation in the Indian aluminium industry.





Innovation and IP portfolio

Innovation	Category	Outcome / Status
Recoverable Copper Cathode Relining	Process innovation that is first in India	100–130 mV CVD reduction, 300+ kWh/Mt saved, 167 kt CO ₂ e/yr reduction; patent filed
525 kA Potline operation	Engineering achievement exceeding OEM design spec	India's first; enhanced productivity, lower cost/tonne, global benchmark
Nano-ceramic anode coating	Materials innovation for anode performance	Reduced net anode consumption per tonne; lower carbon footprint
AI-driven quality prediction	ML-based quality assurance for rolled and cast products	Defect prediction before occurrence; reduced rework and COPQ
New alloy grades development	Product portfolio R&D through expanding Value-Added Products (VAP) range	[X]+ new alloy grades developed; strengthens customer technical relationships
RESTORA low-carbon certification	IP-linked commercial certification that is first in India	Green aluminium premium market access; LME sustainability pathway

The 525 kA operation, India's first, is itself an intellectual achievement. The decision to push beyond the 500 kA OEM design specification required deep process knowledge, precise magneto-hydrodynamic modelling, thermal stability management and operational confidence earned through years of Potline mastery.



AI and intelligent systems at scale

From data to decisions — how BALCO's intelligence layer works

Artificial intelligence in an aluminium smelter is a daily operational reality present in the predictive model that alerts an operator when a pot's thermal balance is drifting before it becomes a costly instability, in the computer vision system that identifies an unsafe act on the potroom floor before it becomes an incident, and in the humanoid robot that delivers a safety induction to a new worker with consistency and precision that no human trainer can replicate at scale.

ALAIISA: India's first AI-powered humanoid robot trainer in the aluminium manufacturing sector is BALCO's

most visible expression of this commitment. Deployed on the shopfloor, ALAIISA delivers safety inductions, technical training sessions and skill assessments in an interactive format that engages workers more effectively than classroom instruction, reaches every shift without requiring instructor availability, and captures engagement data that helps identify knowledge gaps across the workforce. ALAIISA is a training infrastructure investment that scales with the workforce.

AI and intelligent systems

AI/Digital capability	How it is used	Business impact
ALAIISA (AI Humanoid Robot)	India's first AI-powered humanoid robot trainer in aluminium manufacturing used for safety induction, technical training and skill assessment	Consistent, scalable training delivery; frees expert trainers for complex coaching; positions BALCO at global frontier of industrial AI
AR/VR Training (Potline Risk)	Immersive simulation of high-risk potroom scenarios, emergency response, equipment handling	460+ employees trained; better preparedness, reduced on-site risk, muscle memory development
Predictive Pot Health Model	Continuous AI monitoring of bath chemistry, thermal balance and anomaly patterns in reduction cells	Early warning before pot deterioration → fewer pot failures, higher uptime, lower SEC
AI/ML for boilers and power plant	Boiler leakage detection, fan failure prediction, heat rate optimisation in 1440 MW CPP	Record PLF; reduced unplanned outages; stable power supply to Potlines
Ash Control Tower (AI-based)	Real-time monitoring of ash transportation and dyke disposal via AI-enabled surveillance	Environmental compliance, regulatory reporting, rapid deviation response
QR-code compliance & digital SOPs	Digital safety authorisation, consequence management, alcohol testing, step-by-step mobile SOPs	Reduced manual non-compliance risk; improved safety culture; zero-deviation procedure execution

The AI/ML layer at BALCO is built not just for today's 600 KT output, but for the 1 MTPA scale that the organisation is approaching. Predictive models trained on years of historical data from PL1 and PL2 will be transferred to PL3, giving new operations teams the benefit of accumulated

institutional intelligence from day one. The Digital Twin planned for the Metal Value Chain will extend this further allowing BALCO to simulate operating states, test parameter changes and predict quality outcomes virtually before committing physical assets to a new configuration.

ALAIISA is India's first AI humanoid robot trainer in aluminium manufacturing. It is an operational training system, deployed on the shopfloor, preparing BALCO's workforce for the complexity of a 1 MTPA smelter.



Knowledge architecture for scale

How BALCO ensures that what it knows today will power what it builds tomorrow

Ensuring that the operational expertise, process discipline and institutional memory of a mature facility can be reliably replicated in a new one is perhaps the toughest human challenge in an industrial set-up. It helps Potlines start, stabilise and ramp-up in record time. At BALCO, knowledge architecture is the solution to this challenge.

The Manufacturing Execution System (MES) and OSIsoft PI (OSI-PI) data historian form the foundation: a continuous digital record of process parameters, deviations, corrective actions and performance trends across every shift of every year. This is not archival. It is operational, providing the historical context against

which every new anomaly is immediately interpretable. Digital logbooks capture shift-by-shift learning that would previously have been lost when an operator was transferred or had retired. Commissioning and ramp-up playbooks that have standardised start-up sequences, set-point ladders and constraint maps are already prepared for PL3 from the knowledge accumulated through PL1 and PL2 operations. Golden parameters and guard bands lock the critical quality targets (bath chemistry, tap schedule, furnace soak, boiler draft) within the operating windows that BALCO's experience has validated as the optimal range.

Knowledge transfer and retention system

Knowledge system	What it preserves / transfers	How it supports 1 MTPA ramp-up
MES & Digital Logbooks	Real-time process parameters, SOP deviations, shift notes, asset performance trends — continuous learning loop	New PL3 teams inherit proven operating knowledge; no knowledge cliff during expansion
Commissioning & ramp-up playbooks	Start-up sequences, set-point ladders, constraint maps — standardised for replication across bays and lines	Faster stabilisation of new Potline; consistent quality from commissioning day one
Golden parameters & guard bands	Locked 'golden windows' for critical CTQs: bath chemistry, tap schedule, furnace soak, boiler draft	Prevents operational drift as volume increases; protects process quality under ramp pressure
Expert bench & succession readiness	Named process leads per area (Potline, Carbon, Cast House, Captive Power Plant (CPP)) with trained understudies	Parallel shift coverage during ramp; no single-point-of-failure in expert knowledge
SharePoint & digital document control	Technical manuals, commissioning specs, RCA reports, SOPs — version-controlled, access-governed	Single source of truth across old and new lines; audit-ready documentation
Cross-functional war rooms	Daily ops–maintenance–quality–power huddles with hour-by-hour Critical to Quality (CTQ) tracking during ramp phases	Real-time problem resolution; no ramp bottlenecks allowed to persist beyond one shift

Supplementing these systems is a human architecture equally deliberate: named process leads for Potline, Carbon, Cast House and Captive Power Plant (CPP), each with trained understudies who can run parallel shifts during the ramp-up. Cross-functional daily war rooms viz. operations, maintenance, quality and power together, with hour-by-hour Critical to Quality (CTQ) tracking

prevent ramp bottlenecks from persisting beyond a single shift. Mandatory capture of first-30-days learnings from every commissioning phase, rolled forward into revised SOPs before the next ramp step, creates a self-correcting knowledge loop that gets sharper with every expansion cycle.

BALCO's knowledge is not stored in the memory of its most experienced engineers. It is embedded in its systems, its playbooks, its golden parameter libraries and its AI models which is available to every team, on every shift, in every plant. That is what makes 1 MTPA not just possible, but repeatable.

Forging the intelligence advantage

Intellectual capital priorities for FY 2026–2030

BALCO's intellectual capital agenda for the next five years is shaped by three structural realities:

First, the 1 MTPA ramp-up demands knowledge transfer at a speed and scale that only digital infrastructure can support reliably.

Second, the aluminium market is moving toward a world where green credentials, verified by independent

certification, will determine access to premium markets and LME listing and BALCO's intellectual capital, from RESTORA certification to the ASI Performance Standard pathway, is the enabler of that transition.

Third, the global deployment of AI in industrial operations is accelerating, and the competitive advantage of early, deep investment in AI capability compounds over time.

Forging tomorrow: intellectual capital priorities

Pillar	Priority	Specific commitments
 Strength	AI-powered operational excellence	Expand predictive maintenance to all critical assets across PL1, PL2 and PL3; scale AI/ML quality prediction for rolled products and casting; embed digital compliance tools across safety-critical workflows; advance commercialisation of copper cathode patent
 Scale	Digital Twin and intelligent systems at 1 MTPA	Deploy Digital Twin for the Metal Value Chain enabling virtual process optimisation and faster commissioning; scale Darwinbox to 40+ e-learning modules; expand AR/VR to Cast House, Carbon and Captive Power Plant (CPP) operations; extend ALAISA to additional technical training domains
 Sustainability	Innovation-led decarbonisation and ESG assurance	Align all AI/ML and digital projects with energy intensity KPIs; deploy automated emissions monitoring across expanded smelter; build digital water and resource governance to support water positivity target; develop innovation pipeline of sustainability-linked IP beyond copper cathode

These priorities are business capabilities in intellectual form. Digital infrastructure protects uptime and margin. AI optimises cost per tonne continuously. Knowledge architecture enables reliable expansion. Innovation generates proprietary IP that becomes commercial advantage. Together, they constitute the intelligence layer of a Company that intends to be not just the second-largest aluminium producer in India, but one of the most technologically capable aluminium smelters in the world.

The patent filed for the Recoverable Copper Cathode Relining design is the clearest signal of where BALCO's intellectual capital journey is heading from adapting global technology to originating Indian innovation that others will one day seek to licence. That is the ambition. And in FY2025–26, the first step has been taken.



Human Capital



Material Topics:

- Health, Safety & Well-being
- Labour Practices
- Talent Attraction & Retention
- Diversity, Equity & Inclusion
- Learning & Development
- Digital Capability & Future Readiness

SDGs Covered



Stakeholders Impacted

- Employees & Workers: Central to all outcomes
- Community: Welfare & Social License
- Business Partners: Contractor Safety Norms
- Suppliers: Labour Compliance
- Investors: HC risk & Talent Strategy
- Regulators: Safety & Labour law

Capital Linkages

- Manufactured Capital: Plant uptime, throughput, asset integrity
- Intellectual Capital: Knowledge systems, ALAISA, digital innovation
- Financial Capital: Productivity gains, cost optimisation, talent ROI
- Social Capital: Community trust, employer brand, engagement
- Natural Capital: Environmental management by trained workforce

The human engine of performance

People powering Strength, Scale and Sustainability

At BALCO, while metal is produced by assets, performance is created by people. It is people who convert power, alumina and carbon into operational excellence. It is people who keep a smelter safe, stable and future-ready. And it is people who determine whether growth will be merely larger or meaningfully stronger.

In FY2025–26, BALCO's human capital strategy was shaped by a simple but powerful idea: build capability before the business needs it at full scale. That meant strengthening operational discipline, advancing safety capability, investing in learning and digital fluency, expanding leadership depth, and building a culture strong enough to attract, retain and inspire talent through

one of the most significant phases of expansion in the Company's recent history.

BALCO's workforce of 7,345 people comprising 1,982 permanent employees and 5,363 contract workers sustained zero employee fatalities for the fourth consecutive year, delivered 57.6 training hours per employee, supported productivity of 145 Mt per person, elevated 118 leaders into expanded roles, and maintained an employee satisfaction score of 82%. At the same time, women's representation in management rose to 24%, all critical leadership roles remained succession-covered, and voluntary attrition stayed at ~ 5%, well below broader industry norms.

At a glance

7,345 Total workforce	0 Employee fatalities	82% Employee satisfaction	118 Leaders elevated	57.6 hrs Training per employee
~5% Attrition	145 MT Productivity per person	24% Women in management	100% Critical roles succession-ready	13+ External HR awards

How people create value at BALCO

Inputs

Smelter expertise, talent frameworks, digital platforms, academic partnerships

What BALCO builds

Safety systems, learning architecture, leadership succession, DEI pipeline, digital reskilling, workforce planning

Outputs delivered

Zero fatalities, 57.6 training hours/employee, 118 elevated leaders, 100% succession coverage, 24% women in management

Value created

Productivity gains, stronger asset uptime, lower attrition, better employer brand, deeper organisational resilience

Human capital at BALCO is the operating capability that converts industrial scale into safe, disciplined and sustainable value creation.

Strength begins with safety

The operating discipline behind every high-performing shift

At BALCO, safety is the first principle of operations. In an environment defined by molten aluminium at nearly 950°C, high-current Potlines, overhead movement, process intensity and continuous activity, safety is the discipline that makes performance possible.

FY2025–26 marked BALCO’s fourth consecutive year of zero employee fatalities. This milestone is not the result

of one campaign or one year of focus. It is the visible outcome of a safety system built into the rhythm of the plant through risk identification, frontline ownership, leadership verification, peer accountability and continuous learning. BALCO’s standard is unequivocal: no target, no deadline and no commercial pressure warrants compromise on human life.



Safety performance dashboard

Employee fatalities



Lost time injuries



LTIFR (per Mhrs)



TRIFR (per Mhrs)



Near-misses reported



Hazards identified



Safety training manhours



The increase in near-miss reporting and hazard identification is evidence of a more alert and participative culture, one that sees risk earlier and intervenes faster.





The systems behind the outcome

Initiative	Role in the system	FY2025–26 scale / result
Critical Risk Management (CRM)	Identified and corrected No-Go deviations before escalation	15,000+ deviations corrected
Safety Steward Initiative	Frontline peer-to-peer ownership	70 stewards; 1,200+ observations; 125 toolbox talks
CCTV Safety Surveillance	AI-assisted monitoring of unsafe acts and conditions	20,000+ acts identified and corrected
GPS Vehicle Tracking	Real-time accountability for internal fleet movement	296 vehicles covered
LMV & HMT Simulators	Competency-building without on-road learning risk	All vehicle operators covered
Suraksha Pahal	Leadership visibility with frontline supervisors	Active across shifts
Samvedana 5.0	Behavioural reflection linking rules with human consequences	60 employees engaged
Interactive Safety Park	Immersive experiential learning	Introduced in FY2025–26
Safety Month 2026	Enterprise-wide awareness mobilisation	5,000+ participants

ZERO HARM MILESTONE

BALCO has recorded zero employee fatalities in FY2022-23, FY2023-24, FY2024-25, and FY2025-26. Four consecutive years without a fatality. This is among the strongest safety records in Indian primary aluminium manufacturing.

Scaling through capability

Building workforce depth, productivity and digital readiness

BALCO’s 1 MTPA expansion is, at its core, a human capital story. It will not be delivered through mass hiring or a simple increase in manpower. It will be delivered through the strength of internal capability, sharper workforce planning, digital enablement and focused investment in learning.

The Company’s workforce remained stable in FY2025-26, increasing from 7,263 in FY23 to 7,345, while permanent employees rose from 1,775 to 1982. This reflects an operating model in which growth has been supported not merely by more people, but by better deployment of capability. Zero-based manpower planning defined headcount requirements from first principles, while a shared-services maintenance model improved utilisation of specialist expertise across Plant 1A, Plant 2 and the new facility.



Productivity that reflects structural improvement

Productivity improved from 142 Mt per person in FY23 to 145 Mt per person in FY2024-25, and to 145 per person in FY2025-26. This improvement was shaped by three structural levers:

- zero-based manpower planning
- shared specialist deployment across plants
- IT and digitalisation initiatives that released technicians from routine administrative effort and redirected them to output-critical work

At 1 MTPA output, 202 Mt per person would represent more value delivered per employee than at any point in BALCO’s history.

Learning investment with business intent

BALCO delivered 57.6 training hours per employee in FY2025–26 and invested ₹11.98 crore in learning and development. The training architecture was intentionally balanced:

- 38% technical
- 14% digital
- balance across safety, behavioural and compliance capability

An internal SME-led delivery model reduced dependence on external trainers and generated savings of around ₹60 lakhs, while keeping learning highly relevant to BALCO’s operating context.

Capability-building ecosystem

Programme	What it builds	Reach / audience
Ignitors 2025	Strategic alignment and cross-functional leadership	Senior management
AI/ML Digital Training	Data, cloud and AI readiness	200+ employees
WILP Programmes	Postgraduate qualifications while working	HiPo employees
Reverse Mentorship	Digital fluency upward; institutional knowledge downward	24 pairs
Capability Building	Technical depth at frontline levels	M6 and below / workmen
Campus to Corporate	Professional integration and safety fundamentals	All new hires
Crane & Lifting Operations	Safer rigging and load assessment	914 participants
Cybersecurity & Phishing	Secure digital behaviour	74+ participants
Furnace Operation & Maintenance	Process control and troubleshooting depth	20 specialists

Digital learning backbone

- **Darwinbox:** 40+ e-learning modules available 24/7
- **ALAISA:** India’s first AI-powered humanoid robot trainer in aluminium manufacturing
- **LMV & HMT simulators:** virtual competency-based training
- **GPS fleet tracking:** 296 vehicles under real-time alerts
- **VEDAS:** Vedanta Group ESG learning platform reaching 1,00,000+ employees and business partners across the Group



BALCO’s expansion was not enabled by adding more people alone. It was enabled by making the workforce more skilled, more productive and future-ready, digitally.

Leadership for the next phase

Building a stronger, more inclusive pipeline for long-term continuity

The next phase of BALCO's growth will not be determined only by assets, technology and process excellence. It will be determined by the quality of leadership the organisation is able to build and by how inclusive that leadership pipeline becomes over time.

In FY2025–26, BALCO elevated 118 internal leaders into expanded roles and responsibilities. These elevations reflect a disciplined talent philosophy: identify early, develop systematically and provide substantive accountability. They are not merely promotions; they are investments in institutional continuity and future performance.

Leadership pipeline at a glance

118	18	100%	30%	4.8/5
Leaders elevated	Critical leadership roles	Succession coverage	Diverse succession pool	Rise & Shine effectiveness score

All 18 critical leadership positions carry formal succession plans across three horizons: immediate readiness, one to two years, and three to five years. Readiness is reviewed quarterly. High-potential employees are supported through Individual Development Plans, structured

rotations and cross-functional mentoring. BALCO's flagship programme, Rise & Shine, supports 30 high-potential managers through a six-month leadership journey built for decision-making, ownership and future readiness.

Diversity as a pipeline

BALCO's DEI story is strongest when read as a leadership story. In FY2025–26:

- women represented 7.31% of the overall workforce
- 19.6% of permanent employees
- 24% of management

- 26% of identified high-potential employees
- Even more importantly, permanent women employees increased from 163 in FY2021-22 to 326 in FY2025-26 — a 100% rise over five years. This shows that the pipeline is being built with intent, not symbolism.



Inclusion in action

- Quality by HER:** 6 women placed in critical quality-assurance roles, 41% diversity in hiring
- Super Women EXCO:** senior women leaders as sponsors and role models
- Women Achiever of the Year Awards**
- Self-defence training:** 60+ women trained
- Parenthood, Work from Home and Gender Reaffirmation policies** in place

BALCO also extended inclusion beyond gender through one of the more progressive LGBTQ+ frameworks in Indian manufacturing. Employees undergoing gender transition receive 30 days of paid leave post-surgery and ₹2 lakh of medical reimbursement under the Gender Reaffirmation Policy. Twelve gender-neutral washrooms are being developed across campus. Pride Month engaged 500+ employees and business partners, while sensitisation efforts reached 45 villages and over 5 lakh community members.

A Company those places women in 26% of high-potential roles today is in other words shaping one of the sector's most diverse future leadership cohorts.

The culture that sustains performance

Engagement, recognition and well-being as drivers of retention

Strong organisations do not retain people through compensation alone. They retain people through trust, fairness, visibility, recognition, health, belonging and purpose. BALCO's employee experience in FY2025–26 reflects sustained investment across each of these dimensions.

Employee satisfaction stood at 82%, while voluntary attrition remained at ~ 5% for the third consecutive year, significantly below broader industry levels. Thirteen-plus external HR awards and a CII benchmark score in employee engagement further reinforce BALCO's standing as an employer of choice within its operating context.



The experience architecture

Connect	Recognise	Protect	Energise
CEO Townhall, Coffee with CHRO, Young Talent Meet, Diversity Meet, VLDP Meet	Instant Cash Honour vouchers, production incentives, retention bonus, ESOP eligibility	PF, gratuity, PRMB, medical, accident and term insurance	Sports, yoga, wellness sessions, preventive healthcare, mental wellness programmes

Leadership connect and culture in action

BALCO sustains engagement by giving people direct access to leadership and by turning the workplace into a community. FY2025–26 engagement platforms included CEO Townhall, Coffee with Chief Human Resources Officer (CHRO), Young Talent Meet, Diversity Meet, Value Champion Meet, Lateral Hire Meets and Vedanta

Leadership Development Programme (VLDP) Meet. Signature events such as Family Drive 2025, Summer Camp, Blood Donation Drive, Pride Month and Republic Day celebrations reinforced a sense of shared identity that extends beyond the plant gate.

Well-being as an operating priority

BALCO’s well-being framework rests on three priorities:

1. Financial security

Provident Fund, gratuity, post-retirement medical benefit, group term and accident insurance, medical insurance, monthly production incentive, ESOPs and retention bonus.

2. Preventive healthcare

Comprehensive health checks, bone health screening, eye camps for 300+ employees including drivers and crane operators, HPV vaccination for on-roll and off-roll women employees, specialist consultations and early-intervention support.

3. Physical and mental fitness

VDHM Half Marathon leadership, BALCO Premier League, football, badminton, volleyball, Zumba, Yoga Day observance, time management and anxiety management workshops, C.A.P.S. development, and purpose-based mental wellness sessions.



Human capital beyond the factory gate

BALCO’s people contribute not only as employees, but as citizens. In FY2025-26, 379 employees and 89 business partners contributed 300+ man-hours to community service. Programmes such as Wish Tree, Science Mitras,

Nikshay Mitra, Shiksha Sahayogi, Let’s Do Ropai, Mission Green and Birthdays at Nandghar show how BALCO’s human capital extends into education, health, environment and inclusion.

BALCO’s low attrition is not the result of one policy. It is the accumulated outcome of every recognition, every leadership conversation, every wellness intervention and every sign that people matter here.

Forging the next phase

Human capital priorities for FY2026–2030

BALCO’s people agenda for the years ahead is shaped by three structural realities.

First, low-carbon aluminium will require new technical and behavioural capabilities.

Second, digital systems are changing the way a smelter learns, operates and decides.

Third, competition for industrial talent will intensify. The organisation that delivers BALCO’s 2030 ambitions will therefore need to be stronger in safety, broader in leadership depth, sharper in digital fluency and more inclusive in its talent pipeline than ever before.

Forging tomorrow: people priorities

Pillar	Priority	Specific commitments
 Strength	Safety & capability	Sustain zero fatalities as an absolute standard; reduce LTIFR below 0.32 on a sustained basis; expand CRM to all project-zone activities; drive productivity to 145 MT/man and beyond; deepen frontline technical training with ALAISA across more domains
 Scale	Leadership & digital	Elevate 150+ leaders annually; expand critical-role succession from 18 to 25 positions; scale Darwinbox to 40+ e-learning modules; extend ALAISA to more safety-critical domains; grow WILP academic partnerships
 Sustainability	Inclusion & retention	Reach 30% women in management by FY2030; maintain 30%+ diversity across succession pools; complete 12 gender-neutral washrooms; extend LGBTQ+ sensitisation; drive engagement above 85%; maintain attrition below 6%

These priorities are not standalone HR targets. They are business capabilities in people form. Safety capability protects life and uptime. Leadership depth protects continuity. Digital learning protects competitiveness. Inclusion protects the quality of future decision-making. Engagement protects retention and discretionary effort. Together, they form the human architecture of BALCO’s next phase.

The people of BALCO are the strategy in motion shaping safer operations, stronger performance and a more sustainable future, one shift, one decision and one milestone at a time.





Social and Relationship Capital



Material Topics:

- Community Development & CSR
- Health & Well-being
- Education & Skill Development
- Women's Empowerment
- Stakeholder Engagement
- Supply Chain & Value Chain

SDGs Covered



Stakeholders Impacted

- Communities: Development & well-being
- Customers: Reliability & quality
- Government: Policy & partnerships
- NGOs & Civil Society: Collaboration
- Suppliers: Responsible sourcing
- Investors: Social licence & ESG

Capital Linkages

- Human Capital: Employees as community contributors
- Natural Capital: Community water & environment
- Financial Capital: CSR funded by profitability
- Intellectual Capital: Digital tools in community delivery
- Manufactured Capital: Local

The community bond

Relationships sustaining Strength, Scale and Sustainability

BALCO CSR vision

"To empower and support communities specially neighbourhood communities in achieving greater economic and social well-being."

At BALCO, progress has never been a standalone industrial ambition. It unfolds in constant conversation with the people, places, and relationships that surround us. As BALCO grows, the communities around us grow—because our operations, workforce, and future are deeply interwoven with theirs. This shared progress builds trust naturally, strengthens local ecosystems, and ensures that expansion reinforces, rather than disrupts, the social fabric. Social and relationship capital is not a separate commitment at BALCO; it is the thread that runs through how we work, decide, and grow.



CSR philosophy

BALCO's CSR philosophy is rooted in a human life-cycle approach designing interventions that address a community member's needs from early childhood through youth, adulthood and beyond, creating a continuum of impact rather than isolated projects. We are committed to the principles of sustainable development, protecting human life, health and environment, ensuring social well-being and bringing prosperity to the communities. We have a well – established history and commitment to reinvest in the social good of our neighbourhood

and nation. We believe that as a socially responsible entity our programs are aligned to community needs, national priorities and the United Nation's Sustainable Development Goals. Programs are co-designed with communities through triennial need assessments, delivered in partnership with government agencies and civil society organisations, and audited annually through third-party reviews, concurrent audits, VSAP assessments and GRI assurance





Our approach

BALCO CSR works towards a larger goal of creating enduring value for the communities it works in. Towards that end, we undertake various community programmes as part of our Corporate Social Responsibility (CSR) across various thematic areas i.e., Education, Sustainable Livelihoods, Health, Water & Sanitation, Women's Empowerment, Environment & Safety, Sports & Culture, and Community Asset Creation including community development. Our CSR projects are carried out in partnership with the Government, local communities, and various NGOs.

Transparency and accountability form the core of our corporate governance practices and are achieved through strong systems and processes that are regularly reviewed and revised as per our CSR policy. For evaluating our CSR efforts, a third-party needs and impact assessment is being conducted once every three years to chart the roadmap for community interventions and mid-course corrections, apart from regular monitoring mechanisms. During the year, the said assessment was conducted for CSR Projects by Indian Institute of Corporate Affairs (IICA).



Impact assessment highlights

Sustainable Livelihoods & Agriculture

Mor Jal Mor Maati

- **Strengthened Water Security & Irrigation** - The programme has significantly improved irrigation access, with ~67% beneficiaries reporting moderate to high improvement in water availability, enabling better crop planning and multi-cropping systems.
- **Shift to Productivity-led Agriculture** - Around 66% beneficiaries reported improved crop productivity and adoption of better farming practices, indicating transition from subsistence to market-oriented agriculture.
- **Livelihood Diversification** - Nearly 60% beneficiaries reported moderate to high gains in livestock and allied activities, contributing to additional income streams and nutritional security.
- **Capacity Building & Behavioural Change** - Over 65% beneficiaries demonstrated application of improved agricultural knowledge and decision-making, strengthening long-term sustainability.
- **Institutional Strengthening Farmer Producer Organisations (FPOs)** - Around 60% beneficiaries reported active to moderate participation in Farmer Producer Organisations (FPOs), improving collective bargaining, market linkages, and resource optimisation.
- **Income Enhancement & Stability** - Nearly 63% beneficiaries reported moderate to high improvement in income and livelihood stability, reflecting strong economic outcomes.
- **Enhanced Community Resilience** - Around 63% beneficiaries demonstrated improved resilience to climate and economic shocks, driven by integrated interventions.
- **Strategic Impact** - The programme reflects a holistic livelihood model integrating water, agriculture, livestock, and institutions, enabling sustainable rural transformation.



Vedanta Skill School

- **Enhanced Employability & Job Readiness** - The programme has significantly improved employability, with 61% of beneficiaries demonstrating moderate to high improvement in job readiness and skills application.
- **Growth in Self & Wage Employment** - Around 27.4% beneficiaries transitioned into self-employment, while others accessed local and external job opportunities.
- **Reduced Unemployment & Migration** - The intervention has contributed to reducing dependency on migration by enabling local livelihood opportunities.
- **Improved Confidence & Social Capital** - 70% Beneficiaries reported strong improvements in confidence, communication, and career awareness, strengthening long-term employability.
- **Strategic Impact** - The programme acts as a critical bridge between skill gaps and industry demand, with strong potential for scale and sectoral diversification.



Women Empowerment

Unnati

- **Economic Empowerment of Women** - Around 32% beneficiaries reported increased livelihood engagement, contributing to enhanced household income.
- **Improved Decision-Making & Agency** - Nearly 37% women demonstrated improved confidence and decision-making ability, indicating social empowerment.
- **Strengthened SHG Ecosystem** - Increased participation in SHGs and community institutions has enhanced financial inclusion and collective action.
- **Livelihood-led Empowerment Model** - The programme has enabled women to transition from passive participation to active economic contributors.
- **Strategic Impact** - High social multiplier effect, with benefits extending to household welfare, education, and health outcomes.



Health, Nutrition & WASH

Arogya & Mobile Health Van

- **Improved Access to Healthcare** - 91% beneficiaries reported improved access and timely availability of healthcare services, with 69% noting increased availability of medicines.
- **Reduction in Healthcare Expenditure** - Households reported monthly savings of ₹100-₹500, reducing out-of-pocket expenses.
- **Improved Awareness & Preventive Healthcare** - 43.8% beneficiaries reported reduction in illness episodes, indicating improved primary healthcare access.
- **Last-Mile Service Delivery** - MHV has played a critical role in bridging accessibility gaps through doorstep healthcare services. 62% beneficiaries reported improved frequency of healthcare visits, reflecting better service outreach.
- **Strategic Impact** - Strong preventive healthcare model, reducing disease burden and improving access and affordability.



Nayi Kiran

- **Behavioural Transformation in MHM** - 36.9% beneficiaries reported high improvement in menstrual hygiene awareness and adoption.
- **Breaking Social Stigma** - 32.3% beneficiaries reported high reduction in taboos and stigma, indicating behavioural transformation.
- **Improved Hygiene Practices** - 36.2% beneficiaries reported increased confidence among women and girls.
- **Strategic Impact** - A behaviour change-led intervention, creating long-term improvements in health and gender equity.



Education Initiatives (Connect / Nand Ghar)

- **Improved Learning Outcomes** - Around 37.5% students reported high academic improvement, with reduction in learning gaps.
- **Enhanced Career Awareness & Aspirations** - Around 38.8% beneficiaries reported increased readiness for competitive exams and future opportunities.
- **Improved Confidence & Communication** - Over 36% beneficiaries showed improvement in soft skills and confidence.
- **Strengthened Early Childhood & Nutrition (Nand Ghar)** - Around 38-40% beneficiaries reported improvements in nutrition, ECCE, and Anganwadi access.
- **Strategic Impact** - High long-term human capital returns, with intergenerational benefits.



Infrastructure & Community Development

- **Improved Access to Basic Infrastructure** - Around 42% beneficiaries reported high improvement in access to water, sanitation, and roads.
- **Enhanced Mobility & Connectivity** - Nearly 39% beneficiaries experienced improved connectivity, enabling access to services and markets.
- **Improved Quality of Life** - Around 41% beneficiaries reported overall improvement in living conditions.
- **Strengthened Community Cohesion** - Increased participation and utilisation of community assets.
- **Strategic Impact** - Acts as a strong enabler across all thematic interventions.



Animal Welfare

- **Reflective Collar Drive** - Implemented initiatives to improve visibility of stray animals, reducing accident risks in communities.
- **Community Awareness Sessions** - Conducted awareness programmes promoting responsible animal care and coexistence.
- **Dog Vaccination Drives** - Supported vaccination drives to prevent zoonotic diseases and improve public health outcomes.
- **Strategic Impact** - Contributes to community safety, disease prevention, and humane animal care practices.



Overall Impact Summary

- 74.2% beneficiaries reported increased awareness and knowledge
- 67.4% beneficiaries reported improved economic conditions
- 40%+ beneficiaries across themes reported high impact outcomes
- Demonstrates a clear shift towards:
 - › Improved income and livelihood security
 - › Enhanced service access
 - › Behavioural and social transformation



Social Return on Investment (SROI)

- 34.2% beneficiaries reported income increase of C500-C3,000/month
- 18-20% beneficiaries reported cost savings of C100-C500/month
- 25.6% beneficiaries reported time savings of 1-3 hours/week
- 33.8% beneficiaries expect benefits to sustain for 1-3 years
- 63.4% willing to engage in future programmes





Overall SROI: ₹2 - ₹4 social value generated for every ₹1 invested

The assessment highlights that BALCO's CSR interventions are strategically aligned, impact-driven, and delivering measurable socio-economic outcomes. The integrated approach across livelihoods, health, education, and infrastructure has created a multiplier effect, driving sustainable and inclusive community development.



CSR overview FY2025-26

In FY2025-26, BALCO reached 1.8 lakh CSR beneficiaries, investing ₹ 23.20 crore in community programmes. BALCO's CSR umbrella reflected the scale and depth of community progress woven into our day-to-day presence. Education initiatives reached over 1900 learners, spanning school students, competitive exam aspirants, and more than 7,200 mothers and children through integrated learning and early-childhood development programs. Sustainable livelihood efforts enabled nearly 9420 farmers and over 1,202 youth, strengthening incomes and employability through agrarian resilience and skill development. Health, water, and sanitation interventions touched more than 1.37 lakh people, expanding access to primary healthcare, preventive services, and continuous medical support. Women's empowerment programs

strengthened 561 Self Help Groups (SHGs) engaging over 6,000 women, fostering confidence, economic participation, and leadership at the grassroots. Sports, culture, and youth development initiatives engaged over 1,200 youth & artisans, while community infrastructure and safety programs benefited close to 9,000 people, reinforcing everyday well-being and preparedness. Extending care beyond human communities, animal welfare interventions supported over 1600 animals, and extended efforts around Barra Coal block, in Raigarh impacting over 7,500 community members. Together, these initiatives underline a simple truth: as BALCO progresses, the communities around us progress—naturally, collectively, and sustainably.



Thematic Area	Project	Indicator	Unit	Achieved FY'26}
Sustainable Livelihoods	Mor Jal Mor Maati	Farmers Benefitted	No.	9,420
		Fruit Orchard (Wadi) Development	No.	250
		Artificial Insemination (Breed Improvement)	No.	602
	Vedanta Skill School	Youth Skilled	No.	1,202
		Youth Placed	%	82
Women's Empowerment	Unnati	Self Help Groups (SHGs)	No.	561
		Women associated in SHGs	No.	6,003
		Economically Engaged Women	No.	2,259
Health	Arogya & Sanitation	People Benefitted	No.	93,942
	Mobile Health Van	People Aailed Services	No.	26,500
	Balco Medical Centre	People Benefitted	No.	17,290
Education	Connect, Coaching & Other Initiatives	Students Benefitted	No.	1934
	Nand Ghar	Children & Mothers	No.	7,226
Community Assets Creation	Infrastructure Development	People Benefitted	No.	7,000
Community Development	Barra Community Devp. Program	People Benefitted	No.	7,500
Other Initiatives	Safety & Sports	People Benefitted	No.	3168

At a glance

1,80,482

CSR beneficiaries FY2025-26

₹ 23.20 cr

CSR spend FY2025-26

16

SDGs addressed





CSR footprint trend

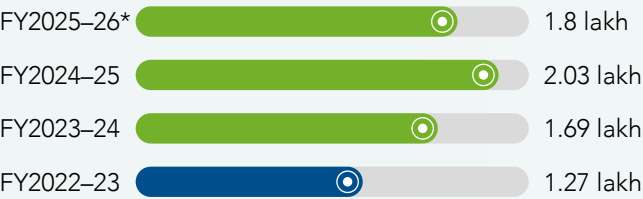
CSR expenditure (₹ Cr)



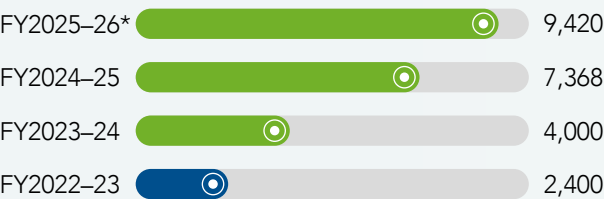
Women benefited



CSR beneficiaries



Farmers benefited



Well-being as an operating priority

Inputs

CSR investments, employee volunteering, long-term community partnerships, collaboration with local government institutions, and NGO expertise

What BALCO Builds

Integrated healthcare delivery networks, inclusive education ecosystems, agriculture-based livelihood opportunities for farmers, skill development and employability platforms for youth, women-led Self-Help Groups (SHGs), durable community infrastructure, and responsive grievance-redressal mechanisms

Outputs Delivered

~1.8 lakh beneficiaries reached in 2026 across education, health, livelihoods, women’s empowerment, safety, and community development initiatives

Value Created

Healthier and more resilient communities; improved learning, skills, and employability outcomes; enhanced farmer incomes and rural stability; greater economic agency for women; a steady, locally anchored talent pipeline; and enduring institutional trust with communities, government bodies, and regulators—creating a stable, enabling environment in which BALCO can operate and grow over the long term

At BALCO, social and relationship capital goes beyond the regulatory obligation to reflect the accumulated trust, strong networks and resilient communities that make our growth meaningful. A 1 MTPA expansion in Korba succeeds because communities support it, knowing well that this progress also has them in the scope.

Building the communities around the plant

A comprehensive programme architecture rooted in local need

BALCO’s communities are partners in a shared development journey with their own aspirations, constraints and capabilities, which the Company is committed to understanding, respecting and addressing. Every three years, a structured community need assessment using baseline surveys, socio-economic profiling, Participatory Rural Appraisal (PRA) tools and consultation with Panchayati Raj Institutions establishes the factual foundation for programme design. Between formal cycles, continuous field engagement, feedback mechanisms and implementation partner reviews ensure adaptability.

The resulting programme architecture covers the full spectrum of human need: from the earliest years of life through Nand Ghar and Anganwadi support, to youth education through Connect, to working-age livelihood through Mor Jal Mor Maati and Vedanta Skill School and Coaching Programs, to women’s independence through Unnatti, to healthcare through BALCO Medical Centre (BMC) and Arogya and Mobile Health Van. Animal welfare initiatives extend BALCO’s circle of care beyond the human community to the broader ecosystem.



CSR programme architecture

Thematic area	Key programme(s)	What it delivers
 Health, Water & Sanitation	BALCO Medical Centre (BMC), Arogya, Mobile Health Van (Aarogya Saarthi), Sulabh Shauchalya (Community Sanitation)	State of the Art Cancer Care Facility 170 bedded Facility 17000+ People served Cancer care (Medical Oncology, Surgical Oncology, Radiation Oncology, Mobile Cancer Detection Van, Cancer Awareness in communities,
		45 Areas Preventive & Curative Healthcare 65 Anganwadi Centers Covered, Reaching 1.3 lakh people Annually Improved Health Seeking behaviors Primary Healthcare Services via 3 Rural Health Posts, Maternal and Child Health (Malnutrition & Anemia), HIV Awareness, TB & Deaddiction Awareness,
		2 Mobile Health Vans (MHV) Fortnightly Visits to 70 Villages 120 Stops 26500 people served Mobile Health Vans, Doorstep Healthcare Services, Specialized Services (Mega Camps, Physiotherapy, Gynecology etc., Health Screenings & Awareness Camps, Home Visit & Referrals, Assistive Devices



Thematic area	Key programme(s)	What it delivers
 Education	Connect, Vidyapeeth Coaching Program, Nand Ghar, Support to School	2 Coaching Centres Free Coaching for CGPSC & CGVYAPAM (Government Exams) Expert Faculty 300+ Aspirants Trained Annually 84 Aspirants selected for Government Exams - Regular Test Series - Digital Classrooms - Library Facility 111 Nandghars 7000+ Mothers & Children - Early Childhood Care & Education (ECCE) - Infrastructure Upgradation - Maternal & Child Health - Capacity Building of Frontline Workers Quality education access, digital learning infrastructure, school support across communities- 450+ Students benefitted
 Sustainable livelihoods	Mor Jal Mor Maati (MJMM), Vedanta Skill School	40 Villages 9000+ Farmers 3600+ Acres of land under cultivation 203 Water Structures 2 Livestock Development Centres (LDC) Vedanta Agriculture Resource Centre (VARC) - Water Management (Creating water structures) - Sustainable Agriculture (SRI, Vegetable cultivation, Multi-cropping, Climate Resilient cropping) - Livestock Development (Als, Poultry, Fish & Goat Farming, Animal Health Camps) - Livelihood Diversification (Wadi, Lac cultivation etc.) - Farmer Producer Organization (FPO) Development Vedanta Skill School 3 Centers Residential Facility 7 NSDC certified Trades 75 Placement organizations, 11 States Annual CTC ~₹ 1.8 - 2.8 lacs - Skill Building- 1200+ Youth Annually - Placement- 100% Opportunity Convergence- Government & Private Partnerships Placement Tracking- 1 Year
 Women's empowerment	Unnatti	45 Villages 561 Self Help Groups (SHGs) 6003 Women 7 Micro Enterprises 2259 Economically Engaged Women - Capacity Building of SHGs - Skill Building- Micro Enterprises - Sustainable Collective body (Unnatti Mahasangh) Promoting Entrepreneurs (Nano Enterprises)

Thematic area	Key programme(s)	What it delivers
 Community Development	Community Infrastructure Development, Barra Community Development Program	18 Community Structures created (4 Community Halls, 2 Community stage, 12 Community Toilets (YTD- 99 Structures created & renovated) - Creation of Community Halls, Children's Park, Community Toilets, Community Stages - Road & Drain Construction - Renovation of Government Schools, Anganwadi Centers etc. & other Need Based Infrastructures
 Environment & Safety	Road & Fire Safety Awareness sessions, Animal Welfare (Cattle Care)	1600+ Animals supported 80 Safety Trainings - Road, Home & Fire Safety sessions - Cattle Care & Rescue Promoting Animal care (Reflective Collar belt, Vaccination & Feeding drives)
 Sports & Culture	BALCO Archery Program- LakshyaVed, Kosa Silk Promotion	BALCO Archery Program sessions at 29 Schools 1200+ Students screened 70 Qualified Trials - Selection & Training of Aspiring Archers - Archery Academy (Sports Infrastructure) - Participation in State/ National Archery Tournaments 70 Artisans Mapped Brand & Website (KosaKari) launched Handloom Training Centre www.kosakari.com - Enhancing Kosa silk weavers Capacity - Creating Kosa Silk Awareness - Platform for Weavers & Artisans - Market Linkage & Exposure (Trade Fairs)





Health that reaches, heals and prevents

World-class care at the centre; last-mile delivery at the edge

Healthcare is the clearest measure of how an industrial enterprise values the communities around it. In FY 2025–26, BALCO delivered healthcare where it matters most—at the doorstep, at scale, and with measurable outcomes.

Through the Arogya programme, **93,442 people** accessed preventive and curative primary healthcare services. Three Rural Health Posts treated **4,799 OPD patients**, while focused maternal and child health interventions screened **3,340 children**, achieving **95% recovery** among identified malnourished cases. Anaemia screenings of **2,310 women** led to measurable improvement in **92%** of identified cases through nutrition counselling and local-food-based interventions.

Disease prevention and awareness reached populations at risk and at scale. HIV awareness initiatives covered **over 37,000 people**, including high-risk groups, all **35-government high and higher secondary schools** in Korba block, and trained youth changemakers. **TB awareness touched 27,000+ people**, alongside direct nutritional support to patients under the Nikshay Mitra initiative. **De-addiction efforts** engaged every government secondary school and catalysed community-led action groups towards addiction-free environments.



Last-mile access was strengthened through two Mobile Health Vans serving **70 communities**, reaching **26,500 people** with OPD, diagnostics, physiotherapy and gynaecology services. Multi-speciality health camps, seasonal awareness drives and assistive device distribution further closed healthcare access gaps.

Anchoring BALCO's healthcare continuum, **BALCO Medical Centre (BMC)**, Central India's premier tertiary oncology facility, delivered **98,787 OPD consultations, 2,800 surgeries, 16,891 chemotherapy sessions** and **1,635 radiotherapy treatments** in FY26. Furthering its commitment to accessible healthcare, **17,290 patients** received support through BALCO CSR-backed initiatives, strengthening access to quality cancer care and improving health outcomes across underserved communities

From primary care to tertiary excellence, BALCO's healthcare model delivers **access, affordability and outcomes—where communities live, not where systems end.**



Healthcare delivery system

Programme	Scope	FY2025–26 scale
BALCO Medical Centre (BMC)	World-class oncology care with advanced diagnostics, comprehensive treatment and community outreach	BALCO Medical Centre (VMRF) provided healthcare services to 98,787 OPD patients during the year, including approximately 2,800 surgeries, 16,891 chemotherapy sessions , and 1,635 radiotherapy treatments . Additionally, 17,290 patients received support under BALCO CSR-backed healthcare initiatives.
Mobile Cancer Detection Van	Early diagnosis and screening camps across Central India	75+ screening camps and health awareness programmes
HPV Vaccination Drive	Cervical Cancer Elimination Day of Action; preventive healthcare for women	Launched FY2025-26; extends preventive cancer care beyond the campus
Arogya & Mobile Health Van (Aarogya Saarthi)	Primary healthcare: 2 mobile health vans, 70 communities, 3 Rural Health Posts, OPD services	28,000+ OPD individuals; anaemia screening for 2,310 women; 75% improvement rate
F-ICTC (Chhattisgarh's first)	Corporate-led Facility-Integrated Counselling & Testing Centre	First of its kind in Chhattisgarh, extends HIV/infectious disease care to communities

Livelihoods and women's empowerment

Building economic self-reliance at every stage of life

Development that succeeds only within factory walls fades the moment operations pause. True impact lies in building communities that can thrive independently. BALCO's social investments are rooted in this belief—moving beyond welfare to create systems of **self-reliance, resilience, and sustained economic participation.**

Through **Mor Jal Mor Maati**, BALCO has strengthened rural economies by securing water, modernising agriculture, and building farmer-owned institutions. Farmers have moved from rain-dependent survival to climate-resilient, market-linked production—lowering costs, increasing incomes, and enabling year-round livelihoods. By pairing irrigation infrastructure with modern practices and a thriving **Farmer Producer Organisation (FPO)**, agriculture has been transformed from subsistence to enterprise.

Vedanta Skill School addresses the other side of the livelihood equation—employability. By equipping rural youth, women, and marginalized communities with industry-relevant skills and linking them to national employers, the program converts aspiration into opportunity. Its focus on placement, entrepreneurship, and life skills ensures that learning translates into economic mobility.

Women's economic leadership is anchored through **Unnatti**, where collectivization, enterprise development, and market access enable women to move from informal participation to formal ownership. From SHGs to federated enterprises and indigenous value chains like Kosa silk, women are becoming producers, entrepreneurs, and decision-makers in the local economy.

Together, these initiatives reflect a single intent: **to ensure that prosperity does not stop at the plant gate but circulates through households, farms and enterprises—enduring well beyond any one operation.**



Livelihood, education and women’s empowerment programmes

	Focus Area	FY 2025–26 Reach & Impact
Mor Jal Mor Maati (MJMM)	Water security, sustainable & climate-resilient agriculture, livestock, NTFP livelihoods, farmer collectives	9,420 farmers across 40 villages ; 1,400+ acres under assured irrigation; 67 water assets created; 50% avg. income increase ; 25–30% cost reduction ; KKUPCL FPO turnover ~16 lakh
Vedanta Skill School	Industry-aligned vocational training & youth employability	1,202 youth trained across 3 centres ; 82% placed/entrepreneurs ; 61% women , 59% SC/ST ; 75 employer partners across 12 states
Unnatti — Women SHGs	SHG formation, enterprise development, financial inclusion & entrepreneurship	6,003 women across 561 SHGs ; C1.11 Cr cumulative savings ; 600+ women engaged in 7 collective enterprises ; C0.20 Cr revenue ; 104 women running nano-enterprises
Unnati Utsav	Women’s leadership recognition & community celebration	800+ community women & employees participated; 15 women achievers felicitated; launch of first women’s magazine ‘Srishti’
Kosa Silk Art Initiative	Indigenous livelihoods, artisan skill upgradation, market linkage	Kosa Weaving Training Centre established ; 20 women artisans trained ; launch of ‘KosaKari’ brand & digital platform, 50 Artisans mapped in Supply Chain

A woman who leads a self-help group, earns her own income, and sends her children to a Nand Ghar is not merely a beneficiary of CSR. She represents BALCO’s belief that true development is built on self-reliance and human capability—forms of progress that neither industrial expansion nor infrastructure alone can create, but which ultimately define a community’s resilience.

Education – building foundations for lifelong opportunity

Education is fundamental to breaking cycles of poverty, improving social mobility, and building resilient communities. Recognizing this, BALCO’s education interventions focus on strengthening learning outcomes across the life cycle—from early childhood development to academic support and youth preparedness for employment.

Nand Ghar, a flagship initiative of Vedanta under the Anil Agarwal Foundation in partnership with the Ministry of Women and Child Development, addresses the critical early years of learning. By upgrading Anganwadis into safe, technology-enabled spaces, the programme integrates BALA-based experiential learning, digital education, sanitation, safe drinking water, and nutrition support, creating a comprehensive ecosystem for children and mothers. During the year, **111 Nand Ghars across Korba district reached 7,226 children and mothers, with 800+ children enrolled in structured pre-school education, marking a 75% increase in**



participation. Capacity-building of **222 Anganwadi workers and helpers strengthened Early Childhood Care and Education (ECCE) delivery**, while targeted health and nutrition interventions improved outcomes for malnourished children, complemented by nutrition awareness initiatives and Poshan Badis.

To support the transition from education to livelihood, BALCO established two free coaching centres in Korba and Kawardha to prepare youth for government employment through State Civil Services Exams (Chhattisgarh Public Service Commission [CGPSC] and Chhattisgarh Vyavasayik Pariksha Mandal [CGVYAPAM]).

Supported by expert faculty, these centres enabled 84 aspirants to qualify across 96 government examinations, including defence, teaching, and state civil services, opening pathways to stable and dignified careers.

These efforts were further reinforced through digital classrooms in four government schools, benefiting 400+ students, and remedial education support for 50 school dropouts, ensuring learning continuity and retention.

Together, BALCO’s education initiatives reflect a strategic investment in human capital—strengthening foundations, expanding aspirations, and enabling individuals to shape sustainable futures for themselves and their communities.

Programme impact overview (FY 2025–26)

Programme	Focus Area	FY 2025–26 Reach
Nand Ghar	Early childhood education, nutrition, Early Childhood Care and Education (ECCE), maternal & child health, Anganwadi training & pedagogy	111 centres; 7,226 children & mothers; 800+ pre-school learners, 222 Anganwadi workers & helpers trained
Coaching Programmes	Government exam preparation & youth employability	84 aspirants cleared 96 government exams
Digital School Support	Digital learning & remedial education	400+ students (digital classrooms); 50 dropouts supported
Co-curricular Interventions	Holistic student engagement	200+ students across 8 schools

Community assets & social development initiatives

BALCO’s community development approach focuses on building safer, stronger, and more inclusive living environments beyond economic interventions. During the year, investments in **community infrastructure**—including toilets, halls, and common stages—benefited over **7,500 people**, improving sanitation, accessibility, and shared social spaces. This was complemented by a strong emphasis on **community safety**, with structured road, fire, and home safety trainings reaching **1,900+ community members and students**, fostering preventive awareness from an early age. Extending care beyond people, **animal welfare initiatives** enhanced

community safety and compassion through preventive vaccination, reflective collar drives for stray animals, and on-ground rescue support for cattle. In parallel, BALCO **promoted sports and youth development** by launching a grassroots archery programme across local schools, identifying and nurturing young talent and creating pathways for discipline, confidence, and long-term achievement. Together, these interventions reinforce BALCO’s commitment to holistic community resilience—where infrastructure, safety, welfare, and opportunity grow together.

Programme	Focus Area	FY 2025–26 Reach
Community Infrastructure Development	Toilets, community halls, common stages	12 toilets, 4 halls, 2 stages; 7,500+ people benefited
Community Safety	Road, fire & home safety awareness	80 trainings; 1,900+ community members & students
Animal Welfare	Stray animal safety, vaccination & care	1,600 animals with collars; 100+ dogs vaccinated; 193 cattle supported
Sports – Archery Initiative	Talent identification & sports training	1,200+ students reached; 70 youth selected for training



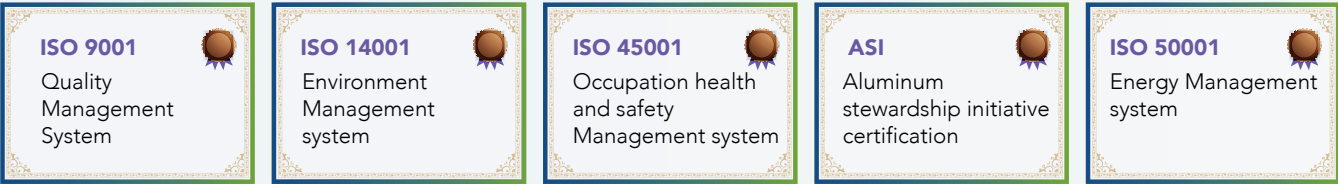
Employee Volunteerism:

- 468 employees & business partners
- 300+ volunteering man-hours
- 11 Employee Volunteering Initiatives

Awards & recognitions:

Award / Recognition	Category / Citation	Project/ Initiatives
FICCI CSR Summit & Awards 2025	Healthcare Excellence in Aspirational Districts	Project Nayi Kiran (Menstrual Health Management)
Integrated Health & Wellbeing Awards 2025	Enhancing Sustainable Livelihoods	Project Unnatti, Vedanta Skill School & Mor Jal Mor Maati
Think SO Impact Awards 2025	Contribution to Aspirational Districts	Sustainable Livelihoods & Women Empowerment (Project Unnatti, Mor Jal Mor Maati and Vedanta Skill School)
District Health Department Recognition	Blood Donation Drive	Public Health Contribution (Donation of 228 Units of Blood)
CSR Impact Root Awards	Community Development – CSR Program of the Year	CSR Leadership (Overall CSR Projects)
National Feather Awards 2026	CSR Education Programs	Education Excellence (Projects Nandghar, Balco Connect Coaching & School Programs)
8 th ICC Social Impact Awards 2026	Excellence in Skilling	Skill Development (Project Vedanta Skill School)
International Women’s Day Awards by Adani Foundation & Parsa East and Kanta Basan (PEKB)	Inspirational SHG Women Federation	Unnati Maha Sangh (UMS) Recognized for Women Empowerment
‘Didi Samman Samman Samaroh’ by Gadh Kaleva- District level Recognition	Women Federations contribution to Women Empowerment	Unnati Maha Sangh (UMS) Recognized for Women Empowerment
District Health Department Recognition	TB Awareness & Nikshay Mitra support	TB Mukht Bharat Contribution
National Water Efficient Award for Captive Power Plant, Council of Enviro Excellence.	ESG Awards	
IBAAS ESG Award.	ESG Awards	
Green Manufacturing Excellence Award.	ESG Awards	
19 th Environment Exceed Award.	ESG Awards	
National Waste Management Award for Excellence in Fly Ash Utilization, Council of Enviro Excellence.	ESG Awards	
National Waste Management Award for Excellence in Fly Ash Transportation and Logistics, Council of Enviro Excellence. Kalinga	ESG Awards	

Certificates



Stakeholder relationships as competitive advantage

BALCO’s stakeholder relation is a proactive exercise at value creation, an investment that pays dividends in operational continuity, regulatory goodwill and commercial depth.

The Grievance Redressal Mechanism with its dual streams for internal (employee) and external (community, contractor, supplier) grievances, overseen by a dedicated Committee ensures that concerns are heard, investigated

and resolved with transparency and timeliness. The Stakeholder Engagement Plan identifies key stakeholder’s department by department, specifying the mode, frequency and timing of engagement so that no relationship is managed through assumption. Community engagement is conceptualised, designed and evaluated in genuine partnership not through the lens of what benefits the Company, but through the lens of what develops the community.

Stakeholder relationship framework

Stakeholder	Engagement mechanism	Value delivered
Communities	Community Need Assessment (triennial), field visits, PRA tools, Grievance Redressal Committee	Evidence-based CSR design; fair, impartial and time-bound resolution of grievances
Government & regulators	CSR Committee with Board oversight, Directors' Report certification, policy alignment	Schedule VII compliance, national development alignment (SDGs, NDCs), Make in India
Suppliers & business partners	Local sourcing priority, supplier development programmes, responsible procurement standards	Supplier income security, local economic multiplier, supply chain resilience
Customers	Quality assurance, technical support, Value Added Products (VAP) customisation, long-term supply partnerships	Record wire rod production 231 KT; RESTORA-certified low-carbon aluminium for premium buyers
NGOs & civil society	Co-creation of CSR programmes, third-party need & impact assessments, collaborative delivery	Scalable, locally relevant interventions; independent verification of impact claims
Investors & ESG analysts	GRI, BRSR, VSAP, third-party CSR audits; transparent reporting on all 16 SDGs	Credible social performance record supporting ESG ratings and access to green finance



The value of these relationships becomes most visible in what they enable. The Environmental Clearance and first CTO for the 1 MTPA expansion was secured in a regulatory environment where community support, environmental credibility and stakeholder trust matter as much as technical specifications. The RESTORA certification for low-carbon aluminium was achieved partly

because the governance systems that underpin it — the audits, the reporting, the third-party verification — were already in place and functioning. Customer relationships that support record wire rod production of 230 KT are sustained by the operational reliability and quality standards that emerge from a stable, engaged workforce in a stable, trusting community.

Trust is built consistently over the years, well before it is needed. BALCO’s stakeholder relationships with communities, customers, governments and investors are the result of decades of consistent engagement.

Social and relationship capital priorities (FY2026–2030)

At BALCO, social responsibility and relationship capital are integral to the way the Company operates. They are embedded in governance, decision-making, and everyday engagement with communities and stakeholders. Social licence to operate is viewed as an earned outcome—built through consistent conduct, transparency and shared development. For the FY2026–2030 period, BALCO’s social agenda reflects this longstanding philosophy, aligned with evolving ESG expectations and governed with the same rigour applied to operational and financial priorities. As the Company

advances into its next phase of growth, the focus remains on ensuring that development is inclusive, responsible, and anchored in community well-being.

BALCO continues to position itself as a trusted stakeholder in the communities surrounding the Korba complex. Social performance is not treated as a compliance requirement, but as a core element of long-term value creation—driven by accountability, continuity, and sustained engagement.

Context and approach

BALCO’s social and relationship capital priorities are shaped by a changing operating environment marked by rising expectations around governance, transparency, and measurable impact.



Operational growth

including the planned 1 MTPA expansion, reinforces the need to strengthen community systems and partnerships developed over decades. Investments in resilience, infrastructure, and livelihoods are designed to ensure balanced and inclusive development.



Advancing ESG frameworks

are increasingly focused on assured, outcome-based disclosures. Accordingly, BALCO’s social interventions emphasise strong governance, clear metrics, and alignment with globally recognised standards.



Evolving community aspirations

around the Korba operations call for deeper engagement and participation. BALCO responds by fostering relationships grounded in dialogue, economic opportunities, and mutual trust.

This approach reflects continuity and discipline rather than change—rooted in the belief that long-term industrial success and community well-being are intrinsically linked.

Pillar	Focus	Key Commitments
Strength	Community trust and social licence	Strengthen grievance redressal with defined resolution protocols; conduct structured community need assessments; expand healthcare and livelihood outreach through Mor Jal Mor Maati, Unnatti, Skill School, BMC, Connect and Arogya; maintain independent third-party CSR audits
Scale	Livelihood, education and local economic participation	Expand farmer reach under Mor Jal Mor Maati; scale Vedanta Skill School with strong employability and placement outcomes; extend education infrastructure through Nand Ghar and Connect
Sustainability	Women’s economic independence and long-term social value	Grow SHG participation with enterprise-linked income models; scale the Kosa Silk artisan programme; design CSR interventions to build self-sustaining capabilities; integrate social performance metrics into GRI-assured ESG disclosures
Innovation	Aspirational and next-generation community development	Develop innovative social models such as a local sports ecosystem; promote structured archery and indigenous sports programmes to nurture youth talent, discipline, inclusion, and alternative development pathways

Integrated approach

These pillars are not standalone CSR commitments. Together, they form the social architecture that underpins BALCO’s long-term presence in Korba. Stable communities contribute to a stable workforce. Trusted relationships enable constructive regulatory engagement. Economically resilient and aspirational villages strengthen long-term acceptance of industrial scale.

As BALCO advances its next phase of growth, it continues to reinforce the community bonds and institutional trust that have long defined its operations. Social and relationship capital remains a core, enduring business asset—today and for the decade ahead.





Material Topics:

- GHG Emissions & Climate Strategy
- Energy Efficiency & Intensity
- Water Stewardship
- Waste Management & Circularity
- Biodiversity & Land Use
- Environmental Compliance

Stakeholders Impacted

- Communities: Water security & health
- Regulators: Compliance & reporting
- Investors: ESG risk & green premium
- Customers: Low-carbon certification
- Employees: Safe environment

Capital Linkages

- Manufactured Capital: Process efficiency reduces resource intensity
- Financial Capital: Efficiency lowers input cost
- Social Capital: Environmental stewardship builds trust
- Human Capital: Trained workforce drives compliance
- Intellectual Capital: Digital tools monitor environment

SDGs Covered



The resource stewardship imperative

Environment underpinning strength, scale and sustainability

It is water that cools the process and sustains the communities around it. It is land that bears the plant, the ash dykes and the green corridors that offset its footprint. It is the atmosphere that absorbs what cannot yet be eliminated, and the ecosystems that bear the consequence of industrial activity at scale. Natural capital is the operating environment that aluminium production depends upon and the one that BALCO is most responsible for managing.

In FY2025–26, BALCO recorded its best-ever environmental performance across multiple dimensions simultaneously. Water intensity fell to 0.37 m³ per tonne of aluminium which is an all-time low, surpassing the

previous best of 0.40 m³/Mt set in FY2024–25. Water recycling reached 17.9% which is the highest rate ever achieved, compared to 14.36% the prior year. Fly ash utilisation exceeded 100% for the year. 77,000 saplings were planted across campus, reclaimed ash dykes and community land, contributing to a cumulative total of ~ 8.9 lakh saplings since Vedanta’s acquisition in 2001. And the Company closed two outstanding environmental non-compliances that had been carried forward into the year.

These are structural improvements across water, waste, emissions and ecology happening simultaneously, in a year when the production platform was also expanding at the fastest pace in a decade.

At a glance

0.37 m³/MT Water intensity (best-ever)	17.9% Water recycling rate (best-ever)	100% Employee Fly ash utilisation	RESTORA Low-carbon Aluminium	300+ kWh/MT Energy saved via copper cathode
>77,000 Saplings planted FY2025-26	~8.9 lakh Cumulative saplings since 2001	33 EV forklifts replacing diesel	167 kt CO₂e Annual GHG reduction (copper cathode)	ISO 14001 Environmental management certified

How natural capital stewardship creates value

Inputs Water, energy, land, atmospheric capacity, bauxite, coal, carbon	What BALCO stewards ISO 14001 environmental management, TCFD-aligned reporting, water recycling, Fly ash valorisation, afforestation, EV transition	Outputs delivered 0.37 m³/Mt water intensity (best-ever), 17.9% recycling rate (best-ever), 99% Fly ash utilisation, RESTORA certification), 77,000 saplings FY2025-26	Value created Structural cost reduction, green premium access via RESTORA, regulatory trust, community water security, Net Zero pathway credibility
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Best-ever water intensity. Best-ever recycling rate. BALCO’s environmental performance in FY2025–26 demonstrates that responsible growth and operational expansion are not in conflict. They are, when managed with discipline, the same trajectory.

Climate leadership and carbon strategy

Forging a low-carbon industrial future

Aluminium production is carbon-intensive by the nature of the electrolytic reduction process. For primary producers, this is an inherited reality but it is not a fixed one. The competitive frontier in aluminium is moving toward producers who reduce their carbon intensity

fastest, who invest most intelligently in low-carbon technologies, and who can credibly demonstrate progress against science-aligned targets. BALCO is competing on this frontier.

The Company's carbon strategy rests on three pillars:



Process Decarbonisation: Reducing the energy and carbon consumed per tonne of aluminium through technology upgrades, operational excellence and materials innovation. The Recoverable Copper Cathode Relining design — a first in India, with a patent filed — reduces energy consumption by 300+ kWh per tonne and is projected to cut greenhouse gas emissions by 167 kt CO₂e per year. The 100% pot graphitisation completed this year delivers a further 300 kWh/Mt saving. These are not marginal adjustments; they are structural reductions embedded in the physical design of the smelter.



Fuel and Energy Transition: Replacing fossil-based inputs with lower-carbon alternatives. Biomass co-firing at the power plant partially substitutes coal. The planned commissioning of Serentica Renewables' RTC-basis green energy will displace Scope 2 grid black-power purchases. The transition of 33 diesel lmvs to EV is part of a broader fleet decarbonisation programme aligned with Vedanta's commitment to 100% LMV EV conversion by 2030. Increasing the share of rail transport for alumina and coal procurement and for outbound finished goods significantly reduces Scope 3 road-based emissions.



Decarbonisation initiatives

Decarbonisation Initiative	Mechanism	Scale / Status
Recoverable Copper Cathode Relining	100–130 mV CVD reduction; 300+ kWh/Mt energy saving	167 kt CO ₂ e/yr reduction; patent filed (first in India)
100% pot graphitisation	Thermal efficiency improvement reducing electrical losses	300 kWh/Mt energy saving across BALCO potlines
Biomass co-firing at power plant	Partial substitution of coal with biomass reducing GHG intensity	Reducing overall power plant emission footprint
Serentica Renewables (planned)	RTC-basis green energy replacing grid black-power purchases	Reduces Scope 2 emission footprint; green premium enablement
33 EV LMVs deployed	Diesel internal logistics replaced with electric vehicles	Aligned with Vedanta's 100% LMV EV conversion target by 2030
Rail transport shift (alumina & coal)	Increasing rail over road for inbound and outbound logistics	Significant reduction in Scope 3 road-based vehicular emissions



Certification and transparency: Securing independent verification of low-carbon performance that translates directly into commercial advantage. BALCO's RESTORA certification unlocks access to the premium green aluminium market, supports the London Metal Exchange (LME) brand registration process through the Aluminium Stewardship Initiative (ASI) Performance Standard pathway, and signals to global customers and investors that BALCO's environmental claims are independently verified.



BALCO's Net Zero 2050 target is not a pledge made for an annual report. It is a commercially rational destination for a Company that understands the direction of customer demand, investor expectation and regulatory risk and is already on the road.



Energy efficiency and water stewardship

Doing more with less — the operating discipline behind record resource performance

The most sustainable resource is the one not consumed. Before BALCO considers renewables, carbon offsets or certification programmes, it pursues the most direct path to improved environmental performance: using less of every input per tonne of metal produced. In FY2025–26, the results of this approach were exceptional across both energy and water.

Energy intensity on the total smelting process remained controlled at 13.7 MWh per tonne of aluminium despite a 3.7 kA current creep that increased amperage, and despite the ramp-up of a new Potline. Auxiliary energy consumption: the energy used in support systems, compressors, pumps and ancillaries, fell from 0.45 to 0.42 MWh/MT, an 8% improvement reflecting compressor load balancing, pump resizing, high-efficiency motor deployment and fill-less cooling tower operation. On water, the specific consumption of the metal operations fell to 0.37 m³ per tonne (7.5% below the previous best) while the recycling rate reached 17.91%, driven by enhanced cooling tower cycle-of-concentration management, Effluent Treatment Plant (ETP) reverse osmosis reuse, and improved Sewage Treatment Plant (STP)–treated water deployment for dust suppression and horticulture.

Energy and water performance

Efficiency lever	Initiative	FY2025–26 result
Smelting energy (SEC)	Pot graphitisation, advanced pot controllers, copper cathode relining, current creep discipline	Total SP AC stable at 13.7 MWh/MT; AUX power improved to 0.42 MWh/MT
Power plant efficiency	Annual unit overhauls; boiler-turbine optimisation; specific coal consumption reduction	Record PLF at 1,200 MW CPP; SCC improvement year-on-year
Water intensity	So, the line would read: Overhead fire line upgrades, Reverse Osmosis (RO)–treated water reuse, cooling tower Cycle of Concentration (COC) enhancement.	0.37 m³/Mt Al — lowest-ever (FY 2024-25 best: 0.40 m³/MT)
Water recycling rate	ETP (reverse osmosis), STP treated water for dust suppression and horticulture, water harvesting structures	17.91% — highest-ever recycling rate (FY 2024-25 best: 14.36%)
Rainwater harvesting	209015 cubic metres water credit from Rainwater harvesting structure under Mor-Jal-Mor-Mati around BALCO complex	Supports water positivity target by 2030

BALCO’s commitment to achieving net water-positive status by 2030 is built on two parallel tracks: reducing consumption (the ‘water debit’) and generating credits through rainwater harvesting and water treatment infrastructure. In FY2025–26, BALCO generated over ~200,000 cubic metres of water credit through rainwater harvesting structure under Mor-Jal-Mor-Mati project, and the development of over 23,000 cubic metres of new water harvesting structures in surrounding communities extended this contribution beyond the plant boundary.

Achieving a 7.5% reduction in water intensity while simultaneously improving recycling rates by 23 percentage points is the accumulated result of dozens of operational disciplines, all applied concurrently, all measured and improved upon each year.

Waste valorisation and the circular economy

Transforming industrial by-products into productive resources

The measure of a circular economy commitment is not what a Company says it will do with its waste. It is what it actually does. The tonnes diverted from landfill, the partnerships forged with industrial consumers, the governance systems that ensure accountability. At BALCO, waste management has evolved from a compliance function into a value-creation strategy.

Fly ash represents BALCO’s largest waste stream, generated at scale by the captive power plant. The ash utilization was achieved through a dense network of MoUs with cement manufacturers, partnerships with National Highways Authority of India (NHAI) for road construction and with mines for backfilling, and continued engagement with brick manufacturers. Dispatch of ash through closed-container bulkers to the cement industry was increased, reducing road contamination risk and improving logistics integrity. The Ash Control Tower, an AI-based real-time monitoring system for ash transportation and disposal, provides continuous visibility across the supply chain and the dykes are monitored 24/7 by solar-powered CCTV cameras feeding cloud-based analysis.

Waste management and circular economy

Waste stream	Management approach	FY2025–26 outcome
Fly ash	MoUs with cement companies, NHAI road construction, mines backfilling, brick manufacturing; high-concentration slurry disposal	100% fly ash utilisation; AI-based Ash Control Tower (ACT) monitoring
Hazardous waste (general)	Sent to Treatment, Storage & Disposal Facilities (TSDF); zero-landfill policy per Vedanta Group	Majority recycled/sold to authorised vendors; International Council on Mining and Metals (ICMM) aligned waste management standard
Ash dyke management	50 kW solar panels powering water recycling; solar-powered CCTV monitoring seepage; 100% GPS + AIS-140 tracking of ash transport vehicles	Dyke compliance maintained; live seepage monitoring; Integrated Waste Management Monitoring System (IWMMS) regulatory integration

Beyond fly ash, BALCO manages spent pot lining, shot blast dust, dross, and other process by-products through structured channels. All authorised recyclers, Treatment, Storage, and Disposal Facility (TSDF) facilities, or established industrial partnerships. The Company’s waste management standard is aligned with the International Council on Mining and Metals (ICMM) guidelines, and all hazardous waste streams are tracked and reported under the Vedanta Sustainability Assurance Programme. The ambition is not merely zero landfill. It is to treat every output as a resource in search of its next application.



Biodiversity, ecology and environmental compliance

Responsible land stewardship and the green corridor BALCO is building

Industrial operations take space. They reshape land, alter hydrology, create noise and air quality impacts, and leave a visible imprint on the ecosystems in which they operate. The question is not whether this impact exists; it is whether the Company holding that responsibility manages it with rigour, transparency and genuine commitment to improvement. At BALCO, the answer is visible in the 8.9 lakh trees planted since 2001, in the ash dykes being reclaimed into functioning ecosystems, and in the environmental compliance record that the Company has built through three decades of continuous operation.

FY2025–26 delivered 77,000 new saplings across campus greenbelt augmentation, gap plantation programmes

and afforestation of reclaimed ash dykes transforming what were industrial waste retention areas into green spaces supporting biodiversity. The comprehensive Biodiversity Risk Assessment completed in FY2024–25 aligned BALCO’s land management with the Taskforce on Nature-related Financial Disclosures (TNFD) framework and established the baseline for the Company’s No Net Loss commitment by 2050. The ISO 14001:2015-certified Environmental Management System, supported by Vedanta’s Sustainability Framework and periodic VSAP audits, provides the governance backbone that holds every operational parameter within regulatory and voluntary standards.

Biodiversity, compliance and ecology

Initiative	Focus	FY2025–26 scale / outcome
Afforestation programme	Gap plantation and greenbelt augmentation across campus and reclaimed ash dykes	77,000+ saplings planted; ~8.9 lakh cumulative since 2001; ash dykes transformed into thriving ecosystems
ASI Performance Standard v3.1	Aluminium Stewardship Initiative certification process; required for LME brand registration	Certification received; programme active in FY2025-26
Biodiversity Risk Assessment	Comprehensive assessment aligned with TNFD framework; No Net Loss commitment by 2050	FY2024-25 assessment completed; gap plantation and reclamation actions in progress
Noise reduction	State-of-the-art noise barrier system at 1,200 MW cooling tower	Noise reduction
Air quality management	Road-sweeping machines, water sprinkling tankers, AQI reduction equipment at Coal Gate and GAP road	30% reduction in AQI value at monitored points
Regulatory compliance	ISO 14001:2015 EMS; VSAP audits; Task Force on Climate-related Financial Disclosures (TCFD) and Taskforce on Nature-related Financial Disclosures (TNFD) reporting; Board-level ESG Committee oversight	Compliance to statutory guidelines ensured

BALCO’s Environmental Clearance for the expansion project was supported by the grant of the first CTO for the 1.275 LTPA Phase-I aluminium smelter clearing the regulatory pathway for the 1 MTPA growth programme.

Air Quality Index (AQI) reduction equipment at Coal Gate and the GAP road delivered a 30% reduction in measured air quality index values.

The 8.5lakh saplings planted since 2001 are the biological evidence of a long-term commitment to restoring what industrial growth has displaced: building a green corridor alongside the industrial one.

Forging a sustainable resource base

Natural capital priorities for FY2026–2030

BALCO’s natural capital agenda for the next five years is shaped by three converging forces.

First, the physical environment i.e. water availability, air quality and land condition is a direct enabler of the 1 MTPA production ambition: without resource security, operational expansion is not sustainable.

Second, customer demand for certified low-carbon aluminium is intensifying globally; RESTORA and

Aluminium Stewardship Initiative (ASI) certification are not optional credentials, they are commercial prerequisites in premium market segments.

Third, the regulatory environment is tightening. India’s climate commitments, the London Metal Exchange (LME’s) sustainability standards, and the expectations of ESG-focused investors are all moving in the same direction.

Forging Tomorrow: natural capital priorities

Pillar	Priority	Specific commitments
Strength	Emissions intensity reduction & energy efficiency	Reduce Scope 1+2 GHG intensity in line with Vedanta’s Nationally Determined Contribution (NDC) -aligned targets; advance copper cathode relining deployment; achieve auxiliary power below 0.40 MWh/MT; expand biomass co-firing share at power plant
Scale	Renewable energy integration & green aluminium	Commission Serentica Renewables RTC-basis green energy to displace grid black-power Scope 2 emissions; expand RESTORA certification as production scales to 1 MTPA; maintain ASI Performance Standard compliance for London Metal Exchange (LME) brand registration
Sustainability	Water positivity, circularity & Net Zero 2050	Achieve water positivity for all operational smelters business by 2030; maintain waste utilisation above 100%; alumina transportation through closed conveyor system to reduce transportation emissions; achieve No Net Loss of biodiversity by 2030; progress toward Net Zero target at 2050, aligned with Vedanta’s target versus Gol’s 2070 commitment

These priorities are environmental dimension of the business strategy. Water efficiency reduces cost. Energy efficiency reduces emissions and operating expense simultaneously. Waste valorisation converts a liability into a revenue stream. Certification opens premium market segments. Biodiversity management protects BALCO’s social licence in the communities and ecosystems within which it operates.

The best-ever water intensity, best-ever recycling rate, first RESTORA certification and 77,000 new saplings of FY2025–26 are not the ceiling of what BALCO will achieve. They are the floor from which the next phase of environmental performance will be built in a Company that understands that the natural world is not peripheral foundational to it.





Tailings management

Remote monitoring of Seepage at Ash Dykes through Solar Cameras, along with Drone & Satellite Based Surveillance enabling quick decision making and timely action to mitigate risk. Dam Safety inspection & Dam-break assessment studies conducted in regular intervals.



Way forward: Leverage AI-enabled Analytics for autonomous surveillance

Sustainable Fly ash utilisation for road construction through a partnership with NHAI & highest ever amount of ash utilised in mines/stone-quarry backfilling, cement industries and brick manufacturing. Fly Ash utilisation for BALCO remains at 100%.

Successfully generated revenue of INR 0.64 Cr through the sale of 98.70 MT of Cenosphere extracted from the ash dyke in FY'26. (Waste to Wealth).



Total 58 Nos (36 Old and 22 new) Piezometers have been upgraded to solar powered digital piezometer, providing live feed, each piezometer is being powered by a 40 W solar panel with a total installed capacity of 2.32 kW.



Installation of 50kW capacity Solar-panels to run pumps at BALCO Ash dykes for seepage water reuse & 100 water-sprinklers for fugitive emission control.



3 out of 7 Ash Dykes have been closed & reclaimed, with habitat restoration extensively carried out by vibrantly growing plantation as per statutes.



Profiles of Board of Directors



Mr. Sushil Kumar Roongta

Chairperson, Non-Executive Director

Mr. Sushil Kumar Roongta has been on the Board of the Company since 31st January 2012 and has served as the Chairman since 17th October 2014. He holds a BE (Electrical) degree from BITS Pilani and is a gold medallist in PGDBM (International Trade) from IIFT, New Delhi. He is also a fellow member of the All India Management Association. Mr. Roongta holds significant positions in various apex chambers, including being a Member of the National Executive Committee of FICCI and the National Council of ASSOCHAM. He is also a Jury Member for several prestigious awards, such as the LakshmiPat Singhania – IIM Lucknow Leadership Awards, BML Munjal Awards for Excellence in Learning and Development, ICWAI National Awards for Excellence in Cost Management, and AIMA Awards, among others. Mr. Roongta has received numerous accolades, including the SCOPE Gold Award for Excellence & Outstanding Contribution to Public Sector Management in the Individual Category for 2007-2008. He is the Chairman of the Corporate Social Responsibility Committee and a member of the Audit and Nomination & Remuneration Committees of the Board.



Mr. Rajesh Kumar Singh

Chief Executive Officer & Whole Time Director

Mr. Rajesh Kumar Singh, CEO & Director, BALCO, began his journey as a Graduate Engineer Trainee (GET) at BALCO. Mr. Singh holds a Bachelor's degree in Metallurgical Engineering from NIT Raipur (formerly known as GEC Raipur) and has over 28 years of experience. With his expertise in smelter operations and allied service areas, he has contributed significantly to the growth and transformation of the Company through his expertise in operations management, production excellence, process optimisation, capacity expansion, productivity improvement, industrial safety, digital transformation, and people leadership. Over the years, he has overseen end-to-end operations across key manufacturing and service functions while driving operational reliability, efficiency enhancement, and sustainable business growth.

Prior to joining BALCO, he worked with ISPAT Profiles India Limited, Pune, and Hindalco Industries Limited, Renukut. During his long-standing association with BALCO, he has held several key leadership positions, including Head – Pot Room, COO – Metal, IBU Deputy CEO – Metal, and CEO – Metal, before being elevated to the position of CEO & Director.

Under his leadership, the Company continues to focus on operational excellence, sustainable growth, digital innovation, ESG-led initiatives, safety, governance, and stakeholder engagement, while advancing towards future-ready and responsible growth aligned with Vedanta's vision and values.



Mr. Tarun Jain

Non-Executive Director

Mr. Tarun Jain has been a member of the Board of the Company since March 2, 2001. He is actively involved in several key committees, including the Audit, Nomination & Remuneration, and Finance Standing Committees. With over 40 years of extensive experience in corporate finance, audit and accounting, tax and secretarial practice, and strategic financial matters, Mr. Jain has built expertise in corporate finance, corporate strategy, business development, and mergers and acquisitions. He is a fellow member of both the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India and is a graduate of the Institute of Cost and Works Accountants of India. Mr. Jain also serves on the Board of Vedanta Medical Research Foundation, Aart Ventures Private Limited, and Aart Corporate Advisors Private Limited. Additionally, he has previously served on the Boards of Vedanta Limited, Cairn India Limited, Sterlite Opportunities and Ventures Limited, and Vedanta Aluminium Limited.



Mr. Tapan Kumar Chand

Independent Director

Mr. Tapan Kumar Chand is an accomplished professional with over three decades of experience across the mining and manufacturing sectors, including steel, coal, and aluminium. He formerly served as Chairman and Managing Director of National Aluminium Company Limited (NALCO), a Navratna CPSU, where he led a significant turnaround, resulting in a threefold increase in profitability and positioning NALCO among the world's lowest-cost producers of bauxite and alumina.

He has also held key leadership roles as Chairman of Khanij Bidesh India Limited (KABIL) and Utkarsha Aluminium Dhatu Nigam Limited, and as Vice Chairman of the Jawaharlal Nehru Aluminium Research Development and Design Centre (JNARDDC). Mr. Chand has served on the Boards of Visakhapatnam Steel Plant and Central Coalfields Limited, contributing to business growth, capacity expansion, and resource development. He has been closely associated with shaping long-term strategy for the aluminium sector, including formulation of industry roadmaps and development of new business verticals such as green energy and critical minerals. He is also an author on the aluminium and mining sectors and a recipient of several national awards for professional excellence.

A Gold Medallist from Utkal University, he holds postgraduate qualifications in Public Administration and History, a degree in Law, and has completed advanced management and corporate governance programmes in India and abroad.



Mr. Thomas Mathew T

Independent Director

Mr. Thomas Mathew T holds a Postgraduate Diploma in Management, a Postgraduate Degree in Economics, a Law Degree, and is an Associate of the Insurance Institute of India. He is the former Managing Director and Chairman-in-Charge of the Life Insurance Corporation of India and he has also served as the MD & CEO of the Reinsurance Group of America for India, Sri Lanka, and Bangladesh.

With over four decades of strategic leadership and operational experience in the life insurance and reinsurance sectors in India, Mr. Mathew has held several distinguished positions. He served as Senior Advisor – Insurance at McKinsey & Company and was Chairman of the Reinsurance Committee of IRDAI.

He brings extensive experience from multinational corporations, having served as a Director on the Boards of Larsen & Toubro Ltd, Mahindra & Mahindra Ltd, Tata Power Ltd, Voltas Ltd, IFCI Ltd, Canara HSBC Life Insurance Co., and L&T Finance Ltd.

Mr. Mathew has also contributed to academia and industry bodies, having been a member of the Governing Council of MDI Gurgaon and the Actuarial Institute of India, and serving as Chairman of the National Insurance Academy, Pune.

In the banking sector, he served as a Director of Corporation Bank (now merged with Union Bank of India). Currently, he is a Director on the Boards of ESL Steel Ltd and Hindustan Zinc Ltd and is a member of the Takeover Panel of SEBI.

With his vast and diverse experience, Mr. Mathew makes significant contributions to company boards in the areas of Corporate Governance, Human Resource practices, Insurance, Technology, and Sustainability.



Mr. Ashim Kumar Modi

Government Nominee Director

Mr. Ashim Kumar Modi, an officer of the Indian Revenue Service (Income Tax), 2000 batch, is currently serving as Joint Secretary & Financial Advisor in the Ministry of Coal, Government of India. He also holds additional responsibilities for the Ministry of Mines and the Ministry of Minority Affairs. Effective 15th October 2025, Mr. Modi has joined the Board of BALCO as a Part-Time Official Director. In addition to this role, he serves as a Part-Time Official Director on the Boards of Coal India Limited (CIL), South Eastern Coalfields Limited (SECL), and Hindustan Zinc Limited. Mr. Modi holds a B.Tech. in Civil Engineering from the Indian Institute of Technology (IIT), Delhi. Prior to his current assignment, he held various positions in the Income Tax Department, with postings in Kolkata, Mumbai, and Delhi.



Ms. Farida M. Naik

Government Nominee Director

Ms. Farida M. Naik has been serving as a Government Nominee Director on the Board of the Company since November 21, 2022. An alumna of Sophia College, Mumbai, Ms. Naik graduated in Psychology. She currently serves as Joint Secretary in the Ministry of Mines, Government of India. Throughout her career, Ms. Naik has held various key positions across multiple ministries and departments of the Central Government. Her previous roles include serving as Joint Director at the National Book Trust and as Director in the Ministry of Mines. In addition to her current responsibilities, she is also a Director on the Boards of Hindustan Zinc Limited and Bharat Gold Mines Limited.



Mr. Johny Tom Varghese

Government Nominee Director

Deputy Secretary, Ministry of Mines IAS (2014 Batch, Tamil Nadu Cadre)

Mr. Johny Tom Varghese is a 2014-batch IAS officer of the Tamil Nadu cadre, with wide-ranging experience across district administration, infrastructure development, fisheries, social welfare, and central government roles. His field postings include Sub-Collector, Cuddalore; Additional Director, Fisheries, Ramanathapuram; Director, Welfare of the Differently Aabled; and District Collector of Ramanathapuram and Nagapattinam.

He is widely recognized for driving infrastructure-led growth in the fisheries sector through the construction of greenfield fishing harbours, upgradation of existing harbour facilities, and promotion of state-of-the-art deep-sea fishing vessels, as well as for his role in coordination and negotiations relating to the Indo-Sri Lankan fishing disputes. As Director, Welfare of the Differently Aabled, he also initiated the World Bank-funded Tamil Nadu Rights of Persons with Disabilities (TN RIGHTS) Project, strengthening inclusive, outcome-oriented welfare delivery systems.

As District Collector, his focus areas included industrial development, infrastructure augmentation, access to education, and risk management in agriculture, combining economic growth with social development and resilience-building. He later moved to central deputation and currently serves as Deputy Secretary in the Ministry of Mines under the Central Staffing Scheme, contributing to mineral policy development and sustainable mining practices.

With effect from 19 January 2026, he joined the Board of Bharat Aluminium Company Limited (BALCO) as a Part-Time Official Director and has earlier served as the Professional Director on the Board of the Tamil Nadu Civil Supplies Corporation.



Mr. Nalin Bilochan

Director, Ministry of Mines

Mr. Nalin Bilochan is an Indian Revenue Service (Customs & Indirect Taxes) officer of the 2011 batch, presently serving as Director in the Ministry of Mines, Government of India, New Delhi. He holds a Master's degree in Geography and a Bachelor of Laws (LL.B.).

Over the course of his career, he has held various key positions across formations under the Ministry of Finance, including Assistant Commissioner at Chennai Customs (Seaport Import), Assistant/Deputy Director at DGGI Ahmedabad Zonal Unit, Deputy Commissioner/Joint Commissioner at the Directorate General of Vigilance, Ahmedabad, and Joint Commissioner at GST Commissionerate, Ahmedabad South. He also served as Joint Additional Director at the Directorate of Revenue Intelligence (DRI), Ahmedabad Zonal Unit.

Mr. Bilochan has gained extensive experience in customs, GST intelligence, vigilance, and revenue enforcement, having worked across multiple premier organisations such as DRI, DGGI, and Customs.

He has been appointed as Part-Time Official Director on the Board of Bharat Aluminium Company Limited (BALCO) with effect from 18th July 2026.



Management discussion and analysis

Economic Overview

Global Economy

The global economy in FY 2025–26 delivered a paradox: aggregate resilience masking deepening

fractures. Global GDP grew an estimated 3.3% in 2025, a headline that concealed widening divergence between economies riding the twin tailwinds of digital transformation and energy transition, and those weighed down by conflict, trade fragmentation and the residual drag of prolonged monetary tightening.

For aluminium-intensive industries, the distinction matters: the growth that drives demand is increasingly concentrated in specific geographies, sectors, and investment cycles, making selectivity, not just exposure, the determinant of commercial outcomes.

Advanced economies grew an estimated 1.8%, as the lagged effects of prolonged monetary tightening and subdued private capital formation constrained recovery. The United States led developed markets at 2.7%, underpinned by firm household consumption, a resilient labour market, and continued fiscal support. The Euro Area, hampered by structural inefficiencies in energy-intensive manufacturing, managed a modest 1.0%.

Emerging Market and Developing Economies (EMDEs) expanded an estimated 4.2%, reinforcing the ongoing migration of global

growth gravity toward the developing world. China grew 5.0%, supported by stimulus measures and additional policy bank lending, though structural headwinds from the property sector persisted. India emerged as a standout performer, combining robust domestic demand, sustained public capital expenditure, deepening manufacturing capacity, and a favourable demographic dividend. Southeast Asian economies contributed meaningfully, benefiting from supply-chain diversification and rising intra-regional trade.

Global Trade

World merchandise trade volumes grew an estimated 4.6% in 2025, buoyed by stronger Asian exports and surging demand linked to AI-enabling goods, semiconductors, and digital infrastructure. However, momentum softened materially toward year-end. The 2026 trade growth forecast was revised downward to 1.9% (downside scenario: 1.4%), a deceleration of over 60% from the preceding year; reflecting maritime disruptions, elevated logistics costs, and intensifying fragmentation from geopolitical friction.

For metals-dependent value chains, this trajectory warrants close attention. A 60% compression in trade growth between 2025 and 2026 signals potential disruption to established procurement corridors, aluminium shipment timelines, and downstream delivery schedules, particularly for export-oriented capacity.

Geopolitical Landscape

The geopolitical environment remained acutely strained. The prolonged Russia-Ukraine conflict continued to disrupt energy and commodity markets, sustain elevated freight and insurance costs, and fragment trade corridors, particularly in Europe and Central Asia. The escalation of conflict in the Middle East heightened risks around energy supply security, Red Sea shipping routes, and global crude oil price volatility. These overlapping conflicts reinforced a broader pattern of geo-economic fragmentation, compelling businesses to recalibrate supply chains, diversify sourcing, and build operational resilience.

Inflation and Monetary Environment

Inflationary pressures moderated, but disinflation remained uneven across geographies and sectors. Central banks shifted to a cautious, data-dependent posture rather than committing to decisive easing, balancing the risks of premature loosening against prolonged restriction. Energy market volatility, freight cost escalation, and conflict-driven supply uncertainty kept businesses exposed to abrupt shifts in input costs and demand conditions.

Structural Forces Reshaping the Medium-Term Landscape

Two structural forces continued to reshape the medium-term global landscape, and both intersect directly with the aluminium value chain.

The accelerating pivot toward renewable energy and clean technology is generating sustained, multi-decade demand for aluminium across solar panel framing, wind turbine components, EV battery enclosures, lightweight vehicle structures, and green building materials. The International Energy Agency estimates that achieving net-zero emissions by 2050 will require a near-tripling of aluminium demand from the energy sector alone. Countries accelerating their energy transition—India, the United States, the European Union and parts of Southeast Asia—are simultaneously the fastest-growing markets for aluminium-intensive infrastructure.

The integration of artificial intelligence across industries is functioning simultaneously as a productivity enabler and a catalyst for new demand ecosystems. The explosive buildout of data centres, cloud computing infrastructure, and semiconductor fabrication facilities is driving demand for aluminium in thermal management systems, server chassis, cooling infrastructure, and high-precision electronic components. AI is not merely a digital phenomenon; it is a materials-intensive one.



Global Economic Growth (%)

Region	2024	2025E	2026P	2027P
World Output	3.3	3.3	3.3	3.2
Advanced Economies	1.8	1.8	1.8	1.7
United States	2.8	2.7	2.4	2.0
Euro Area	0.8	1.0	1.3	1.4
EMDEs	4.3	4.2	4.2	4.1
China	5.0	5.0	4.5	4.0
India	—	7.6	6.4	6.4

Source: IMF World Economic Outlook Update, January 2026. *India FY 2025–26 figure of 7.6% reflects Government of India revised estimates (MOSPI, February 2026), superseding the IMF’s earlier projection of 7.3%.

E = Estimate; P = Projection





Outlook

Global GDP is projected at 3.3% in 2026 and 3.2% in 2027; neither a downturn nor a broad-based recovery, but a world growing at two speeds. Advanced economies are forecast at 1.8% and 1.7% respectively, while EMDEs are expected at 4.2% and 4.1%, reinforcing the structural shift of growth momentum toward emerging markets. The revised 2026 merchandise trade forecast of 1.9% underscores the vulnerability of trade-dependent sectors to prolonged conflict, higher energy prices, and renewed protectionism.

The US-Israel military conflict with Iran, beginning late February 2026, and the resulting near-total disruption of shipping through the Strait of Hormuz—through which ~ 20% of global seaborne oil trade transits—has introduced material downside risk. Brent crude surged past USD 100 per barrel, major shipping lines suspended Strait transits, and the IEA

authorised an emergency release of 400 million barrels from strategic reserves. If sustained, the disruption could shave 0.2 to 1.3 percentage points off global GDP growth in 2026, reignite inflation, and significantly elevate input costs across energy-importing economies.

The operating environment rewards neither optimism nor caution in isolation. What it rewards is precision: the ability to read which pockets of global demand are structurally durable, which supply corridors remain viable, and where capital deployment will generate returns that outpace the cost of navigating uncertainty. For aluminium producers positioned at the intersection of infrastructure buildout, energy transition, and digital economy expansion, the addressable opportunity remains large, but it belongs to those who allocate with discipline and execute with speed.

Indian Economy

Amid a fragmented and uncertain global environment, India consolidated its position as one of the fastest-growing major economies in FY 2025–26, and, critically for the aluminium industry, as the world’s most important incremental demand growth market. Real GDP growth is estimated at 7.6%, a significant acceleration from 6.5% in FY 2024–25, while nominal GDP growth is estimated at 8.6%.

This expansion was underpinned by resilient domestic demand, sustained public capital expenditure, robust services activity, and continued formalisation. The revised estimates point to

double-digit growth in manufacturing, reflecting meaningful improvement in both the pace and structural composition of India’s expansion. Unlike several global peers where growth relied on narrower cyclical drivers, India’s momentum remained anchored in a broad domestic cycle spanning consumption, manufacturing, services, and public investment.

High-frequency indicators confirmed this strength: buoyant GST collections, expanding credit offtake, rising capacity utilisation, and resilient consumption trends across urban and rural markets. The Government’s revision of personal income tax slabs further augmented discretionary spending among the urban middle class, while strong agricultural output underpinned rural demand.



A notable structural feature of FY 2025–26 is the emergence of a deeply accommodative real interest rate environment. With headline CPI inflation at ~ 2.1% and the repo rate at 5.25% following 125 basis points of cumulative cuts, real policy rates remain positive but are approaching levels that historically catalyse significant capital reallocation toward hard assets, real estate, and infrastructure—sectors with direct and outsized linkages to aluminium consumption. This monetary configuration is not merely supportive; it is actively channelling investment toward the physical economy.

Infrastructure and Capital Expenditure

The Government’s capital expenditure programme remained the defining structural catalyst, with ₹11.21 lakh crore (~ USD 135 billion) allocated for FY 2025–26, representing ~ 3.4% of GDP. Public investment continued to drive infrastructure creation at scale.

Key programmes including the National Infrastructure Pipeline, PM Gati Shakti, Smart Cities Mission, Pradhan Mantri Awaas Yojana (PMAY) affordable housing, and the Faster Adoption and Manufacturing of Electric Vehicles (FAME) II programme (and its anticipated successor) collectively represent multi-year demand tailwinds for metals-intensive sectors. For aluminium specifically, these programmes create sustained visibility across construction, power transmission, transportation, and urban development—the four highest-volume aluminium consumption segments in the domestic market.

India’s FDI ecosystem remained robust. With multinational corporations increasingly onshoring capacity under the China+1 strategy, the country is expected to attract sustained capital inflows into manufacturing, further reinforcing the demand environment for aluminium and allied materials.

Inflation and Monetary Policy

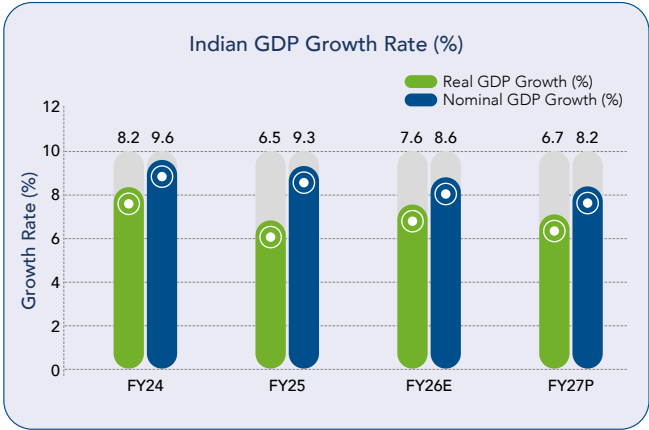
Headline Consumer Price Index (CPI) inflation moderated to ~ 2.1% for FY 2025–26, well within the MPC’s 2–6% tolerance band and sharply below 4.9% in FY 2024–25. Food prices remained deflationary for much of the year, while core inflation stayed benign. The improvement in real-income conditions boosted consumption and provided a constructive macroeconomic cushion.

The RBI’s Monetary Policy Committee (MPC) implemented a cumulative 125 basis points of repo rate reductions during 2025, bringing the policy rate from 6.50% to 5.25% as of December 2025, held steady at the February 2026 review. The Standing Deposit Facility (SDF) rate stood at 5.00%, Marginal Standing Facility (MSF) and bank rate at 5.50%, and Cash Reserve Ratio (CRR) was reduced by 100 basis points to 3.0%—bolstering system liquidity and credit transmission. The easing cycle is expected to enhance credit flow and support housing and industrial investment—sectors with direct linkages to aluminium consumption.

External Resilience

India remained exposed to global stress. The prolonged Russia-Ukraine conflict and the escalation in the Middle East contributed to elevated crude oil prices, heightened shipping costs via disrupted Red Sea routes, and periodic currency volatility; posing risks to the external account and import-dependent sectors.

These pressures, however, did not materially alter the central macroeconomic narrative. Proactive diversification of trade partnerships through new Free Trade Agreements, strategic petroleum reserves management, India’s relatively lower dependence on conflict-affected trade corridors, and a manageable current account position helped mitigate external vulnerabilities. Favourable demographics and an expanding middle class continued to anchor domestic consumption as the primary growth engine.





Outlook

The outlook for India remains constructive, underpinned by strong structural fundamentals, though tempered by external watchfulness. Resilient domestic demand, government-led capital expenditure, improving manufacturing depth, accelerating formalisation, and deepening digitalization are expected to sustain robust expansion, even as parts of the global economy contend with slower trade growth and energy-linked uncertainty.

Organisation for Economic Co-operation and Development (OECD) projections (December 2025) estimate India’s real GDP growth at 6.7% in FY 2026–27 and 6.2% in FY 2027–28, underscoring India’s position among the fastest-growing major economies.

Key enablers include a youthful demographic profile, accelerating urbanisation, continued government investment across digital, financial, and physical infrastructure, and the expanding adoption of aluminium across sectors driven by lightweighting, electrification, and sustainability imperatives.

Sources: IMF World Economic Outlook Update, January 2026 · WTO Global Trade Outlook and Statistics, March 2026 · MOSPI NSO Report, February 2026 · Reserve Bank of India MPC Report, February 2026 · OECD Economic Outlook, December 2025 · Press Information Bureau (PIB), Government of India · International Energy Agency, Net Zero by 2050 Roadmap

Industry overview

Aluminium Industry

Global scenario

The global aluminium market delivered structural tension in FY 2025–26: headline production stability masking a primary deficit, significant trade-flow realignment, and an accelerating bifurcation between carbon-advantaged and carbon-exposed producers. Global primary production reached an estimated 74 Mt against total consumption approaching 104 Mt, leaving a primary deficit of 400–512 kt. The total market is valued at ~ USD 265 billion in 2025, rising toward USD 281 billion by 2026.

Metric	FY2024	FY2025E	FY2026F	FY2030F
Global Primary Production (Mt)	71.8	73.2	74.0	82.0
Primary Market Balance (kt)	–400	–512	–400	+200
Market Value (USD Bn)	242	265	281	380
LME Annual Avg Price (USD/t)	\$2200	\$2525	\$2775	3,100
Secondary Al Share of Supply	33%	34%	36%	43%

Source: IAI, Fast markets, Mordor Intelligence. E = Estimate; F = Forecast.

Supply Chain, Regional Landscape, and End-Use Demand

Guinea’s dominance in bauxite supply (~25% of global output) introduces structural concentration risk; energy costs which is 35–45% of smelting cash costs, continue to widen the competitiveness wedge between hydropower-rich regions (Norway, Canada, GCC) and coal-dependent operations. The Gulf Cooperation Council (GCC) expanded steadily at 3–4% CAGR; Europe curtailed primary smelting while accelerating recycling investment; the Americas saw tariff-driven premium escalation; Russia rerouted metal at discount to India, China and South-East Asia. On the demand



side, the energy transition and electrification megatrend drove the year’s growth: EVs consume 1.5-2 times more aluminium than Internal Combustion Engine (ICE) vehicles, global EV penetration reached ~22%, and solar additions exceeded 500 GW with each GW requiring ~ 1,000 tonnes of aluminium. Construction (~28% of demand) and transport (~28%) remained the stable anchors. The buildout of AI data centre infrastructure emerged as a new and potentially significant incremental demand source through thermal management and cooling infrastructure.

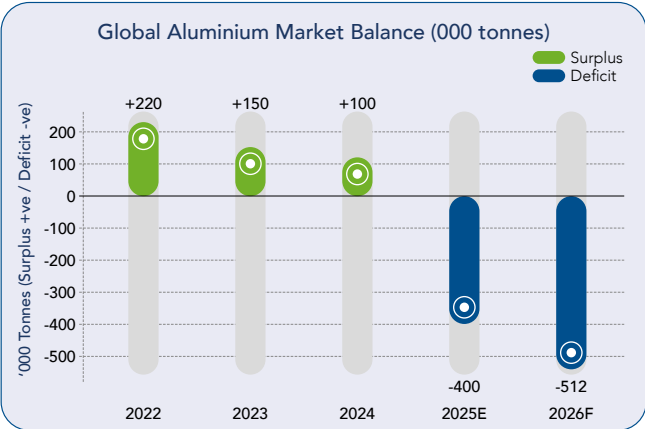
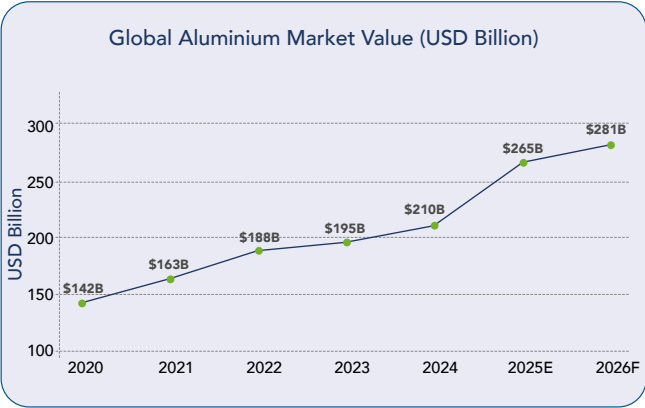
Green Aluminium

Certified green aluminium that is produced with renewable energy and verifiable low carbon intensity, commanded a premium of USD 25-50/t above standard LME in FY 2025–26. The global secondary aluminium market grew to an estimated USD 130 billion in 2025, growing at 8.2% CAGR toward USD 195 billion by 2030, as recycling, at 5% of primary smelting energy intensity, increasingly defines the industry’s sustainability and cost frontier.

Outlook

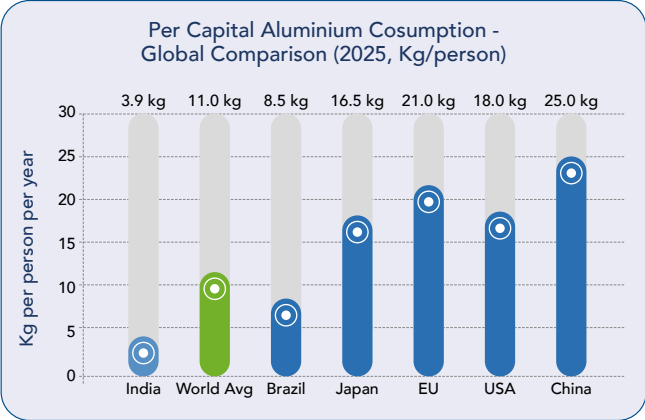
The global aluminium market is expected to remain in primary deficit through FY 2027–28, with LME prices forecast in the USD 2,700–3,000/t range, supported by the structural demand pull from energy transition and digital infrastructure. Secondary-aluminium’s rising share of supply, from 31% today toward 36% by 2030, represents the most consequential structural shift in the industry. Producers who invest in low-carbon certification

and secondary processing now are positioning for a market architecture that rewards these investments at scale within the decade. The principal downside risk is a synchronised deceleration across China and advanced economies; the principal upside is a step-change acceleration in energy transition investment, which could elevate aluminium demand well above current consensus forecasts.



Global Primary Aluminium Market Balance FY2020–FY2026 (kt)

Per Capita Aluminium Consumption — Global Comparison (kg)



Indian Scenario

India emerged in FY 2025–26 as the aluminium industry’s most consequential growth story. The world’s second-largest primary producer, India is not a market in equilibrium: with per capita consumption of ~ 4 kg against a global average of 11 kg, India absorbs significantly more metal than it produces and imports an estimated 0.95 Mt annually to bridge a structural deficit that is, paradoxically, widening even as domestic production grows. That deficit is not a symptom of weakness but a symptom of demand acceleration outrunning supply capacity, and it is the most reliable precursor to large-scale investment. India’s Big Four aluminium producers have committed a combined USD 20-plus billion in capital expenditure over the next five years to expand smelting capacity, integrate renewable energy, and extend downstream into higher-value fabricated products.

Market Overview and Demand

Primary production in FY 2025–26 is estimated at ~ 4.15 Mt against domestic consumption of 5.2–5.4 Mt, creating a primary deficit of 1.0–1.25 Mt. Real GDP growth of 7.6% which is driven by infrastructure investment, manufacturing expansion, and buoyant consumption, underpinned aluminium demand growth of ~ 9.8% year-on-year, broad-based across all major segments. The electrical sector (~35% of demand) expanded 8.9%, driven by power transmission infrastructure, transformer manufacturing, and smart grid deployment under the government’s ₹11.21 lakh crore capital expenditure programme. Transport (~15%) was the fastest-growing segment at 13.5%, catalysed by the FAME-III programme and rising EV adoption. Construction (+9.4%), packaging (+9.5%), and industrial machinery (+8.1%) demonstrated the structural breadth of India’s demand cycle — not a narrow cyclical impulse but a multi-sector expansion spanning capital formation, consumer durables, and public infrastructure.

Indicator	FY2024 Actual	FY2025E	FY2026F
Installed Smelting Capacity:	4.2	4.4	4.7
Primary Production (Mt)	3.92	4.05	4.15
Domestic Consumption (Mt)	4.85	5.10	5.40
Primary Market Deficit (Mt)	–0.93	–1.05	–1.25
Per Capita Consumption (kg)	3.5	3.8	4.0

Source: IAI, Aluminium Association of India, MOSPI, Company disclosures. E = Estimate; F = Forecast.



Trade, Policy, and Green Aluminium

India’s import bill crossed an estimated USD 4 billion in FY 2025–26, driven by a 42% year-on-year surge in semi-fabricated imports, primarily extrusions and rolled sheet from China routed through Association of Southeast Asian Nations (ASEAN) jurisdictions. The Aluminium Association of India has petitioned to raise the basic customs duty from 7.5% to 15%. The policy environment was broadly supportive: the Union Budget’s infrastructure allocation directly accelerates consumption in electrical, construction, and transport segments; Quality Control Orders restrict sub-standard imports; captive coal block auctions reduced effective power costs for National Aluminium Company Limited (NALCO), Vedanta, and BALCO; and the government’s 500 GW renewable energy target, with ~220 GW already installed, creates the infrastructure for progressive smelter decarbonisation through Power Purchase Agreements.

Challenges, Opportunities, and Vision 2047

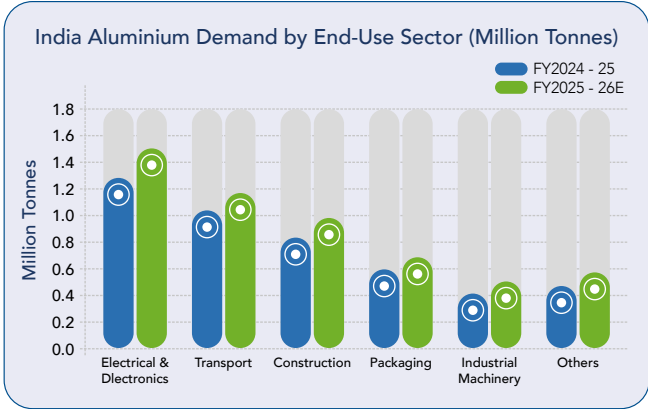
The structural opportunity is large and credibly supported. The challenges are real: coal dependence, import competition from Chinese semi-fabricates, bauxite logistics constraints, and the capital intensity of greenfield smelting. Yet the per capita consumption gap from 4 kg to even 8 kg by 2030 implies ~ 3.5 Mt of incremental annual demand. The industry’s Vision 2047 targets 10% of global aluminium production (9–10 Mt), per capita consumption of 15–18 kg, 80% renewable energy in smelting, and net exporter status in downstream products by the mid-2030s. These are ambitious but structurally achievable targets, contingent on consistent policy, competitive power, and disciplined capital execution.

Outlook

India’s aluminium demand is projected to reach 7.5–8.0 Mt by FY 2030 — a near-doubling from current levels — driven by infrastructure investment, EV adoption, defence indigenisation, and the renewable energy buildout. Production is expected to approach 6.0 Mt, narrowing but not closing the structural deficit as consumption growth continues to outpace capacity additions. The deficit market dynamic sustains domestic price premiums above landed import costs, providing the commercial floor that justifies the current capex cycle. The operating environment rewards precision investment: allocating to demand verticals that are structurally durable, executing cost-reduction pathways that are achievable within India’s resource and policy constraints, and building at the pace that the opportunity demands.

Indicator	FY2026F	FY2027F	FY2028F	FY2030F
India Primary Production (Mt)	4.15	4.50	4.90	6.00
India Consumption (Mt)	5.40	5.95	6.55	7.80
Primary Market Deficit (Mt)	–1.25	–1.45	–1.65	–1.80
Per Capita Consumption (kg)	4.0	4.5	5.0	6.5
Carbon Intensity (tCO ₂ per tonne Al)	16.5	15.0	13.5	10.5

Source: IAI, AAI, JMK Research, Company guidance. F = Forecast.



India Aluminium Demand by Sector — FY2025E vs FY2026F (kt)

Sources: IAI · Aluminium Association of India · LME · Fast markets · AL Circle · JMK Research · Mordor Intelligence · EU Commission CBAM Guidance · White & Case LLP · Carbon Chain · IEA



Mining Industry

The mining sector remained a critical pillar of the Indian economy in FY 2025–26, underpinning raw material supply chains across steel, cement, aluminium, infrastructure and clean-energy-linked industries. As per the latest official data available, the estimated value of mineral production excluding fuel, atomic and minor minerals stood at ₹1,28,034 crore during April–December 2025. Of this, metallic minerals accounted for ₹1,17,498 crore, while non-metallic minerals contributed ₹10,538 crore, reaffirming the dominance of metallic minerals in India’s mining ecosystem.

India remains well-endowed in key minerals such as bauxite, iron ore, chromite, manganese and limestone, while the concentration of mining activity in states such as Odisha, Rajasthan, Chhattisgarh and Karnataka continues to support the country’s industrial base. For aluminium producers, particularly those with operations in Odisha and Chhattisgarh, this offers advantages in raw material access, supply security and logistics efficiency.

The policy environment strengthened further during the year, with India achieving a record 200 mineral block auctions in FY 2025–26, reflecting faster resource allocation and stronger visibility for domestic mineral development. At the same time, the National Critical Mineral Mission continued to advance India’s focus on exploration, processing and recycling of minerals essential for clean energy, electronics and advanced manufacturing.

For aluminium producers, these developments are directly relevant, as a stronger domestic mining ecosystem improves long-term raw material visibility, reduces supply vulnerability and supports more stable input economics across the value chain.

Source: Indian Bureau of Mines, Monthly Statistics of Mineral Production, December 2025; Ministry of Mines, Government of India; Press Information Bureau.

Automobile Industry

India is the world’s fourth-largest automobile market and the third-largest in terms of total vehicle production, contributing ~ 7.1% to national GDP. The sector’s relevance to the aluminium industry is direct and growing: the Indian automobile industry is estimated to utilise ~ 27% of the country’s total aluminium consumption, making it the second-largest demand segment after the electrical sector. As lightweighting mandates, emission norms, and the accelerating shift toward electric vehicles reshape vehicle architecture, aluminium intensity per vehicle is rising as electric vehicles use structurally more aluminium than their internal combustion counterparts through battery enclosures, motor housings, structural members, and thermal management components.

The fundamental demand drivers for India’s automobile sector are robust and multi-layered. Rising disposable incomes, an expanding middle class, accelerating urbanisation, and a deepening road and highway network are fuelling sustained growth in personal vehicle demand. The commercial vehicle segment is equally buoyant, supported by the government’s infrastructure investment programme and the resulting growth in freight movement. The government’s FAME-III programme and state-level EV incentives are progressively catalysing the shift toward electric mobility that is inherently aluminium-positive given the material’s role in achieving the range and efficiency targets that EV manufacturers must meet. Leading original equipment manufacturers are expanding their Indian production footprints and simultaneously building localised supply chains for aluminium components, providing domestic producers with a structurally growing and geographically proximate demand base.

Sources: SIAM · ACMA · Mordor Intelligence · JMK Research · Ministry of Finance (Union Budget FY2025-26). FICCI · Press Information Bureau (PIB) ·



Indicator	FY2024	FY2025E	FY2026F	FY2030F
Total Vehicle Production (Mn units)	5.6	5.9	6.3	8.0
EV Share of New Vehicle Sales (%)	5.0%	6.2%	8.0%	20%+
AI Demand from Auto Sector (kt)	920	985	1,070	1,600
Auto Sector Contribution to GDP (%)	7.0%	7.1%	7.3%	~8%

Source: SIAM, ACMA, JMK Research, industry estimates. E = Estimate; F = Forecast.

Building Construction

India’s construction sector is one of the most aluminium-intensive in the economy, with the material deployed across curtain walling, fenestration, roofing, structural frameworks, interior fitouts, and increasingly, green building systems. The sector’s trajectory is shaped decisively by government capital expenditure: in FY 2025–26, the Union government allocated ₹11.21 lakh crore, representing 3.4% of GDP, toward infrastructure creation. Programmes including the National Infrastructure Pipeline, PM Gati Shakti, Smart Cities Mission, PMAY affordable housing, and commercial and industrial park development collectively represent multi-year demand tailwinds for aluminium in the built environment.

The structural shift toward green and sustainable buildings has amplified aluminium’s role in the construction sector. Aluminium’s

combination of durability, corrosion resistance, design versatility, and full recyclability aligns with the sustainability standards increasingly mandated under Green Rating for Integrated Habitat Assessment (GRIHA), Leadership in Energy and Environmental Design (LEED), and Bureau of Energy Efficiency (BEE) star-rating frameworks for commercial and public buildings. The Pradhan Mantri Awas Yojana which is targeting 3 crore additional homes, sustains a steady floor of residential demand, while the commercial real estate cycle, driven by technology parks, logistics warehousing, and data centre construction, adds a higher-value architectural aluminium demand stream. India’s residential construction market is projected to grow from USD 204 billion in 2025 to USD 293 billion by 2030, registering a CAGR of 7.51%, with aluminium consumption in the sector expected to grow commensurately.

Sources: SIAM · Mordor Intelligence · JMK Research · Ministry of Finance (Union Budget FY2025-26) · Aluminium Association of India (AAI) · FICCI · Press Information Bureau (PIB)·

Indicator	FY2024	FY2025E	FY2026F	FY2030F
Total Vehicle Production (Mn units)	5.6	5.9	6.3	8.0
EV Share of New Vehicle Sales (%)	5.0%	6.2%	8.0%	20%+
AI Demand from Auto Sector (kt)	920	985	1,070	1,600
Auto Sector Contribution to GDP (%)	7.0%	7.1%	7.3%	~8%

Source: Mordor Intelligence, Ministry of Finance, Aluminium Association of India. E = Estimate; F = Forecast.



Power Infrastructure

Power infrastructure is the single largest end-use sector for aluminium in India, accounting for ~ 35% of domestic demand, a concentration that reflects the material’s unmatched combination of electrical conductivity, light weight, and cost-effectiveness relative to copper for transmission and distribution applications. India’s cable and conductor manufacturing industry comprises nearly 600 units with a combined installed production capacity of ~ 4,00,000 tonnes per year, serving utilities, industrial consumers, and the rapidly expanding renewable energy sector. Aluminium conductors are the backbone of India’s extra-high-voltage and ultra-high-voltage transmission network, extensively used for long-distance power transfer and as connecting conductors in transformers, switchgear, and distribution equipment.

India’s energy transition ambition of 500 GW renewable energy installed capacity by 2030, with ~ 220 GW already commissioned by the end of FY 2025–26, is structurally the most significant demand catalyst for aluminium in the power sector. Every gigawatt of solar and wind capacity requires aluminium not only in the generation infrastructure (panel frames, mounting structures, nacelle housings), but in the transmission corridors that carry generated power to load centres, and in the grid-

modernisation programmes that replace ageing copper-based distribution infrastructure with aluminium. The government’s Revamped Distribution Sector Scheme (RDSS), with an outlay of ₹3.03 lakh crore, is directly financing this upgrade cycle. India is increasingly at the forefront of substituting copper with aluminium across power distribution — a trend that, once embedded in engineering specifications and utility procurement standards, represents a durable, multi-decade demand uplift for domestic aluminium producers.

Sources: SIAM · Mordor Intelligence · JMK Research · Ministry of Finance (Union Budget FY2025-26) · Ministry of New and Renewable Energy (MNRE) · Central Electricity Authority (CEA) · Aluminium Association of India (AAI) · FICCI · Press Information Bureau (PIB)·

Indicator	2025E	2030F	CAGR
India Residential Construction Market (USD Bn)	204	293	7.51%
Govt Infrastructure Capex (₹ lakh crore)	11.21	~14+	~5–6%
AI Demand — Construction Sector (kt)	986	~1,500	~8–9%

Source: MNRE, CEA, Aluminium Association of India, industry estimates. E = Estimate; F = Forecast.



Food packaging

Aluminium’s role in food packaging is anchored in properties that no alternative material replicates at comparable cost: an absolute barrier against light, oxygen, moisture, and bacteria; resistance to temperature extremes that enables both retort sterilisation and deep-freeze storage; and complete recyclability that increasingly aligns with the sustainability mandates of consumer goods companies and the regulatory direction of government policy. The global aluminium foil packaging market is projected to grow from USD 29.25 billion in 2025 to USD 37.22 billion by 2030, registering a compound annual growth rate of 4.94%, driven by escalating demand for sustainable packaging solutions in the

food and beverage industry and the tightening of government regulations targeted at reducing single-use plastic waste.

In the Indian context, the demand dynamics for aluminium packaging are reinforced by structural shifts in consumption patterns. Rising incomes, growing urban working populations with limited cooking time, expanding modern retail and quick-service restaurant formats, and the cold-chain infrastructure investment accompanying India’s food processing ambitions are collectively expanding the market for packaged, processed, and ready-to-eat foods. These categories that rely heavily on aluminium foil, laminated flexible packaging, and aseptic carton structures. The



pharmaceutical packaging segment, where aluminium blister packs and strip packs are standard, adds a high-value, regulation-driven incremental demand layer. Aseptic packaging, which enables perishable goods to be stored without refrigeration, is particularly relevant to the Indian context, where cold-chain infrastructure remains uneven and ambient-stable packaging extends distribution reach into tier-2 and tier-3 markets. As the food packaging industry increasingly internalises eco-conscious

Indicator	FY2024	FY2025E	FY2026F	FY2030F
RE Installed Capacity (GW)	190	205	220	500
Annual T&D Investment (₹ lakh crore)	1.8	2.1	2.4	~3.5
AI Demand — Power Sector (kt)	1,600	1,723	1,876	2,800
Cable & Conductor Production Cap. (kt/yr)	380	400	420	550

Source: Mordor Intelligence, FICCI, Aluminium Association of India, industry estimates. E = Estimate; F = Forecast.

Company Overview

Bharat Aluminium Company Limited (BALCO) is home to the second-largest single-location aluminium smelter in India. Established in 1965, BALCO holds the distinction of being India’s first public sector enterprise for aluminium production, laying the foundation for the country’s aluminium industry. With a robust production capacity of 5.7 lakh tonnes per annum (LTPA), BALCO produces aluminium, the ‘Metal of the Future’, which serves as a critical enabler for sectors such as infrastructure, transportation, power transmission, renewable energy, defence, construction, electrical applications, and advanced manufacturing. Through its contribution to industrial development, technological advancement, and community empowerment, BALCO continues to support India’s growth, competitiveness, and vision of becoming a self-reliant manufacturing powerhouse.

Business Portfolio

In FY 2025-26, BALCO achieved its highest-ever cast metal production of ~599 kilo tonnes, representing a 1% year-on-year growth. The Company is accelerating its focus on Value-Added Products (VAP) to serve high-growth segments.

- Wire Rods: BALCO is actively expanding its wire rod production capacity, including Alloy rods, to meet the surging demand created by India’s rapid growth in digital and industrial infrastructure.
- Rolled Products (RP): The Company has successfully put a 100,000 Tons/year capacity in place to cater to high-end flat rolled plate and coil applications. BALCO is set to further strengthen its RP portfolio with a target to solidify these 100 KTPA capacities.
- Primary Foundry Alloy (PFA): A new 90 KTPA Primary Foundry Alloy facility has been established at the site, expanding the Company’s total PFA production capabilities to 180 KTPA. This aligns with BALCO’s roadmap to emerge as India’s largest PFA producer.

practices and aluminium’s infinite recyclability becomes a competitive differentiator against plastic in brand positioning, the outlook for aluminium’s share of the Indian packaging market is constructive across the medium term.

Sources: Mordor Intelligence · JMK Research · Ministry of Finance (Union Budget FY2025-26) · Ministry of New and Renewable Energy (MNRE) · Central Electricity Authority (CEA) · Aluminium Association of India (AAI) · Federation of Indian Chambers of Commerce and Industry (FICCI) · Press Information Bureau (PIB)·

- Company is on track to expand its billet casting capacity to 420 KTPA, utilizing advanced Hycast hot top gas cushioning casting technology.

Company Outlook

Looking forward, BALCO’s capacity expansion to 1 MTPA is closely aligned with India’s long-term infrastructure, energy transition, and manufacturing ambitions. The Company is strategically positioning itself to capture emerging premium market segments, such as EVs, solar frames, and power transmission. To support thermal coal requirements, BALCO is in the advanced stages of a Coal Mining Plan at the Barra Coal Block.

Digital innovation and sustainability are at the core of the Company’s future readiness. Operationally, the Company is deploying a first-in-India Recoverable Copper Cathode (RCC) Relining design, which reduces Cathode Voltage Drop (CVD) by 100–130 mV and delivers energy savings of over 300 kWh per metric tonne.

Additionally,theintegrationofanoverarchingMES(Manufacturing Execution System) and AI-driven process optimization continues to transition the Company’s operations ensuring better asset health and reduced downtime.

SWOT Analysis

Strengths

- Capacity Expansion & Technological Leadership:** The successful commissioning of the 1 MTPA expansion and the groundbreaking 525-kA Potline operations position BALCO as a global manufacturing powerhouse.
- Digital Transformation:** The widespread deployment of AI, Machine Learning, and MES has delivered significant, measurable improvements across reliability, quality, and productivity.

- Energy Efficiency Innovations:** The successful implementation of 100% pot graphitization and the proprietary Recoverable Copper Cathode Relining have drastically optimized specific energy consumption.

Weaknesses

- Operational Bottlenecks:** Throughout the year, operational resilience in the power sector was tested by aging equipment, process bottlenecks, and fluctuating load demands due to renewable energy power flows.
- Exposure to Energy Volatility:** As a highly energy-intensive operation, managing the specific cost of coal and auxiliary power consumption remains a continuous focus area requiring strict operational discipline.

Opportunities

- High-Growth Market Segments:** Rising demand for value-added aluminium in renewable energy (solar frames), electric vehicles (EVs), and advanced industrial applications presents massive growth avenues.
- Green Aluminium Production:** Achieving the RESTORA certification for Low Carbon Aluminium allows the Company to cater to eco-conscious customers and capture a significant share of the low-carbon market.

Threats

- Global Price & Demand Volatility:** Changing global commodity prices, supply disruptions, and market demand fluctuations may affect margins and financial performance.
- Regulatory & Environmental Scrutiny:** Evolving global frameworks and stringent environmental compliance mandates require continuous capital investment and rigorous emission monitoring.

Financial Highlights (FY 2025-26)

(Note: Please populate the table below with the finalized audited financial figures for the new fiscal year, as the provided data focuses on operational, ESG, and production metrics.)

Particulars (₹ in Crores)	FY 2025-26	FY 2024-25
Revenue from operations	17378.70	15,807.97
Other Operating Income	94.58	100.95
Other income	414.10	559.24
Total income	17887.38	16,468.16
EBITDA	712607	4,533.76
Profit before tax	6461.17	3,931.28
Profit after tax	4824.58	2,968.92
EBITDA margin (%)	41.00%	28.68%
Net profit margin (%)	27.76%	18.78%

Corporate Governance & Resources

Human Resources & Safety

BALCO’s success is rooted in the strengths of its workforce. In FY 2025-26, the Company focused heavily on succession planning, identifying 118 internal leaders for elevated roles and additional responsibilities. Currently, 100% of critical leadership roles are backed by formal succession plans.

Safety remains paramount, with the Company proudly reporting zero fatalities for the past four years. To further enhance operational discipline, BALCO installed GPS devices in 304 internal operations vehicles for real-time monitoring and inaugurated an Interactive Safety Park for immersive, experiential learning.

Sustainability & Community Impact

The Company is steadily shifting toward a circular economy and enhanced ecological responsibility. In FY 2025-26, the water recycling rate increased to ~ 18% and 209015 cubic metres of water credit was generated through rainwater harvesting structures under Mor-Jal-Mor-Mati around BALCO complex. On the community front, BALCO’s CSR footprint expanded significantly, positively impacting ~ 1.8 lakh beneficiaries through investments in healthcare, women’s empowerment, sustainable livelihoods, and education.

Risk Management & Internal Controls

The Company’s comprehensive risk management framework effectively identifies, assesses, and addresses potential risks across environment, manufacturing, finance, and safety. Furthermore, BALCO’s strong internal audit system ensures robust control systems, keeping the Company operating with honesty, transparency, and responsibility.

Cautionary Statement

Certain statements in the Management Discussion and Analysis describing the Company’s objectives and predictions may be forward looking statements within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and Government policies that may impact the Company’s business as well as its ability to implement the strategies it devises for the future. The Company does not undertake the responsibility to update these statements.



NOTICE OF THE 60TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 60TH ANNUAL GENERAL MEETING (“AGM”) OF THE MEMBERS OF BHARAT ALUMINIUM CO. LTD. (“THE COMPANY”) WILL BE HELD ON MONDAY, 24TH AUGUST 2026, AT 3:30 P.M. IST THROUGH VIDEO CONFERENCING (“VC”) / OTHER AUDIO-VISUAL MODE (“OAVM”) TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March 2026, and the reports of the Board of Directors and Auditor's thereon; and in this regard to consider and if thought fit, to pass the following resolution (with or without modification(s)) as an **Ordinary Resolution**:

“**RESOLVED THAT** the Audited Financial Statements of the Company for the Financial Year ended 31st March 2026, and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby received, considered and adopted.”

2. To re-appoint Mr. Tarun Jain (DIN:00006843), Non-Executive Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, to pass the following resolution (with or without modification(s)) as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (“Act”) , and rules made thereunder (including any modification(s) or re-enactment(s) thereof for the time being in force), as per Article 70 of the Articles of Association of the Company, Mr. Tarun Jain (DIN:00006843), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as Non-Executive Director of the Company, whose office shall be liable to retirement by rotation.”

3. To consider and appoint M/s M S K A & Associates LLP (Formerly known as M S K A & Associates), Chartered Accountants (Firm Registration No. 105047W/W101187) as the Statutory Auditors of the Company and to authorize Board of Directors to fix their remuneration, and in this regard, to consider and if thought fit, to pass the following resolution (with or without modification(s)) as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s M S K A & Associates LLP (Formerly known as M S K A & Associates), Chartered Accountants (Firm Registration No. 105047W/W101187) be and are hereby appointed as the

Statutory Auditors of the Company for a first term of 5 (Five) consecutive years to hold office from the conclusion of 60th Annual general meeting until the conclusion of the 65th Annual General Meeting of the Company, on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

RESOLVED FURTHER THAT Company Secretary/Chief Financial Officer/Whole-time Director be and is hereby severally authorized to do all acts, deeds, matters, and things including but not limited to the filing of necessary forms, returns etc. with the Registrar of Companies and other authorities, if any, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.”

SPECIAL BUSINESS

4. To ratify the remuneration of Cost Auditor for the financial year ending 31st March 2027 and in this regard to consider and if thought fit, to pass the following resolution (with or without modification(s)) as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s Ramnath Iyer & Co. (Firm Registration No. 000019), appointed by the Board of Directors of the Company as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2027, amounting to ₹ 3,00,000/- (Rupees Three Lakhs Only), excluding taxes and out-of-pocket expenses, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified.

RESOLVED FURTHER THAT Company Secretary/Chief Financial Officer/Whole-time Director be and is hereby severally authorized to do all acts, deeds, matters, and things including but not limited to the filing of necessary forms, returns etc. with the Registrar of Companies and other authorities, if any, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.”

5. To Appoint Mr. Tapan Kumar Chand (DIN: 01710900), as an Independent Director and in this regard to consider and if thought fit, to pass the following resolution (with or without modification(s)) as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160, 161 and any other applicable provisions of Companies Act, 2013 read with Schedule IV and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and applicable clauses of the Article of Association, Based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, approval of the Members be and is hereby accorded for appointment of Mr. Tapan Kumar Chand (DIN: 01710900), as a Independent Director of the Company, who was appointed as an Additional Director (in the capacity of an Independent Director) of the Company by the Board of Directors with effect from 17th May 2026, and submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and is eligible for appointment under the provisions of the Act, and the Rules made thereunder, and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of an Independent Director, not liable to retire by rotation, for a first term from 17th May 2026 upto 30th April 2027.

RESOLVED FURTHER THAT Company Secretary/Chief Financial Officer/Whole-time Director be and is hereby severally authorized to do all acts, deeds, matters, and things including but not limited to the filing of necessary forms, returns etc. with the Registrar of Companies and other authorities, if any, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.”

6. To Appoint Mr. Thomas Mathew T (DIN: 00130282), as an Independent Director and in this regard to consider and if thought fit, to pass the following resolution (with or without modification(s)) as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160, 161 and any other applicable provisions of Companies Act, 2013 read with Schedule IV and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and applicable clauses of the Article of Association, Based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, approval of the Members be and is hereby accorded for appointment of Mr. Thomas Mathew T (DIN: 00130282) as a Independent Director of the

Company, who was appointed as an Additional Director (in the capacity of an Independent Director) of the Company by the Board of Directors with effect from 19th October 2025, and submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and is eligible for appointment under the provisions of the Act, and the Rules made thereunder and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of an Independent Director, not liable to retire by rotation, for a term of two (2) consecutive years i.e., from 19th October 2025 upto 18th October, 2027.

RESOLVED FURTHER THAT Company Secretary/Chief Financial Officer/Whole-time Director be and is hereby severally authorized to do all acts, deeds, matters, and things including but not limited to the filing of necessary forms, returns etc. with the Registrar of Companies and other authorities, if any, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.”

7. Appointment of Mr. Rajesh Kumar Singh (DIN:11704248) as a Director of the Company and to Consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provision of Section 152, 160, 161 and any other applicable provisions of Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and applicable clauses of the Article of Association, Based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, approval of the Members be and is hereby accorded for appointment of Mr. Rajesh Kumar Singh (DIN-11704248) who was appointed as an additional director of the Company with effect from 30th May 2026, and who holds office as such up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation.

RESOLVED FURTHER THAT Company Secretary/Chief Financial Officer/Whole-time Director be and is hereby severally authorized to do all acts, deeds, matters, and things including but not limited to the filing of necessary forms, returns etc. with the Registrar of Companies and other authorities, if any, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.”



8. Appointment of Mr. Rajesh Kumar Singh (DIN:11704248) as a Whole Time Director of the Company and to Consider and if thought fit, to pass, with or without modification(s), the following resolution a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 160, 179, 196, 197, 198, 203 read with schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company and based on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors in its meeting held 29th May 2026, the consent of the members of the Company be and is hereby accorded to appoint Mr. Rajesh Kumar Singh (DIN-11704248) as Whole-Time Director of the Company, designated as Chief Executive Officer (CEO) of the Company w.e.f. 30th May 2026 to 29th May 2027 or for such shorter period as may be prescribed under applicable laws, on the terms and conditions including remuneration as set out in the explanatory statement annexed to the notice convening this meeting notwithstanding that such remuneration may exceed the limits specified under Section 197 and Schedule V of the Act.

RESOLVED FURTHER THAT Company Secretary/Chief Financial Officer/Whole-time Director be and is hereby severally authorized to do all acts, deeds, matters, and things including but not limited to the filing of necessary forms, returns etc. with the Registrar of Companies and other authorities, if any, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.”

9. Appointment of Mr. Sushil Kumar Roonga (DIN-00309302), as Non Executive Director and Chairman of the Company and in this regard to consider and if thought fit, to pass the following resolution (with or without modification(s)) as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions of

Companies Act, 2013 read with applicable rules under the Companies (Appointment and Qualification of Directors) Rules, 2014 thereunder (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and applicable clauses of the Article of Association, based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, approval of the Members be and is hereby accorded for appointment of Mr. Sushil Kumar Roonga (DIN-00309302), as a Non-Executive Director designated as the Chairman of the Company, who was appointed as an Additional Director designated as Non-Executive Director and Chairman of the Company w.e.f. 14th July 2026, and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Non-Executive Director and Chairman, for a term of 1 (one) year with effect from 14th July 2026 to 13th July 2027, and he shall be liable to retire by rotation.

RESOLVED FURTHER THAT Company Secretary/Chief Financial Officer/Whole-time Director be and is hereby severally authorized to do all acts, deeds, matters, and things including but not limited to the filing of necessary forms, returns etc. with the Registrar of Companies and other authorities, if any, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.”

By order of the Board

Wageesha Agarwal
Company Secretary
ACS-67456

Date: 10th July 2026
Place : Delhi

Registered Office:

Aluminium Sadan, Scope Office Complex,
Core-6, 7 Lodhi Road,
New Delhi-110003.

CIN: U74899DL1965PLC004518

Email: wageesha.agarwal@vedanta.co.in

Website: www.balcoindia.com

Tel: 011-49166200

NOTES

1. Pursuant to the **General Circular no. 03/2025 dated 22.09.2025** read together with the previous General Circular no. 20/2020 dated 05.05.2020, General Circular no. 02/2022 dated 05.05.2022, General Circular no. 10/2022 dated 28.12.2022, General Circular no. 09/2023 dated 25.09.2023 and General Circular no.09/2024 dated 19.09.2024 (collectively to be referred to as **“MCA Circulars”**), issued by Ministry of Corporate Affairs (**MCA**), the Companies are allowed holding the Annual General Meeting (**“AGM”**) through Video Conferencing (**“VC”**)/Other Audio Visual-Means (**“OAVM”**) without the physical presence of the Members at a common venue, till the further order said behalf issued by MCA. Hence, in compliance with the MCA Circulars and applicable provisions of the Companies Act, 2013 (**“Act”**), the AGM of the Company is scheduled to be held through VC/OAVM and the deemed venue of the AGM shall be the registered office of the Company.
2. The Explanatory Statement pursuant to Section 102(1) of the Act, setting out the material facts relating to the special businesses to be transacted at the AGM as set out in **Item No. 4 to Item No. 9**, above is annexed hereto.
3. Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on a poll on their behalf and the proxy need not be a Member of the Company. However, since this AGM is being held through VC/OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Therefore, the facility to appoint a proxy to attend and cast vote for the Members will not be available for this AGM and hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
4. Participation of Members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
5. All documents referred to in the Notice will also be available electronically for inspection, without any fee, by the Members from the date of circulation of this Notice up to the date of AGM (on all working days, except Saturdays, during business hours). Members seeking to inspect such documents can send an e-mail at the designated email address mentioned in the Notice.
6. The Register of Directors & Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act will be available for inspection by the Members during the AGM of the Company through electronic mode.

7. The relevant details regarding the Directors seeking appointment/re-appointment at this AGM are provided in **Annexure-I to Annexure V** in accordance with the Secretarial Standard on General Meetings (**“SS-2”**) issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government in accordance with Section 118(10) of the Act.
8. Corporate Members intending its Authorized Representatives to attend the AGM through VC/OAVM and cast vote at the AGM are requested to send to the Company a scanned copy in pdf/jpg format of the Board Resolution/Power of Attorney authorizing its representative to attend and vote on their behalf at the AGM pursuant to Section 113 of the Act, email at the designated email address mentioned in the Notice.
9. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. In compliance with the MCA Circulars, Notice of the AGM along with the Integrated Annual Report Financial Year 2025-26 is being sent only through electronic mode to those Members whose E-mail ID is registered with the Company/ Depository Participants (**“DPs”**). Members may note that the Notice and Integrated Annual Report Financial Year 2025-26 will also be available on the Company's website at <https://www.balcoindia.com/>. Physical Copy of the same will be provided by the Company to the Members who request the same. Members whose email address is not registered/ updated with the Company may update the same by sending an email to the designated email address as mentioned in this notice.
11. Recorded transcript of the meeting shall be uploaded on the website of the Company and the same shall also be maintained in safe custody of the Company. The registered office of the Company shall be deemed to be the place of AGM for the purpose of recording the minutes of the proceedings of this AGM.
12. Members may note the designated email address of the Company at wageesha.agarwal@vedanta.co.in for any technical assistance required before or during the meeting and for registering the email id with the company for participating in the meeting.

Members may further note the following instructions for joining the AGM through VC/OAVM as per MCA Circulars:

- (i) The Company shall be providing a two-way teleconferencing facility via Zoom application for the ease of participation of the Members.



- (ii) Members are requested to participate on a first come first serve basis. However, the participation of Members holding 2% or more, promoters, institutional investors, directors, key managerial personnel, chairperson of audit committee, nomination and remuneration committee, other statutory committees and the statutory auditors and the secretarial auditor of the Company is not restricted.
- (iii) The Members can join the AGM in the VC/OAVM mode 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
- (iv) Link along with the credentials for joining the meeting shall be shared separately to all Members on their email I'd(s) registered with the Company. Members may login on the said link using their credentials.
- (v) Voting mechanism shall be by Show of hands unless a Poll is demanded at the meeting. In the case of poll, Members shall cast their vote on the resolution(s) only by sending an email at above mentioned designated email address.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 4:

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors of the Company, is required to be ratified by the Members of the Company at the General Meeting.

The Board of Directors, on the recommendation of the Audit Committee, at its meeting held on 23rd April 2026, approved the appointment of M/s Ramnath Iyer & Co., as the Cost Auditor of the Company at remuneration of ₹ 3,00,000/- (excluding taxes and out-of-pocket expenses) to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2027.

Accordingly, ratification by the Members is being sought for the remuneration payable to the Cost Auditor for FY 2026-27 by way of an Ordinary Resolution as set out in Item No. 4 of the Notice.

The Board of Directors recommends the Ordinary Resolution as set out for this Item No. 4 of the Notice for approval of the Members.

None of the Directors / Key Managerial Personnel / their relatives are, in any way, concerned or interested, financially or otherwise,

in this resolution as set out in Item No. 4 of the Notice, except to the extent of their shareholding.

Item No. 5:

Pursuant to Section 161 of the Companies Act, 2013, the Board of directors, w.e.f. 24th June 2026, appointed Mr. Tapan Kumar Chand (DIN-01710900) as an Additional Director (in the capacity of Independent Director) of the Company for a first term, with effect from 24th June 2026 to 30th April 2027, subject to the approval of the shareholders through an ordinary resolution.

The Company has received the following for his appointment as an Independent Director;

- a. Consent in writing to act as Director in Form DIR-2
- b. Intimation in Form DIR-8 to the effect that he is not disqualified to the Act as a Director
- c. A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act
- d. A declaration that, he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.

The Nomination and Remuneration Committee and Board of Directors of the Company has recommended the appointment of Mr. Tapan Kumar Chand (DIN: 01710900).

In the opinion of the NRC Committee and the Board, Mr. Chand fulfils the conditions for independence specified in the Act, the Rules made thereunder, and such other laws / regulations for the time being in force, to the extent applicable to the Company.

The Board noted that Mr. Chand's skills, background and experience are aligned to the role and capabilities identified by the NRC and that he is eligible for appointment as an Independent Director.

The resolution seeks the approval of members for the appointment of Mr. Tapan Kumar Chand (DIN-01710900) as an Independent Director of the Company for a first term, effective 24th June 2026 to 30th April 2027, pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules (made thereunder including any statutory modification(s) or re-enactment(s) thereof) and he shall not be liable to retire by rotation.

As required under Secretarial Standard - 2, other requisite information is annexed as "Annexure-II", and forms a part of this Notice. Your Directors recommend the Resolution at Item No. 5

for approval by the Members by way of an Ordinary Resolution. The aforesaid Director may be deemed to be interested in the resolution to the extent of the fee for attending the meetings as may be payable, if any, in the Company.

Except Mr. Chand to the extent of their shareholding interest, if any, in the Company, none of the Directors / Key Managerial Personnel / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution as set out in Item No. 5 of the Notice, except to the extent of their shareholding.

Item No. 6:

Pursuant to Section 161 of the Companies Act, 2013, the Board of Directors, w.e.f. 19th October 2025, appointed Mr. Thomas Mathew T (DIN: 00130282) as an Additional Director (in the capacity of Independent Director) of the Company for a term of two (2) years with effect from 19th October 2025 to 18th October 2027, subject to the approval of the shareholders through an ordinary resolution.

The Company has received the following for his appointment as an Independent Director;

- a. Consent in writing to act as Director in Form DIR-2
- b. Intimation in Form DIR-8 to the effect that he is not disqualified to the Act as a Director
- c. A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act
- d. A declaration that, he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Director maintained by the Indian Institute of Corporate Affairs.

The Nomination and Remuneration Committee and Board of Directors of the Company has recommended the appointment of Mr. Thomas Mathew T (DIN: 00130282).

In the opinion of the NRC Committee and the Board, Mr. Mathew fulfils the conditions for independence specified in the Act, the Rules made thereunder, and such other laws / regulations for the time being in force, to the extent applicable to the Company.

The Board noted that Mr. Mathew's skills, background and experience are aligned to the role and capabilities identified by the NRC and that he is eligible for appointment as an Independent Director.

The resolution seeks the approval of members for the appointment of Mr. Thomas Mathew T (DIN: 00130282) as an Independent Director of the Company for a term of two (2) years effective 19th October 2025 to 18th October 2027, pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules (made thereunder including any statutory modification(s) or re-enactment(s) thereof) and he shall not be liable to retire by rotation.

As required under Secretarial Standard - 2, other requisite information is annexed as "Annexure-III", and forms a part of this Notice. Your Directors recommend the Resolution at Item No. 6 for approval by the Members by way of an Ordinary Resolution. The aforesaid Director may be deemed to be interested in the resolution to the extent of the fee for attending the meetings as may be payable, if any, in the Company.

Except Mr. Mathew to the extent of their shareholding interest, if any, in the Company, none of the Directors / Key Managerial Personnel / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution as set out in Item No. 6 of the Notice, except to the extent of their shareholding.

Item No. 7 & 8:

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company considered and approved the appointment of Mr. Rajesh Kumar Singh (DIN-11704248) at their meeting held on 29th May 2026, as an Additional Director on the Board of the Company with effect from 30th May 2026 (designated as Chief Executive Officer and Whole time Director) in accordance with the provisions contained in Section 161, 196, 197, 198 and 203 of the Companies Act, 2013, read with Schedule V, and other applicable provisions, if any of Companies act, 2013 along with rules made thereunder and subject to any regulatory approvals that may be required by operation of law, and Mr. Rajesh Kumar Singh (DIN:11704248) shall hold office up to the date of this Annual General Meeting. Accordingly consent of the members is sought for appointment of Mr. Rajesh Kumar Singh as Director of the company designated as Whole-Time Director and Chief Executive Officer of the Company, effective from 30th May 2026 to 29th May 2027.

Approval of the Members is required by way of a special resolution for Item No. 07 & 08, for appointment and payment of remuneration to Mr. Rajesh Kumar Singh (DIN-11704248) on the terms and conditions of the appointment and remuneration payable as recommended by the Nomination and Remuneration Committee and approved by board at their meeting dated 29th May 2026.



Proposed Remueneration:

Particulars	Amount in ₹
Annual Base Salary (incl. Gratuity, Superannuation etc.)	1,25,23,212
Total Annual Bonus Target	50,09,285
Total Stock Option Target	70,76,473
Other Benefits	9,60,000
Total	2,55,68,970

* Remuneration structure represented the current framework and would be subject to revision in line with annual increments approved by the Company in accordance with its remuneration policy.

The remuneration proposed for Mr. Singh for the position of Chief Executive Officer & Whole-time Director is within the limits prescribed under Section 197 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The same shall be subject to revision in line with the annual increments approved by the Company, in accordance with its remuneration policy.

The Board accordingly recommends Item No. 07 & 08 as special resolution, of the accompanying Notice for approval of the Members.

Except Mr. Singh, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolutions set out at Item No. 7 & 8 except to the extent of their shareholding. The Statement Containing Additional Information as Required Under Schedule V of the Act for the Item No. 7 & 8.

GENERAL INFORMATION

- Nature of Industry: **Aluminium production and Power Generation**
- Date of commencement of Commercial production: 27th November, 1965
- In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
- Financial performance based on given indicators:

(in ₹ Crore)		
Particulars	FY 2025-26	FY 2024-25
Income from Operations and Other Income	17,379	15,808
Operating Profit (Before Interest, Depreciation & Tax)	7,126	4,534
Profit/(Loss) Before Tax	6,461	3,931
Tax Expense	1,637	962
Net Profit/(Loss) After Tax	4,825	2,969

- Foreign investments or collaborations, if any: The Company has not made any Foreign Investments and neither entered into any collaborations during the last year.

I. INFORMATION ABOUT THE APPOINTEE:

1. Background details:

Mr. Rajesh Kumar Singh

Mr. Rajesh Kumar Singh, CEO – Metal, BALCO, holds a Bachelor's degree in Metallurgical Engineering from NIT Raipur (formerly - GEC Raipur) and has over 28 years of professional experience. He has been associated with the Group since 2004 and has extensive experience in smelter operations, having overseen end-to-end activities across smelting and allied service areas. He has played a significant role in driving expansion, improving operational efficiency, and supporting the overall growth of the smelter business.

Prior to joining BALCO, Mr. Singh held key positions at ISPAT Profiles India Limited, Pune and Hindalco Industries Limited, Renukut. Within BALCO, he has progressed through various leadership roles, including Head – Pot Room, COO – Metal, and IBU Deputy CEO – Metal, before being elevated to CEO – Metal.

Mr. Singh demonstrates strong leadership, strategic vision, and effective team management capabilities. He consistently focuses on operational excellence and adherence to high standards of performance and governance, thereby contributing to the stability and sustained growth of operations.

- Past Remuneration:** Drawn in capacity of CEO – Metal: ₹2,61,75,621
- Recognition or awards:** NA
- Job Profile and his Suitability:

Under Mr. Singhs's leadership, the Company focuses on achieving sustainable growth driven by operational excellence, digital transformation, and ESG initiatives. Key priorities include enhancing metal production, achieving the milestone of 1 MTPA through capacity expansion and process optimisation, improving cost efficiencies through automation and supply chain integration, and accelerating the transition towards renewable energy to reduce the carbon footprint.

5. Remuneration Proposed:

As stated in Explanatory Statement as Item No. 7 & 8 of this Notice.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

The remuneration as proposed of Mr. Rajesh Kumar Singh is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and diverse nature of its businesses. Considering their general industry and the specific company profile the proposed remuneration is in line with the industry levels and that of comparatively placed Companies in India.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Beside the remuneration proposed to be paid to Mr. Singh, he does not have any other pecuniary relationship with the Company or relationship with any other Director or Managerial person.

As required under Secretarial Standard-2, other requisite information is annexed as "Annexure-IV", and forms a part of this Notice.

Item No. 9:

Pursuant to Section 161 of the Companies Act, 2013, the Board of directors, w.e.f. 14th July 2026, appointed Mr. Sushil Kumar Roongta (DIN-00309302) as an Additional Director designated as Non-Executive Director and Chairman of the Company, for a term of 1 (one) year with effect from 14th July 2026 to 13th July 2027, liable to retire by rotation, subject to the approval of the shareholders through an ordinary resolution.

The Company has received the following for his appointment as an Director;

- Consent in writing to act as Director in Form DIR-2.
- Intimation in Form DIR-8 to the effect that he is not disqualified to the Act as a Director.

The Nomination and Remuneration Committee and Board of Directors of the Company has recommended the appointment

of Mr. Sushil Kumar Roongta (DIN-00309302). The Board noted that Mr. Roongta's skills, background and experience are aligned to the role and capabilities identified by the NRC and that he is eligible for appointment as an Non-Executive Director and Chairman of the Company.

The resolution seeks the approval of members for the appointment of Mr. Sushil Kumar Roongta (DIN-00309302) as an Non-Executive Director and Chairman of the Company, for a term of 1 (one) year with effect from 14th July 2026 to 13th July 2027, who shall be liable to retire by rotation, pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules (made thereunder including any stattory modification(s) or re-enactment(s) thereof).

As required under Secretarial Standard - 2, other requisite information is annexed as "Annexure-V", and forms a part of this Notice. Your Directors recommend the Resolution at Item No. 9 for approval by the Members by way of an Ordinary Resolution. The aforesaid director may be deemed to be interested in the resolution to the extent of the fee for attending the meetings as may be payable, if any, in the Company.

Except Mr. Roongta to the extent of his shareholding interest, if any, in the Company, none of the Directors / Key Managerial Personnel / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution as set out in Item No. 9 of the Notice, except to the extent of their shareholding.

By order of the Board

Wageesha Agarwal

Company Secretary
ACS-67456

Date: 10th July 2026
Place: Delhi

Registered Office:

Aluminium Sadan, Scope Office Complex, Core-6,
7 Lodhi Road, New Delhi-110003.

CIN: U74899DL1965PLC004518

Email: wageesha.agarwal@vedanta.co.in

Website: www.balcoindia.com

Tel: 011-49166200



Annexure-I

Details of the Directors seeking appointment/re-appointment in terms of Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of Companies Act, 2013:



Name of Director	Mr. Tarun Jain
Category of the Director	: Non-Executive Director
Director Identification Number (DIN)	: 00006843
Age	: 66 Y
Qualification	: Mr. Jain is a fellow member of both the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India and is a graduate of the Institute of Cost and Works Accountants of India.
Brief Resume/Experience (including expertise in specific functional area)	: Mr. Jain has over 40 years of extensive experience in corporate finance, audit and accounting, tax and secretarial practice, and strategic financial matters. He also serves on the Board of Vedanta Medical Research Foundation, Aart Corporate Advisors Private Limited. Additionally, he has previously served on the Boards of Vedanta Limited, Cairn India Limited, Sterlite Opportunities and Ventures Limited, and Vedanta Aluminium Limited.
Date of first appointment / re-appointment on the Board	: 02 nd March 2001
Terms & Conditions of appointment / re-appointment	: Director liable to retire by rotation to be re-appointed in terms of Section 152(6) of the Companies Act, 2013.
Shareholding in the Company as on 31 st March 2026	: NIL
Remuneration Last Drawn (including Sitting fees)	: - Remuneration – Not applicable - Sitting Fees paid for Board Meeting held on 23rd April 2026 Board & Committee Meeting – ₹75,000/- - Profit Related Commission for FY 2025-26 of ₹ 14,70,000/-
Remuneration proposed to be paid	: Not applicable
Relationship with other Directors/KMPs/Managers	: None as per the definition of Relatives specified in the Companies Act, 2013.
Number of Board meetings attended during the year	: Please refer the Corporate Governance Report of FY26.
Directorships, in other companies as on 31 st March 2026	: Six (6) - Aart Corporate Advisors Private Limited - Vedanta Medical Research Foundation - Rajtaru Charity Foundation - Rushabh Nath Digamber Jain Foundation - Jain International Trade Organisation - Shree Khandelwal Digamber Jain Samaj Foundation
Membership / Chairpersonship of Committee of Other Companies as on 31st March 2026	: Nil

Annexure-II

Details of the Directors seeking appointment/re-appointment in terms of Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of Companies Act, 2013:



Name of Director	Mr. Tapan Kumar Chand
Category of the Director	: Independant Director
Director Identification Number (DIN)	: 01710900
Age	: 66 Y
Qualification	: Mr. Chand is a Gold Medallist from Utkal University, holds postgraduate qualifications in Public Administration and History, a degree in Law, and has undergone advanced management and corporate governance programmes in India and abroad.
Brief Resume/Experience (including expertise in specific functional area)	: Mr. Tapan Kumar Chand is a senior industry professional with over three decades of experience in mining and manufacturing, including aluminium, steel, and coal. He served as Chairman cum Managing Director of NALCO, leading a significant turnaround and strengthening its position as a low cost global producer. He has also held leadership roles at KABIL and other industry institutions, and has contributed to sectoral strategy, capacity expansion, and development of new business areas such as green energy and critical minerals.
Date of first appointment / re-appointment on the Board	: 24 th June 2026.
Terms & Conditions of appointment / re-appointment	: Appointment of Director, as an Independent Director of the Company, in terms of Section 152 & 161 of the Companies Act 2013
Shareholding in the Company as on 31 st March 2026	: NIL
Remuneration Last Drawn (including Sitting fees)	: - Remuneration – Not applicable - Sitting Fees – NIL
Remuneration proposed to be paid	: Not applicable
Relationship with other Directors/KMPs/Managers	: None as per the definition of Relatives specified in the Companies Act, 2013.
Number of Board meetings attended during the year	: Not applicable
Directorships, in other companies as on 31 st March 2026	: Four (4) Odisha Special Grade Alumina Limited TP Southern Odisha Distribution Limited Swarnagarbha Mining & Mineral Private Limited Min Minerals Private Limited
Membership / Chairpersonship of Committee of Other Companies as on 31st March 2026	: TP Southern Odisha Distribution Limited Audit Committee - Member



Annexure-III

Details of the Directors seeking appointment/re-appointment in terms of Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of Companies Act, 2013:



Name of Director	Mr. Thomas Mathew T
Category of the Director	: Independant Director
Director Identification Number (DIN)	: 00130282
Age	: 72 Y
Qualification	: Mr. Thomas Mathew T holds a Postgraduate Diploma in Management, a Postgraduate Degree in Economics, a Law Degree, and is an Associate of the Insurance Institute of India
Brief Resume/Experience (including expertise in specific functional area)	: With over four decades of strategic leadership and operational experience in the life insurance and reinsurance sectors in India, Mr. Mathew has held several distinguished positions. He served as Senior Advisor – Insurance at McKinsey & Company and was Chairperson of the Reinsurance Committee of IRDAI. He brings extensive experience from multinational corporations, having served as a Director on the Boards of Larsen & Toubro Ltd, Mahindra & Mahindra Ltd, Tata Power Ltd, Voltas Ltd, IFCI Ltd, Canara HSBC Life Insurance Co., and L&T Finance Ltd. Mr. Mathew has also contributed to academia and industry bodies, having been a member of the Governing Council of MDI Gurgaon and the Actuarial Institute of India, and serving as Chairperson of the National Insurance Academy, Pune.
Date of first appointment / re-appointment on the Board	: 19 th October 2025
Terms & Conditions of appointment / re-appointment	: Appointment of Director, as an Independent Director of the Company, in terms of Section 152 & 161 of the Companies Act 2013
Shareholding in the Company as on 31 st March 2026	: NIL
Remuneration Last Drawn (including Sitting fees)	: - Remuneration – Not applicable - Sitting Fees paid for Board Meeting held on 23rd April 2026 Board & Committee Meeting – ₹75,000/- - Profit Related Commission for FY 2025-26 of ₹6,60,300/-
Remuneration proposed to be paid	: Not applicable
Relationship with other Directors/KMPs/Managers	: None as per the definition of Relatives specified in the Companies Act, 2013.
Number of Board meetings attended during the year	: Please refer the Corporate Governance Report of FY26.
Directorships, in other companies as on 31 st March 2026	: Two (2) - ESL Steel Limited - Hindustan Zinc Limited
Membership / Chairpersonship of Committee of Other Companies as on 31st March 2026	: ESL Steel Ltd. Audit Committee – Chairperson Nomination & Remuneration Committee – Chairperson Stakeholder Relationship Committee – Chairperson Corporate Social Responsibility Committee – Chairperson Hindustan Zinc Ltd. Nomination & Remuneration Committee - Member

Annexure-IV

Details of the Directors seeking appointment/re-appointment in terms of Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of Companies Act, 2013:



Name of Director	Mr. Rajesh Kumar Singh
Category of the Director	: Chief Executive Officer & Whole-Time Director
Director Identification Number (DIN)	: 11704248
Age	: 53 Y
Qualification	: Mr. Rajesh Kumar Singh T holds B.E. in Metallurgical Engineering from NIT Raipur (formerly GEC Raipur)
Brief Resume/Experience (including expertise in specific functional area)	: Mr. Singh has more than 28 years of work experience and has been associated with the Group since 2004. He has overseen the entire smelter operations in his career and has played a critical role in the expansion, growth, and efficient operation of the smelter and allied service areas. He possesses excellent leadership and team management ability. His leadership over the years has demonstrated a high degree of strategic foresight, operational excellence, and commitment to operational values. His dedication has contributed to the sustained growth and stability of smelter and other areas.
Date of first appointment / re-appointment on the Board	: 17 th May 2026
Terms & Conditions of appointment / re-appointment	: Appointment of Director, as a Director of the Company, in terms of Section 152 & 161 of the Companies Act 2013
Shareholding in the Company as on 31 st March 2026	: NIL
Remuneration* Last Drawn (including Sitting fees)	: No Remuneration during FY26 as a Whole-Time Director
Remuneration proposed to be paid [#]	: Remuneration - ₹3,70,55,500
Relationship with other Directors/KMPs/Managers	: None as per the definition of Relatives specified in the Companies Act, 2013.
Number of Board meetings attended during the year	: Not applicable
Directorships, in other companies as on 31 st March 2026	: Nil
Membership / Chairpersonship of Committee of Other Companies as on 31st March 2026	: Nil

[#]Subject to revision in line with the annual increments approved by the Company, in accordance with its remuneration policy.



Annexure-V

Details of the Directors seeking appointment/re-appointment in terms of Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of Companies Act, 2013:



Name of Director	Mr. Sushil Kumar Roongta
Category of the Director	: Non-Executive Director
Director Identification Number (DIN)	: 00309302
Age	: 75 Y
Qualification	: Mr. Roongta is an electrical engineer from Birla Institute of Technology & Science (BITS), Pilani, and a post Graduate Diploma in Business Management – International Trade, from the Indian Institute of Foreign Trade (IIFT), New Delhi
Brief Resume/Experience (including expertise in specific functional area)	: Mr. Roongta is the former Chairman of Steel Authority of India Limited (SAIL) and a distinguished industry leader with extensive experience in the metals, power, and public sector sectors. He has led large-scale business transformations and public sector reforms. He has held leadership positions in premier industry bodies including FICCI, CII, ASSOCHAM, and the World Steel Association, and is widely recognized for his expertise in corporate governance, strategic leadership, policy formulation, and turnaround management. He also chaired the Planning Commission’s expert committee on CPSE reforms, whose recommendations are regarded as a benchmark for public sector transformation. He has been associated with the Board of Directors of the Company since 2012.
Date of first appointment / re-appointment on the Board	: First Appointment – 31 st January 2012 Subsequent change in designation/re-appointment - 14 th July 2022, 14 th July 2024 Current Appointment – 14 th July 2026
Terms & Conditions of appointment / re-appointment	: In Compliance of the Companies Act, 2013 read with the rules made thereunder.
Shareholding in the Company as on 31 st March 2026	: NIL
Remuneration Last Drawn (including Sitting fees)	: Please refer the Corporate Governance Report of FY26
Remuneration proposed to be paid	: NA
Relationship with other Directors/KMPs/Managers	: None as per the definition of Relatives specified in the Companies Act, 2013.
Number of Board meetings attended during the year	: Please refer the Corporate Governance Report of FY26.

Directorships, in other companies as on 31st March 2026

- : Ten (10)
1. JK Paper Limited
 2. Jubilant Pharmova Limited
 3. Titagarh Rail Systems Limited
 4. Bharat Aluminium Co. Ltd.
 5. Jubilant Ingrevia Limited
 6. Shree Cement Limited
 7. Baxy Limited
 8. JSW Steel Limited
 9. Sushasvi Foundation
 10. IREP Dhan Private Limited

Membership / Chairpersonship of Committee of Other Companies as on 31st March 2026

- : **Audit Committee**
Jubilant Pharmova Limited - Member
Jubilant Ingrevia Limited - Chairperson
Bharat Aluminium Co Ltd - Member
J K Paper Limited - Member
Baxy Limited - Member
Shree Cement Limited - Member
Nomination & Remuneration Committee
Jubilant Pharmova Limited - Chairperson
Bharat Aluminium Co Ltd - Member
Titagarh Rail Systems Limited - Member
J K Paper Limited -Chairperson
Shree Cement Limited - Member
Baxy Limited - Chairperson
Corporate Social Responsibility Committee
Jubilant Pharmova Limited - Member
Jubilant Ingrevia Limited - Member
Bharat Aluminium Co Ltd - Chairperson
Baxy Limited – Member
JSW Steel Ltd. - Member
Stakeholders’ Relationship Committee-
Jubilant Ingrevia Limited - Member
Member in Risk Management Committee
Jubilant Ingrevia Limited - Member
Jubilant Pharmova Limited - Chairman
J K Paper Limited - Member
Titagarh Rail Systems Limited - Member
Shree Cement Limited – Chairperson
JSW Steel Ltd. – Chairperson
Quality Committee
Jubilant Pharmova Limited - Member
Business Responsibility & Sustainability Committee
JSW Steel Ltd- Member



Board's Report

Dear Members,

Your Directors take pleasure in presenting the **60th Integrated Annual Report of Bharat Aluminium Co. Ltd. ("BALCO")**, along with the Audited Financial Statements for the Financial Year ending March 31, 2026.

(A) KEY BUSINESS, OPERATIONS AND FINANCIAL PERFORMANCE

I. Company Overview:

Bharat Aluminium Company Limited (BALCO), established in 1965, is India's first public sector enterprise for aluminium production. Over the decades, the Company has contributed significantly to strengthening the nation's industrial capabilities, supporting infrastructure growth, and advancing manufacturing self-reliance.

In 2001, the Government of India divested 51% of its stake in BALCO to Sterlite Industries Limited, now Vedanta Limited. This transition marked a new phase of growth, enabling operational transformation, capacity expansion, and enhanced efficiency, while reinforcing BALCO's role in India's industrial development.

From an initial capacity of 1 LTPA, BALCO is steadily progressing towards becoming a 1 MTPA operation. Located in Korba, Chhattisgarh, the Company operates a state-of-the-art aluminium smelting facility supported by a power plant with a capacity of 1,740 MW. In FY26, the Company achieved a key milestone by producing its first metal from India's largest 525 kiloampere (kA) smelter, surpassing the earlier national benchmark of 378 kA and setting new standards in operational excellence, thereby advancing its 1 MTPA expansion journey.

Beyond operations, BALCO continues to create sustained value through its community development initiatives,

positively impacting over 1.80 lakh lives across 123 villages. The Company remains focused on driving inclusive growth alongside business excellence.

With a diversified product portfolio, including ingots, wire rods, busbars, and rolled products, BALCO plays a critical role in promoting aluminium as a sustainable and efficient alternative across sectors such as construction, power transmission, and infrastructure. As it moves forward, the Company remains committed to responsible growth, operational excellence, and contributing to India's vision of self-reliance.

II. Financial Performance at a Glance:

- a. During the financial year 2025-26, revenue from operations increased to ₹17,379 Cr., as against ₹15,808 Cr., in the previous year – a increase of 10%.
- b. EBITDA increased to ₹7,126 Cr.
- c. Cost of goods sold as a percentage to revenue from operations reduced to 49% as against 63 % in the previous year.
- d. The Profit before Tax for the current year is ₹6,461 Cr., against a profit of ₹3,931 Cr., in the previous year on account of higher EBITDA.
- e. Finance Cost for the current year is ₹292 Cr., against ₹203 Cr., in FY 25- an increase of 44%.
- f. Loan of ₹1599 Cr., repaid during FY'26.

III. Key Financial Highlights:

The Company's financial performance for the FY 2025-26 and of the previous year is summarised below:

Particulars	(₹ in Cr.)	
	FY 2026	FY 2025
Turnover	17,379	15,808
EBITDA	7,126	4,534
Depreciation	653	625
Other income (net of expenses)	284	226
Operating profit before finance Cost	6,753	4,135
Finance Cost	292	203
Exceptional Item	4	0
Profit/(loss) before tax	6,461	3,931
Tax Expense	1,637	962
Profit/(loss) after tax	4,825	2,969



Particulars	FY 2026	FY 2025
Other comprehensive income/(loss)	(562)	67
Total comprehensive income/(loss)	4,263	3,036
Paid up Equity Share Capital	221	221
Opening reserves	11,935	8,900
Debenture redemption Reserve		
Capital reserve	9	9
Other Free Reserves	11,926	8,890
Transfer to DRR from free reserves		
Other receipts in Free reserves		
Closing Reserves	16,161	11,935
Debenture redemption Reserve		
Capital reserve	9	9
Other Free Reserves	16,152	11,926

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

IV. Operational Overview and State of the Company’s Affairs:

a. Sales & Dispatch

- Highest ever Total Sales - 597 KT, previous best 585.9 KT (FY - 25)
- Highest Ever VAP (Qty) - 358 KT, previous best - 335 KT (FY - 25)
- Highest ever Domestic Sales - 566.15 KT (FY - 26), previous best 539 KT (FY - 25)
- Highest ever Domestic Sales share - 95 % in FY- 26, previous best - 92% (FY - 25), best in last 12 years.
- Highest ever Wire Rod Sales - 230.49 KT (FY - 26), previous best - 223.9 KT (FY - 18)
- Highest ever PFA Sales - 92.3 KT (FY - 26), previous best - 79.5 KT (FY - 24)

b. Volume & Specifics

FLA

- Highest-ever production in Cast House - 562.6 KT, delivering a 3.7% growth.
- Highest-ever EC WR Production - 220.5 KT (203.99 KT FY25)
- Highest-ever Wire Rod production from Cast House - 230.7KT (Previous Best - 217KT FY25).
- Highest-ever PFA production from CH1 - 91.64 KT (Prev. best - 79.31 KT FY24)
- Highest-ever Value-Added Products (VAP) production - 360KT 60% (Previous Best - 337KT 57.4% FY25) marking 2.6% Improvement.

- PFA-2 Commissioned in Dec’25 and produced 8KT. Achieved 85% Design Capacity in Mar’26.
- Highest Ever WRM CH3 Availability - 88% (Prev. best - 86% FY - 25)
- Highest Ever PFA-1 CH1 Availability - 96% (Prev. best - 95% FY - 25)
- CRM-2 throughput increased by 30%, by main drive Gear box Replacement which helped in increasing its speed from 250 mpm to 500 mpm.
- Successful commissioning and start-up of the New Cut to Length, Edge Trimming line, New Slitting Line, Tension Levelling Line, CRM 2.
- Successfully slitted the 0.40 mm Foil Stock and PPC coils in Balco’s existing slitting line (earlier min. was 0.46 mm)
- CRF rejection rate decreased from 8% to 1.25% after ensuring that 100% of CRF coils are rolled in spools during CRM process and handling.
- Visual Inspection Dashboard - Focusing on enhancing digital defect detection and traceability.

POTLINES

- Achieved highest-ever 589.9 KT, surpassing the previous best of 586.5 KT (FY25), delivering USD 3 Mn p.a. savings.
- Highest ever amperage achieved in potlines at 343.9 kA (Previous Best 340.3 kA in FY25).

- Recorded the highest number of pot shell changes in a year (56), surpassing the previous best of 48 in FY25.
- Highest ever pot life achieved at 2131 days. (Previous best achieved 2123 days).
- Lowest ever auxiliary power consumption in potlines achieved at 420 kWhr/MT (Previous best 471 kWhr/MT in FY24).
- Lowest ever specific carbon consumption in potlines achieved at 409.3 kg/MT (Previous best 410 kg/MT in FY25), delivering savings of USD 0.3 Mn.
- Lowest ever alumina consumption in potlines – 1.925 MT/MT. (Previous best achieved 1.934 MT/MT in FY24 - 25), delivering savings of USD 2.6 Mn.
- Best ever PL-1 Inlet pressure 83.03 mmwc (Previous best achieved 79.22 mmwc on FY - 24-25)
- Best ever PL - 2 Inlet pressure - 0.82 kPa, (Previous best achieved - 0.74 kPa in FY 24 - 25)
- Best ever PL - 1 Enrichment 1.65%, previous best achieved 1.63% in FY 24 - 25.
- Best ever BALCO PTM Availability of 96.10% against previous best of 95.92% in FY’25.
- Best ever Potline - 1 PTM availability of 95.97% against previous best of 95.89% in FY’24.
- Best ever Potline - 2 PTM availability of 96.29% against previous best of 96.12% in FY’25.

CARBON

- Highest ever baked anodes production 331584 in FY 26. Previous best was 328164 in FY24.
- Highest ever Rodded Anode production 326846 in FY 26. Previous best was 326722 in FY 18.
- Achieved highest ever throughout 33.71 T/hr in GAP in FY 26. Previous best was 32.05 T/hr in FY 25.
- Achieved rodded anode production in 1.64 shift/day in FY 26. Previous best was 2 shifts /day in FY-25.
- Achieved lowest ever GAP Rejection 1.10 % in FY 26. Previous best was 1.33 % in FY 25.
- Lowest ever Rodded anode Rejection 0.09 % in FY 26. Previous best was 0.095 % in FY 25.

- Achieved lowest ever Pitch Tankers TAT 3 Hrs 52 Min in FY 26. Previous best was 08 hrs 20 Min in FY 25.
- Lowest-ever Air Permeability of baked anode 0.55 nPm in FY’26. Previous best was 0.73 nPm in FY’25
- Lowest-ever Fe in Fine Butt - 1419 PPM in FY’26. Previous Best was 1468 PPM in FY’25.
- Lowest-ever Si in Fine Butt - 180 PPM in FY’26. Previous Best was 184 PPM in FY’25.
- Lowest-ever Na in Fine Butt - 694 PPM in FY’26. Previous Best was 712 PPM in FY’25.
- Lowest-ever Si in Process coke - 147 PPM in FY’26. Previous Best was 151 PPM in FY’25.
- Lowest-ever Fe in BMP - 590 PPM in FY’26. Previous Best was 609 PPM in FY’23.
- Lowest-ever Si in Crushed bath 1584 PPM in FY’26. Previous best was 1804 PPM in FY’23.
- Achieved highest ever GAP availability 83.16% in FY 26. Previous best was 75.99 % in FY 25.
- Achieved highest ever Bake Oven availability - 96.53% in FY’26. Previous best was 95.65% in FY’25.
- Achieved highest ever Rodding availability 86.99 % in FY 26. Previous best was 85.26 % in FY 25
- Achieved lowest ever Start Stop 16 in GAP in FY 26. Previous best was 45 no in FY 25.
- Achieved Lowest breakdown frequency 28 in Bake Oven in FY’26. Previous best was 49 in FY’25.
- Achieved highest ever Throughput 33.71 T/hr in GAP in FY 26. Previous best was 32.05 T/hr in FY 25.

c. Quality

- Highest ever baked anodes production 331584 in FY 26. Previous best was 328164 in FY24.
- Highest ever Rodded Anode production 326846 in FY 26. Previous best was 326722 in FY 18.
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- Achieved highest ever Throughput 33.71 T/ hr in GAP in FY 26. Previous best was 32.05 T/ hr in FY 25.

d. Power Operations

- 740 MW Station - Achieved 2nd highest PLF of 78.3% in FY26, close to the bestever 78.9% in FY25.
- 1200 MW Station: Recorded highest ever PLF of 83% in FY26, improving from the previous best of 80.5% in FY21.

- IPP Unit #1 (300 MW) - Achieved highest ever PLF of 74.3% in FY26, surpassing the earlier best of 72.1% in FY25.
- CPP 900 MW - Delivered 2nd highest PLF of 85.9% in FY26 (best: 86.2% in FY21).
- 1740 MW Station Availability - Maintained 89% availability in FY26.
- 1200 MW Station - Achieved highest ever availability of 95% in FY26 (previous best: 94% in FY20).
- 900 MW Station - Achieved highest ever availability of 96% in FY26 (previous best: 95% in FY20).
- 1200 MW Station Forced Outage - Achieved lowest ever forced outage of 0.9% in FY26 (previous best: 1.2% in FY20).
- Zero BTL incidents postoverhauling at 1200 MW station with uninterrupted operations:
 - Unit #1: 333 days
 - Unit #2: 497 days
 - Unit #3: 962 days
 - Unit #4: 749 days
- Operational Efficiency: Best Auxiliary Power Consumption (7.5%) and Specific Coal Consumption (678 g/kWh) achieved at 1200 MW plant in the last five years.
- Coal Security: Expanded coal storage capacity to 8.3 lakh tonnes, ensuring 30 days of coal stock for monsoon reliability.

e. Reliability & Debottlenecking

- Completed major system upgradations including 400 kV GIS upgradation, 135 MW Unit #1 generator stator replacement, GILMS and bay control unit upgrades at the switchyard, and capacity enhancement of CPP 2 to MRSDS line from 150 MW to 500 MW.
- Ash Utilization: Expanded sustainable ash utilization avenues with a twofold increase in cement industry usage and initiation of ash disposal in stone quarries, achieving 12 lakh tonnes of utilization.
- Water Recycling: Installed 50 kW solar panels at ash dykes enabling solar powered water recycling. Achieved 20% water recycling in FY26 through ETPs, RO systems, and ash dyke initiatives.

- Noise Reduction: Implemented cooling tower noise mitigation measures, reducing noise levels from 76 dB to 62 dB.
- Eco efficient Coal Movement: Improved coal rail coefficient from 61% in FY25 to 77% in FY26, handling approximately 1,706 coal rakes during FY26.
- Renewable Energy Integration: Commenced sustained wind power flow from November FY26, utilizing 540 MU of RE power in smelter operations (FY25: 219 MU),
- Unit Loading Factor Improvement: Improved loading in 1200 MW units following debottlenecking of high fabric filter differential pressure through SOV and FF bag replacement.
- Completed DCS replacement for Unit #1 (135 MW) to enhance plant reliability.
- 2nd Grid connectivity National Thermal Power Corporation (NTPC) Birsingpur LILO (Line in Line Out) & new Gas insulated switchyard (GIS) commissioned in Jan'25 for redundancy in power sourcing to smelter units.
- Unit loading factor improvement after Unit#3 and Unit#4 1200 MW Overhauling and mill reliability improvement.
- Unit#2 540 MW unit R&M to debottleneck unit low loading factor and low efficiency.
- Captive Renewable power flow started from Oct'24 & 176.8 MU Renewable energy received in FY25.
- Ash utilization through sustainable avenue cement industry and zero legacy ash with utilization 131% in FY25.
- Geofencing and GPS (Global Positioning System) technology implemented for Ash transportation monitoring for 100% transport vehicles.
- Elimination of heavy furnace oil firing as a secondary fuel in power plant.
- First time Booking & Materialization of Shakti Coal.
- BALCO's owned GPWIS BOBRN rake has been received in Q1FY25.
- Installation and commissioning of water treatment RO (Reverse Osmosis) plant to treat cooling tower blowdown and recycling of 4000 m3/day water.

(B) EXPORTS

During FY26, aluminium exports amounted to 30,864 Mt, generating a revenue of ₹ 1,033 Cr., which includes export incentive of ₹ 27.87 Cr.

(C) CONTRIBUTION TO GOVERNMENT EX-CHEQUER

During FY26, the Company contributed ₹ 6,311 Cr. to State and Central Government treasury, compared to ₹ 5,863 Cr. in FY25.

(D) TRANSFER TO RESERVE

The Company has transferred Nil to General Reserves for the financial year ended 31st March 2026. An amount of ₹ 16,161 Cr is retained in the retained earnings.

(E) DIVIDEND

Your Directors have decided to conserve resources for the Company's future expansion and growth. Accordingly, the Board has not recommended any dividend for the financial year under review. As a result, no amount was required to be transferred to the Investor Education and Protection Fund (IEPF) during the year.

(F) CREDIT RATING

As on 31st March 2026, your Company's credit rating is AA/ Stable (pronounced as Crisil Double A Stable) for the long-term borrowing, as rated by CRISIL Ratings Limited. The rating was last revised on 19th March, 2025 and has remain constant since then. Details of the credit rating are available at: <https://www.balcoindia.com/>.

(G) INDIAN ACCOUNTING STANDARDS (IND AS)

The Company has been following Indian Accounting Standards ("Ind AS") as mandated by the Ministry of Corporate Affairs with effect from 1st April 2017. Accordingly, the financial statements for the financial year 2025-26 have been prepared in compliance with Ind AS notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, along with other applicable accounting principles and policies.

(H) HEALTH, SAFETY & ENVIRONMENT

In line with the principle of sustainable development, the Company continues to focus on Health, Safety & Environment as key focus areas of business. The Company holds the following certifications:



- IATF 16949:2016, ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018, and ISO 9001:2015 for BALCO Hospital, issued by IRQS.
- ASI certification for the Performance Standard issued by the Aluminium Stewardship Initiative.
- Accreditation of Metal and Coal Laboratories by NABL in accordance with ISO/IEC 17025.
- BIS certification for finished goods, with the Company currently holding eight BIS licences.

I. The Key highlights for the Financial Year 2025-26 are as under:

a. Safety

- Zero fatality, 22% Injury Reduction & HiPO Reduction by 68% from FY 25.
- Structural integrity of the old foundry, Cast House-1 and Cast House-2 has been strengthened and reinforced to reduce structural risk.
- Dark Hours Visible Felt Leadership was to introduced increase leadership visibility on the shopfloor.
- Balco Management conducted a connect session with the top 14 Business Partners, during which eight key common actionable points were identified and are currently under implementation.
- Safety Park was inaugurated covering more than 1000 employees for experiential learning
- "Safety Steward" initiative was launched with 70 Safety Stewards & 1100+ safety observations were reported and actions are being taken for the same.
- "Suraksha Pahal" the awareness session was conducted where BALCO top management directly engaged with Line Supervisors facilitating open discussions on workplace risks, expectations, and safety accountability with participation from over 300 employees & business partners.
- "Suraksha Jyoti" Season 3 training was launched to promote safety culture & raise safety consciousness at BALCO strengthen and reinforce the safety culture, at around 2000 employees covered.
- "Suraksha Prahari" was conducted in BALCO engaging 500 supervisors to improve risk perception and safety leadership across levels.

- "Suraksha Chaupal" sessions were conducted at 176 locations, engaging employees in safety discussions with more than 1000 observation.
- Safety Awareness Trainings were conducted across various topics, totalling 2,31,155 training man-hours.
- One-Day-Safety-Officer "Suraksha Doot" was launched, where a shopfloor personnel member will be championing safety at their area, empowered as Safety Officer.
- District-level mock drill conducted under the guidance of Factory Inspector with 7 mutual aid partners to enhance emergency preparedness and coordination.
- BALCO is first site to prepare and simplify CRM checklist of "Fall of person/object from height" & "Uncontrolled load during lifting", at Vedanta Group Level.
- BALCO achieved highest CRM reporting of 35000+ observations, covering verification of all critical permits across applicable risks ensuring zero harm & Capacity Building Workshop conducted for 68 leaders to strengthen CRM verification.
- BALCO sustained the Suraksha Sankalp gate meeting for 52 uninterrupted months, reinforcing our commitment to safety.
- BALCO Launched "Samvedana 5.0," focusing on employees who courageously navigated safety incidents, with 60 participants.
- In FY 26, 4023 Safety Stand Downs were conducted to share internal and group-level incident learnings.
- A total of 20598 observations were identified in FY 26, through CCTV monitoring, aimed at correcting unsafe behaviours and identifying hazardous conditions, with 80% closure achieved.
- In FY 26, BALCO recorded an increase of 12% in hazard & near-miss incident reporting, highlighting our proactive approach to safety.
- In FY 26, BALCO increased 38% Visible Felt Leadership and Safety Interaction/CRM by Senior Management and BP Managers, with 45073 instances recorded.
- BALCO Partnered with DSS+ to build a strong safety culture, provide leadership coaching, and drive initiatives through various committees.

- "MS-11 Awareness Session" for doctors and HSE professionals was conducted covering 30 employees, enhancing understanding of safety protocols.
- Chemical Safety - MSDS has been displayed at around 200 locations across the plant, in both Hindi & English language.

Road Safety

- Man-machine segregation established in 15km out of total 17km walkways.
- Air Conditioner & Ergonomic seats installation in 40 out of 84 technical vehicles.
- Advanced Driver Assistance System (ADAS) installed in 34 Technical Vehicles.
- Road safety infrastructure developed encompassing road widening, display signage, and human-vehicle interaction.
- The Stage-02 audit for ISO 39001:2012 (Road Traffic Safety Management System) has been successfully completed for BALCO. The IRQS audit team has recommended the site for certification to ISO 39001:2012.
- Dual Channel Dashcams have been installed in all 405 internal vehicles (100% Compliance).
- Both internal audit and Stage 1 audit for the Road Traffic Safety Management System (ISO 39001) have been successfully completed at BALCO.
- GPS devices have been installed in all 296 internal operations vehicles. Violation alerts are being generated and triggered to respective vehicle in-charges.
- An LMV and HMV driving simulator has been inaugurated to enhance safe driving practices.
- A month-long road safety campaign "Roko-Toko" was conducted by BALCO line managers and BP site in-charges. During the drive, a total of 270 violations were observed, and unsafe behaviours were corrected through on-the-spot counselling and awareness sessions.
- Only vehicles with High-Security Registration Plates (HSRP) are permitted entry into the plant premises; 52 cameras have been installed at critical junctions to monitor and track road safety across the site.
- A weekly engagement program was conducted involving interactions between the CEO Metal

and road safety violators, aimed at promoting safe driving practices, correcting unsafe behaviours, and building accountability among high-risk vehicle operators.

b. Environment

- Two environment non-compliances closed in FY 26 – Installation of Wheel Wash System at the entry and exit gate in the smelter plant and CREP recommendation of Fluoride consumption.
- Consent to Operate (CTO) received for Aluminium Smelter -1.275 LTPA, Phase-1 of expansion from 5.75 LTPA to 10.85 LTPA (Valid till 25.09.2026).
- Environmental Clearance (EC) and Consent to Establish (CTE) have been received for the construction of 756 flats for BALCO.
- Highest ever fly ash 3 Lakh MT dispatched to cement industry in FY 26 (Previous best was 1,55,232 MT in FY 25).
- BALCO initiated the disposal of hazardous waste to Treatment, Storage, and Disposal Facilities (TSDF) and co-processing of Spent Pot Lining (SPL) Refractory in the cement industry, achieving dilution of 20 KT of SPL Refractory.
- Installation of noise barrier system at 1200 MW cooling tower resulting reduction in noise.
- Low Carbon Aluminium product (RESTORA) produced for the first time by BALCO.
- Real time solar based Digital piezometers installed at BALCO Ash Dykes for monitoring dyke stability.
- Remote monitoring of Seepage at Ash Dykes through Solar & Cloud Based Surveillance enabling quick decision making and timely action to mitigate risk.
- 50 KW Solar panels installed BALCO Ash Dykes for water recycling through solar powered pumps.
- Highest ever water recycling rate -17.51 % in FY26 (Previous best FY 25 – 14.36 %).
- Lowest ever Specific water Consumption of Metal-0.37 m3/MT Al in FY26 (Previous best FY 25- 0.40 m3/MT Al).
- Improvement of the local Ambient Air Quality Index by 25-30% was achieved by installation of Ionisation-based air purification scrubbers at plant.



c. Sustainability & ESG

- BALCO achieved Tier 1+ in Vedanta's Management Assurance System rating.
- Vedanta Aluminium improved its S&P Global Corporate Sustainability Assessment (S&P CSA / DJSI) score from 77 to 84 (2025), positioning the company among the world's top two most sustainable aluminium producers.
- Decarbonisation of 33 Light Motor Vehicles (LMVs) through replacement of diesel powered forklifts with electric vehicles.
- Indigenous relining design (Recoverable Copper Cathode) development initiated in potline for energy consumption reduction by 300 KWH/MT in addition to graphitised cathode.
- BALCO achieved its higestever Quality Management Framework (QMF) Audit score of 66.6, reflecting sustained operational and quality excellence.
- BALCO successfully implemented all-women beam raising operations across all three potlines, marking a milestone in inclusive technical leadership.
- BALCO won the Vedanta Delhi Half Marathon Trophy for the fourth consecutive year, contributing 1.57 lakh meals to social causes.
- Established two coaching centres at Korba and Kawardha, providing structured preparation for CGPSC and VYAPAM (State Govt. Exams) examinations. 306 aspirants trained, resulting in 96 successful selections across various government jobs and eligibility examinations.
- Enabled livelihoods of Chhattisgarh's traditional Kosa silk artisans through structured weaving skill training, along with support in supply-chain integration and market access for the GI-tagged Kosa textile. 70 artisans have been benefitted from this initiative, with 20 artisans receiving intensive skill training and launch of pan-India delivery platform.
- Converted Greenbelt Plantation of over 77000 saplings of native species including plantation in 125 acres of barren land into 250 fruit orchards (Wadis) across 40 villages and plantation of 13,210 fruit-bearing trees under the through Mor Jal Mor Mati initiative, enhancing rural income and long-term agricultural sustainability.

- Creation of 21 farm ponds and 45 Jalkunds, and renovation of one community pond, generating 23733 m³ of water credits.
- Launch of Vehicle Management System and Driver Authorization Portal in FY26 to strengthen transport safety and compliance.
- VSAP score for the Vedanta Safety Standard module improved from 61 to 63.

d. Occupational Health

- A dedicated session on eye care and maintenance was conducted in collaboration with "Your Dost Mental Health Program," engaging over 80 employees to promote both mental and visual wellness.
- 100% compliance with periodic medical examination for BALCO employees and business partners and over 3000 on-spot health counselling sessions were conducted for immediate health related guidance & early intervention.
- "No Tobacco Day" awareness session was conducted covering 30 employees, providing impactful insights on tobacco cessation and healthy living.
- A Heat Stress and Health Awareness session was conducted at the Alumina canteen covering 40 employees, focusing on heat-related health risks and preventive measures.
- Swasth Chaupal was conducted at the Metal, Power, and Project Area by Deputy CMO-BALCO, featuring yoga, meditation, and health checkups, benefiting more than 100 employees and workers.
- "Healthy Meals" Initiative was conducted at Comprehensive and HMA canteens, providing nutrient-rich meals to more than 400 individuals.
- An "Eye Checkup Camp" was organized covering 300+ employees including drivers and crane operators, along with 56 outside drivers at Coal Gate during the Health Checkup Camp covered BP, Sugar, ECG, BMI.

e. Statutory

- Industrial hygiene conducted by Third party
- Petroleum License renewed – 4 Licenses (1200MW HFO, Common Gas, LPG, N2/Argon)
- Earth Pit (106), Safety Relief Valve (40) and Hydro (4) Testing done of License area.

- All Lifting Tools Tackles & Personal Vehicles testing 100%
- Pre-Medical Exam done 100%
- Filled Single Annual Return (3), Half Yearly Return (6)

Awards won in area of Safety, Health and Environment include

- International Safety Awards 2025 by the British Safety Council –
 - Distinction Award (Growth Projects & Power Business)
 - Merit Award (Metal Business)
- Green Manufacturing Excellence sustainability – Sustainable Factory of the Year
- International Bauxite, Alumina & Aluminium Society ESG Awards 2025 - SILVER
- Environment Excellence Award 2025 - Category: Above 250 MW CPP - Coal
- British Safety Council- International Safety Award
- CEE 4th National Power Gen Water Management Awards 2026 – Category: National Water Efficient CPP Coal Plant of the Year (Private Sector)
- 19th Environment exceed awards - Champions (Emerging)
- 7th ICC National OHS 2025 - GOLD
- CII National Award for Digital Transformation in Safety – Winner & Platinum Award
- ISEI Safety Excellence Award 2025

(I) INFORMATION TECHNOLOGY, DIGITALIZATION & COMMUNICATION:

Digitalization has become a driving force at Balco, enabling our business to optimize operations, improve productivity, and gain a competitive edge. By embracing digital technologies and integrating them into plant processes, we can unlock new levels of efficiency, connectivity, and data-driven decision-making. The innovation & diffusion of new technology is indispensable for the growth of an enterprise. IT systems & processes are aligned to business operations ensuring the confidentiality, integrity & availability of the data/information. Following are the achievements for this FY'26 :

I. GO LIVE : Security Log Management Digitalization

Implementation of the Security Log Management System (SLMS) at BALCO, a key milestone in our digitalization journey. This initiative enhances efficiency and accuracy in Security Operations while replacing at least 10,000 pages annually, contributing to our ESG goals.

The Security Log Management System (SLMS) is now operational across eleven locations, covering all plant sites, BALCO Township, offsite facilities, and mines, and integrates even different types of logbooks. This system streamlines the recording and tracking of key events, activities, and communications during each shift.

By replacing manual logs and Excel sheets, it ensures standardisation, transparency, and seamless data access for both historical and real-time records. A Two-Level Approval Flow, User-Friendly Dashboard, User-based Access Control, and Automated Timestamping further enhance Data Visibility, Traceability, and Analysis.

Benefits/Features:

- Comprehensive Coverage:** Implemented across eleven locations and seven logbooks for end- to-end operational tracking.
- Real-Time Data Entry:** Captures shift and security operations data promptly for improve accuracy.
- Structured Logging & Governance:** Ensures consistent, centralized data entry with a maker 3 checker validation for reliability.
- Advanced Search & Retrieval:** Enables quick access to past records for audits and analysis. Enhanced Visibility & Traceability: Tracks updates and modifications to ensure accountability.
- Secure & Controlled Access:** Maintains data integrity with role-based permissions. Improved Communication: Facilitates seamless information exchange between shifts.

II. Digitalization of BOE Filing to Streamline Import/ Export Custom Clearance

Problem Statement: The current process for managing bill of entry transactions is inefficient, error-prone, and lacks comprehensive documentation. Manual entries and decentralized management result in significant time loss and potential misalignment, leading to errors in the BOE filing process. An integrated maker-checker system is essential to ensure accuracy, efficiency, and centralized control of entries.

Before Process:

- Input & Manual process: All requests raised, allocate and accepted over mail, with no proper documentation.



- Decentralized Management: Lack of a single point of contact for all BOE-related details.
- Limited Coverage and Oversight: No systematic procedure for oversight and verification, increasing the risk of governance lapses.
- Documentation Challenges: Maintaining backup documents was cumbersome and prone to mismanagement.
- Manual entries: Admin related entries are manually posted based on mail confirmation.

After Process:

- Input and Process Automation & Efficiency: Saving approximately 108 man-hours per annum. All request raised, allocated and approved via portal.
- Error Free process: Centralized point of contact improved tracking and management of transactions across departments without any manual error.
- Comprehensive Coverage and Oversight: Ensures 100% coverage of BOE transaction, reducing the risk of governance lapses.
- Improved Documentation and Reporting: Automatically fetching document numbers and maintaining backup documents.

Benefits:

- Comprehensive Coverage: Ensures 100% coverage of Bill of Entries.
- Alignment and Confirmation: Ensures alignment and confirmation of all Bill of Entries.
- Documentation: Provides documented evidence and backup for all Bill of Entries
- Interest Savings: Implementing our maker-checker system will ensure adherence to SOPs, resulting in significant interest savings (~10 lakhs per BOE) by preventing errors in BOE filings.

III. Go Live : Revolutionizing Training with Augmented & Virtual Reality Technologies to Upskill Workforce on Operation & Safety for Commissioning of New Project.

In line with our commitment to ESG digital excellence and groundbreaking initiative - the XR Experience Zone. This zone will feature cutting-edge AR, VR, and MR technology-based training centers. Our first module, the Interactive Learning Zone for Safety, is a dual-purpose effort to meet our key commitments. By leveraging VR, we aim to create an immersive, intuitive, and engaging learning platform that provides a safe environment for training. This will also

facilitate easy data management, effective training, and worker engagement in safety induction through digital technology. Moving forward, we plan to utilize AR/VR for additional learning modules, propelling Vedanta towards becoming a digital-first organization.

Benefits/Features:

- **Engaging Mode of Training:** Provides hands-on experience.
- **Builds Muscle Memory:** More effective than traditional classroom training.
- **Behavior Analysis:** Analyzes user behavior through performance and competency assessment analytics.
- **Safe Practice Environment:** Offers a secure space to practice skills before applying them in real-world settings.
- **Real-Time Simulation:** Simulates real-time environments.
- **Incident Avoidance:** Helps prevent incidents caused by unsafe behavior.
- **Learning from Mistakes:** Allows users to learn from their errors.

IV. Go-Live : Digitalization of Production & Consumption Booking for Metal

Problem Statement :

Earlier, the process of tracking production, consumption, and transfer postings across Potline, Cast House, Rolled Products, and Carbon (GAP, Bake Oven & Rodding) areas was dependent on manual entry in SAP, Excel-based calculations, and physical logbooks. This led to:

- **Human errors** in postings and calculations
- **Time delays** in entries and reconciliations
- **Governance challenges** due to lack of transparency and audit trails

Solution implemented :

To overcome these challenges, BALCO has implemented automated SAP postings and digital logbooks across the Metal Area with the following Benefits:

Benefits:

- **Zero Reversal Posting** – ensuring accuracy at first entry
- **Improved Governance** – strengthened through transparency and maker-checker process

- **Reduction in Human Error** – with minimal manual intervention
- **Real-time Visibility** – of production and consumption across Potline, Cast House, RP, and Carbon
- **Efficiency Gains** – faster postings, better reconciliations, smoother audits

V. Go-Live Announcement: Business Partner Grievance Management System

BALCO has launched Sugam Samvad – a Digital Grievance & Suggestions Platform designed for Business Partners. This initiative marks a significant step toward digitalization, making the grievance and grievance redressal process more efficient, transparent, and robust. The platform enables quicker communications, centralized tracking, and data-driven insights, reinforcing our commitment to continuous improvement and stronger partnerships.

Features:

- **Integrated with Mantra System** for seamless access
- **Automated 4-level workflow** (BP → SBU → BALCO → In-Charge)
- **Integrated document management** for easy access
- **Scan-based upload** for documents
- **Mobile-friendly design** for easy access
- **Secure OTP-based login**
- **Real-time alerts** via email & SMS
- **Analytics dashboard** for monitoring
- **Dual language support** (Hindi & English)

Benefits:

- Accelerated grievance resolution
- Strengthened Business Partner engagement
- Enhances transparency & accountability across all levels
- Data-driven governance & decision-making
- Reduced manual effort and errors

VI. Go Live : Digitalization of Foreign Remittance Compliance – Launch of Form 15CA/CB Portal

Background & Challenges

The existing process for managing tax compliances of foreign remittance through Form 15CA and 15CB has been manual, fragmented, and prone to data inconsistencies. The lack of centralized documentation and real-time tracking has resulted in operational inefficiencies, delays, and increased

compliance risks. A robust and automated solution is necessary to enhance accuracy, transparency, and data discipline.

The Digital Solution: The newly launched Form 15CA/CB Portal is a comprehensive digital platform that:

- Automates request generation and approval workflows.
- Integrates with SAP for vendor data synchronization.
- Promotes structured documentation and data discipline.
- Enables real-time tracking and secure document uploads.
- Provides access to users and the tax team with real-time alerts.
- Generates detailed reports with advanced filtering options.

Benefits :

- Operational Efficiency: Minimizes manual intervention and reduces turnaround time.
- Regulatory Compliance: Ensures adherence to Section 195 of the Income Tax Act.
- Enhanced Transparency: Offers visibility to all stakeholders.
- Data discipline: Ensures consistent, accurate, and structured handling of information, enabling reliable documentation and streamlined compliance processes.
- Audit Preparedness: Supports scrutiny and facilitates data retrieval for IT notices.
- Scalability: Designed for future integration with income tax portals.

This application represents a significant advancement in our commitment to digital governance and operational excellence.

(J) HUMAN RESOURCES, TRAINING AND DEVELOPMENT

Your Company strongly believes that the quality & capability of its employees are fundamental requirements to sustained organizational success. Therefore, the Company remains committed to providing continuous training & development programs & interventions that enable employees to remain agile and futureready amidst evolving technological and business landscapes. During the year, special focus was on enhancing leadership collaboration and strengthen skill upgradation across levels, to prepare the workforce for the 1 MTPA expansion.



During FY26, the Company continued to strengthen its learning ecosystem through a wide spectrum of training initiatives. Overall, 15 Behavioural, 101 Technical, 40 Functional, 35 Safety, 4 Quality & 3 Mandatory trainings were conducted throughout the financial year. The Training programs were thoughtfully curated to support skill enhancement, workforce capability building, and role based development across all employee categories. Total 14,484 training man-days were achieved through comprehensive training interventions. The Company ensured 100% compliance with training mandays requirements for both executives and workmen. Mandatory training courses like Code of Conduct, POSH, Human Rights were conducted throughout the year for all the employees.

A diverse portfolio of learning interventions was delivered during the year, aimed at enabling employees to perform effectively, adopt best practices, and align with the Company's values and strategic objectives. Largescale initiatives included customized leadership development programs for senior leaders and middle management, behavioural capacity building workshops, Safety trainings like crane & lifting, confined space, etc for employees and business partners. Advanced technical trainings such as PLC & SCADA, hydraulics, etc were conducted in collaboration with reputed external training partners.

In addition, the Company continued to strengthen its digital and technology-enabled learning ecosystem. Several new e-learning programs were onboarded during the year, offering Self-paced learning across functional, behavioural, and Compliance related domains. Further, the Company introduced advanced learning tools such as AR/VR-based training models and a humanoid robot to support experiential & standardized training delivery. These innovative methods are intended to enhance engagement, improve knowledge retention, and simulate real-life work scenarios in a safe and controlled environment.

As a responsible business entity, the Company continued to place strong emphasis on safety, sustainability, and well-being in line with its commitment to "Zero Harm" and environmental protection. Regular safety and sustainability - focused training sessions were conducted to reinforce safe work practices and environmental stewardship across the organization. Special focus was given to ensure effective onboarding and assimilation of new employees. Structured induction and integration initiatives such as Campus to Corporate programs, young talent meet with leadership and training on Basic CPR and Emergency Response were conducted to ensure a smooth transition into the organization, foster cultural alignment, and build early engagement.

The Company will continue to invest in its people by strengthening learning frameworks, leveraging modern

training methodologies, and aligning capability development with long-term business objectives.

(K) INDUSTRY OUTLOOK

Global Demand Outlook:

The current turn of events majorly driven by the Middle East War means a bullish impetus for Aluminium largely driven by curtailments in the Middle East smelters such as Alba, Qatalum and EGA. With the Strait of Hormuz blocked, the risk of further production cuts in the region is increasingly likely, despite the growing threat of demand destruction. In the short term, the market seems to have transitioned into a deficit market with widespread supply shortages across the value chain. The deficit is being estimated as much as 0.3-0.5 MnT in CY'26 with delays in ramp-up by other smelters and complete restoration expected to happen in 10-12 months for war-exposed smelters.

China's Aluminium consumption will grow ~1.5% y/y in 2026 as the conflict in the Middle East has limited direct impact on Chinese market, however export sales might dampen on account of long-term demand destruction. The Two Sessions held in March set a GDP growth target of 4.5%-5%, signaling a shift away from "speed-first" growth toward high quality, sustainable development. The most significant demand driver emerging from the Two Sessions for aluminum is the clean energy and NEV transition, which is generating structural, multi-year demand that extends well beyond cyclical stimulus. China's domestic policy pivot toward internal consumption is expected to help offset these risks.

World ex-China consumption forecast for 2026 to 1.8% y/y growth, a dip from previous estimates reflecting ongoing conflicts in the Middle East and the impact on energy prices. The auto sector looks especially vulnerable from an escalation in energy prices, with output likely to be slashed in the Middle East.

World primary aluminum demand growth to be at 1.6% in 2026 from 2.2% in 2025, with RoW's demand growth at 1.8% and China's demand growth at 1.5%.

World primary production will be rising by 1.8%, with China's and ROW's production growth rates of 0.8% and 3.3% respectively.

Domestic Market Scenario:

For FY27, GDP growth estimates for India are moderating to around 6.5%-7% due to rising energy prices and geopolitical tensions in West Asia after a stellar growth of 7.5% in FY26 driven by GST normalisation and other policy changes. India's economic momentum is not showing signs of strain despite the conflict in the Middle East casts a long shadow over the subcontinent's growth trajectory. Although there are risks of higher energy costs as 50% of India's crude oil

imports and 54% of its liquefied natural gas (LNG) transit through the Strait of Hormuz.

In March, there were some cracks in demand when India's Manufacturing PMI retreated sharply to 53.8 from 56.9 in February and the Composite PMI settled at 56.5 in March, marking its slowest reading in three years.

Despite all this India's primary aluminium demand is expected to grow by 10% in CY'26, one of the fastest amongst the world supported majorly by the packaging, electrical and auto segments. This is because push for NEVs and Renewables will be more as oil prices rise, supporting stronger demand for Aluminium. Also, the huge infrastructure spend announced in the budget will boost demand in the construction industry. Our foreign policy decisions of trade agreements with US and EU will generate export-led demand as well. Primary production to grow by 8.1% in India in CY'26 majorly through the expansion in BALCO.

Price Drivers: LME and Regional Premiums:

LME price in FY'26 averaged at \$2774/ton(up 10% YoY) due to better demand outlook amid Interest rate cuts by Fed and supply risk due to announced curtailments in Iceland and Mozal. In China as well, since the 45 MnT capacity is almost reached, production growth this year was meagre. Hence, the LME reaching a 4-year high (~\$3500/ton) can be attributed to supply risks and higher input costs.

Regional premiums rebounded in H2 FY'26 as interest rates were slashed in US and on the back of strong demand in China. With announced closures of smelters in Iceland and Mozambique coming close, prices saw a rally from Q3 FY'26 in anticipation of a deficit market scenario.

US MW Premiums saw a steep decline after the Section 232 Tariffs came into effect as premiums fell as much as 51% QoQ in Q1 FY'27. But from thereon, the premiums started to normalize and with rate cuts in effect along with the geopolitical situation across the world, MW premiums have now touched record levels above 110 c/lb. In Japan and Europe as well, as Q1 and Q2 premium were weak on account of sluggish demand, premiums picked up in H2 FY'26 after smelters announced closures and slow capacity growth in China suggested a tight market. The Spot MJP went beyond \$350/ton at the end of FY'26 from \$60/ton during Q2 FY'26 (~6x increase) and European P1020 Premiums saw a 2x increase from the lows during Q2 FY'26 to levels of \$400/ton during Mar'26.

For H1 FY'27, LME as well as regional premiums will remain to be at elevated levels despite a strong dollar due to supply risk in the Middle east which produces 6.8 MnT of primary aluminium (9% of global production or 22% of Ex. China production). Moreover, it is a major VAP producer with 62% of its total production in form of VAP. With high input costs,

smelter shutdowns and a blocked Strait of Hormuz, the LME is predicted to reach levels of \$4000/ton in case tensions do not de-escalate soon. Premiums although would have reached a plateau in Q1 FY'27, with premiums expected to ease from Q2 FY'27 once the aftermath of the Middle East war leads to demand destruction. However, a major drop might only be seen in H2 FY'27 once restarts of Middle East smelters come into effect.

Product and Customer:

BALCO's integrated smelter in India is expected to add smelting capacity in FY'27 taking its installed capacity from 0.58 MnT to 1 MnT. The new capacity addition comes at a crucial time as India's aluminium consumption is seeing stellar demand growth.

BALCO's product range includes Aluminium Ingots, Primary Foundry Alloys, Wire Rods, Alloy Rods, AISi T-Ingot and Rolled Products. BALCO is also adding casting capacity in most of its Value-Added products including Billet, Primary Foundry Alloy and Rolled Products. This allows it to bolster its position in the automotive, packaging and building and construction industry in India which are the key pillars for the economy in the next decade. Also, it will be able to cater to new segments such as electric vehicles, solar and renewable energy sector through the new casting capacity.

For this financial year, 95% of the company's total sales were to the Indian markets, specifically for use in the electrical, automotive, and transportation industries. About 60% of this domestic sale comprised of Value-Added Product portfolio of BALCO. The company sold an overall of 53% of its total sales as Value Added Product in FY25. The total Sales during the period FY'26 was 596 KT up from 586 KT in FY'25

(L) DIRECTORATE & KEY MANAGERIAL PERSONNEL

The Board of Directors, constituted in accordance with Section 149 of the Companies Act, 2013, is the apex governing body responsible for directing and supervising the Company's affairs. The Board provides strategic guidance, oversees management performance, and ensures compliance with statutory duties as prescribed under Section 166. Exercising its powers under Section 179, the Board approves key policies, major business decisions, and longterm strategic plans. In fulfilling its fiduciary responsibilities, the Board acts in the best interests of shareholders and safeguards the interests of all stakeholders through effective governance and oversight.

I. Changes in Directors & Key Managerial Personnels (KMP)

a. Appointments & Cessations:

During FY 2025-26, based on the recommendations of the Nomination & Remuneration Committee and the



approvals of the Board, subject to the approval of the members at the ensuing Annual General Meeting as the case may be required, the Company carried out the following appointments and cessations:

- Mr. Prasun Kumar Mukherjee (DIN: 00015999) was appointed as an Independent Director effective 30th July 2025, following the cessation of Mr. Dindayal Jalan (DIN: 00006882) on 29th July 2025 upon completion of his tenure;
- Took note of the appointment of Mr. Ashish Chatterjee (DIN: 07688473) as Government Nominee Director effective 25th July 2025, succeeding Ms. Nirupama Kotru (DIN: 10101407) following her cessation from office;
- Mr. Anoop Kumar (DIN: 11262098) was appointed as Government Nominee Director effective 26th August 2025, in place of Mr. Maneesh Kumar (DIN: 10724088), who ceased on 25th July 2025;
- Took note of the appointment of Mr. Ashim Kumar Modi (DIN: 11342680) as Government Nominee Director effective 15th October 2025, succeeding Mr. Ashish Chatterjee (DIN: 07688473) following his cessation from office on 10th October 2025;.
- Mr. Thomas Mathew T (DIN: 00130282) was appointed as an Independent Director effective 19th October 2025, in place of Mr. Anoop Kumar Mittal (DIN: 05177010), who ceased to hold office upon completion of his tenure on 18th October 2025.;
- Mr. Johnny Tom Varghese (DIN: 10392347) was appointed as Government Nominee Director effective 19th January 2026, succeeding Mr. Anoop Kumar (DIN: 11262098), who ceased to hold office on the same date.
- Mr. Anand Soni was appointed as the Chief Financial Officer with effect from 01st August 2025, in place of Mr. Amit Gupta, who ceased to hold office on 31st July 2025.

b. Re-appointments:

During the period under review, no reappointments were made.

II. Directors liable to retiring by rotation.

As per the provisions of Section 152(6) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Tarun Jain (DIN:00006843), Non-Executive Director, is liable to retire by rotation at the ensuing Annual General Meeting,

being eligible offer himself for re-appointment. Based on the recommendation of the Nomination and Remuneration Committee, the Board recommends his re-appointment.

The Board recommends the appointment/re-appointment for your approval in the best interests of the Company, Further, the details of appointment/ re-appointment and brief profile of the Director forms part of the AGM Notice. The Nomination and Remuneration Policy of the Company is attached herewith as “Annexure-D” and is also available on the Company’s website at: [Nomination & Remuneration Policy](#).

III. Key Managerial Personnel

The following have been designated as the Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 (“Act”) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (“Rules”).

Mr. Rajesh Kumar	Chief Executive Officer & Whole Time Director
Mr. Anand Soni	Chief Financial Officer
Ms. Wageesha Agarwal	Company Secretary

IV. Declaration by Independent Directors:

The Company has received declarations from all Independent Directors confirming that they continue to meet the criteria of independence as prescribed under the Companies Act, 2013 (“Act”) and comply with the Code for Independent Directors as specified under Schedule IV of the Act. In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act and the Rules made thereunder, and are independent of the management.

The Directors have also confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

In terms of Section 150 of the Act, read with Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs (IICA).

Mr. Sushil Kumar Roongta	Chairperson & Independent Director
Mr. Prasun Kumar Mukherjee	Independent Director
Mr. Thomas Mathew T	Independent Director

V. Independent Directors Meeting

As per Schedule IV of the Companies Act, 2013 read with the Rules thereunder mandate that the Independent Directors of the Company shall hold at least one meeting in a financial year, without the presence of Non-Independent Directors and members of the Management. During FY 2025-26, the Independent Directors met without the presence of management on 30th March 2026. The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole. Additionally, the Independent Directors also met separately with the Statutory Auditors once a year to discuss matters such as key accounting issues, audit plans and to invite their overall feedback.

VI. Familiarisation Program for Board Members

Your Company has a structured programme for the new Board members so as to enable them to understand the nature of the industry in which the Company operates, its management and its operations. They are also familiarised with Company’s organisational and governance structure, governance philosophy/principles, code of conduct & key policies, Board’s way of working & procedures, formal information sharing protocol between the Board and the management, Directors’ roles and responsibilities and disclosure obligations.

Senior management regularly updates the Board on the Company’s operations, strategies, risks, and new initiatives, actively seeking their feedback. Directors are consistently informed about key Company policies through comprehensive briefings and updates. Statutory Auditors, Internal Auditors, and Senior Management brief the Board on any regulatory changes, ensuring that the Board is fully aware of the latest compliance requirements and industry standards. These updates help the Board make informed decisions and maintain effective oversight of the Company’s activities.

VII. Number of Meetings of the Board

The Board met 5 (Five) times during the financial year 2025-26 on 22nd April 2025, 16th July 2025, 16th October 2025, 04th December 2025 and 21st January 2026. The maximum interval between any two meetings did not exceed 120 days. The details of Board meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this report.

(M) DIRECTOR RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, Directors hereby confirm to the “Directors’ Responsibility Statement” and to the best of their knowledge and ability, hereby confirm that -

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year, i.e., 31st March 2026 and of the profit and loss of the Company for that period;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

(N) COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors state that proper systems have been devised to ensure compliance with the applicable laws. Pursuant to the provisions of Section 118 of the Act, during FY 2025-26, the Company has adhered with the applicable provisions of the Secretarial Standards (“SS-1 and SS-2”) relating to ‘Meetings of the Board of Directors’ and ‘General Meetings’ issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

(O) INTERNAL FINANCIAL CONTROLS

Internal financial control over financial reporting have been designed to provide reasonable assurance with regards to recording and providing reliable financial information and complying with applicable accounting standards. These controls are reviewed periodically, and the Company continuously tries to automate these controls to increase its reliability. In line with best practices, the Audit Committee and the Board review these internal control systems to ensure they remain effective and are achieving their intended purpose.

The systems/frameworks include proper delegation of authority, operating philosophies, policies and procedures, effective IT systems aligned to business requirements,



an internal audit framework, an ethics framework, a risk management framework, and adequate segregation of duties to ensure an acceptable level of risk. Documented controls are in place for business processes and IT general controls. Key controls are tested by entities to assure that these are operating effectively. Besides, the Company has also adopted an SAP GRC (Governance, Risk and Compliance) framework to strengthen the internal control and segregation of duties/access.

The Company has documented Standard Operating Procedures (SOP) for procurement, project/ expansion management, capital expenditure, human resources, sales and marketing, finance, treasury, compliance, health, safety and environment, and manufacturing.

The Group's internal audit activity is managed through the Management Assurance Services (MAS) function. It is an important element of the overall process by which the Audit Committee and the Board obtain assurance of the effectiveness of relevant internal controls. The scope of work, authority and resources of MAS are regularly reviewed by the Audit Committee. Besides, its work is supported by the services of leading international accountancy firms.

The Company has a well-defined and documented delegation of authority with specified limits for approval of expenditure, both capital and revenue. The Company has workflows to ensure adherence to the delegation of authority. The Company has a commercial manual that lays down certain principles and procedures that are to be followed in commercial & purchase contracts transactions across the Company. The SSC verifies compliance to the commercial manual before clearing the payments.

The Company's system of internal audit includes monthly physical verification of inventory, a monthly review of accounts and a quarterly review of critical business processes. To enhance internal controls, the internal audit follows a stringent grading mechanism, focussing on the implementation of recommendations of internal auditors. The internal auditors make periodic presentations on audit observations, including the status of follow-up to the Audit Committee.

In addition, as part of their role, the Board and its Committees routinely monitor the Company's material business risks. Due to the limitations inherent in any risk management system, the process for identifying, evaluating, and managing the material business risks is designed to manage, rather than eliminate risk. Besides, it was created to provide reasonable, but not absolute assurance against material misstatement or loss.

Your Company has in place adequate internal financial controls with reference to the financial statements. Such controls have been assessed during the year taking into

consideration the essential components of internal controls stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

Based on the information provided, nothing material has come to the attention of the Directors to indicate that any material breakdown in the function of these controls, procedures or systems occurred during the year under review. There have been no significant changes in the Company's internal financial controls during the year that have materially affected or are reasonably likely to materially affect its internal financial controls.

There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their objectives. Moreover, in the design and evaluation of the Company's disclosure controls and procedures, the management was required to apply its judgement in evaluating the cost-benefit relationship of possible controls and procedures. Further, the Audit Committee annually evaluates the internal financial controls for ensuring that the Company has implemented robust systems/framework of internal financial controls viz. The policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

(P) AUDITORS' APPOINTMENT AND AUDITOR'S REPORT

I. STATUTORY AUDITOR

Pursuant to Section 139(1) of the Companies Act, 2013, the Company had appointed M/s S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301300E) as the Statutory Auditors for second term of five years at the 55th Annual General Meeting. Their tenure will conclude at the end of the ensuing Annual General Meeting.

The Board of Directors, at its meeting held on 23rd April 2026, based on the recommendation of the Audit Committee, approved the proposal to appoint M/s M S K A & Associates LLP (Formerly known as M S K A & Associates), Chartered Accountants (Firm Registration No. 105047W/W101187), as the Statutory Auditors of the Company for an initial term of five years from the conclusion of 60th Annual general meeting until the conclusion of the 65th Annual General Meeting of the Company, subject to approval of the members at the 60th Annual General Meeting.

In accordance with Section 139 of the Companies Act, 2013, the proposal for appointment forms part of the Notice convening the ensuing Annual General Meeting. The Company has received a certificate from the proposed auditors confirming their eligibility under Section 141 of the Act, including that they are not disqualified and that the appointment complies with all applicable provisions and rules.

Further, the notes referred by the Auditors in their Statutory Report are self explanatory and hence do not require any explanation. The Statutory Auditor have also confirmed that no fraud was reported under Section 143(12) of the Companies Act, 2013 during the year.

The Statutory Auditors were present at the 59th AGM of the Company held for FY25.

II. SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Sanjay Grover & Associates, Practicing Company Secretaries (FRN: P2001DE052900), had been appointed by the Board to conduct the secretarial audit of the Company for FY 2025-26. The Company had received a certificate confirming their eligibility and consent to act as the Auditor.

The Secretarial Audit Report for FY 2025-26 in Form MR-3 is annexed as "Annexure-B" and confirms that the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines and with no observations, deviations or non-compliances.

III. COST AUDITOR

Pursuant to provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, M/s R J Goel & Co., Cost Accountants (FRN:00026), had been appointed as Cost Auditor of the Company to conduct the cost audit for financial year 2025-26. The Company had received a certificate confirming their eligibility and consent to act as the Auditor.

Further, the Board of Directors, on recommendation of Audit Committee, has appointed, M/s. Ramnath Iyer & Co. (FRN: 000019), as Cost Auditors of the Company for Financial Year 2026-27. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Rule 14(a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors has to be ratified by the members. Accordingly, necessary resolution forms part of the Notice convening the ensuing Annual General Meeting for ratification of the remuneration payable to the Cost Auditors for Financial Year 2026-27

The cost accounts and records of the Company are duly prepared and maintained by the Company as required under Section 148(1) of the Act pertaining to cost audit.

IV. INTERNAL AUDITOR

The Board had appointed M/s . Price waterhouse Coopers Services LLP ("PwC"), as Internal Auditor of the Company for the financial year 2025-26 and takes their suggestions and recommendations to improve and strengthen the internal control systems.

Further the Board of Directors, at its meeting held on 23rd April 2026, on the recommendation of Audit Committee, had re-appointment M/s. Price waterhouse Coopers Services LLP ("PwC") as Internal Auditor for the Company for the financial year 2026-27. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations.

(Q) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Information required under Section 134 of the Companies Act, 2013, read with Rule 8 of Companies (Accounts) Rules, 2014, including a report on conservation of energy, technology absorption, foreign exchange earnings and outgo, is provided in "Annexure-A" attached hereto and form part of this report.

(R) EMPLOYEE INFORMATION AND RELATED DISCLOSURES

The statement containing particulars of employees as required under Section 197 of the Act read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the registered office of the Company during business hours on working days of the Company. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard.

(S) CORPORATE GOVERNANCE

Your Company is dedicated to upholding the highest standards of Corporate Governance and has also implemented several best governance practices. A separate report on Corporate Governance , in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is included in the annual report of the Company.



(T) ANNUAL RETURN

In terms of provisions of Section 92(3), 134(3)(a) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the Annual Return in Form MGT-7 for the financial year ended 31st March 2026 is placed on the website of the Company and can be accessed at Annual Return in Form MGT-7 is available on the Company's website, the web link for the same is <https://www.balcoindia.com/>

(U) PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company maintains a zero-tolerance policy for workplace sexual harassment. In line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and its associated Rules, the Company has implemented a comprehensive Policy on Prevention, Prohibition, and Redressal of Sexual Harassment at Workplace. This policy aims to prevent and address complaints of sexual harassment. An Internal Committee has also been established to handle any such complaints received.

The Company is dedicated to ensuring a safe and supportive work environment for all employees and associates. Regular awareness sessions are conducted to educate employees about the Policy and the provisions of the Prevention of Sexual Harassment Act. This policy applies to all employees, including permanent, contractual, temporary, and trainees.

During FY26, one new complaint of sexual harassment was received. It was thoroughly investigated in accordance with the prescribed procedures, and appropriate actions were taken to resolve the matter. Below is a summary of the sexual harassment complaints disposed during the year:

Number of cases pending as on the beginning of the financial year	00
Number of complaints filed during the year	01
Number of complaints disposed off during the year	01
Number of cases pending as on the end of the financial year	00

(V) RELATED PARTY TRANSACTION

All contracts or arrangements entered by the Company with its related parties during the financial year were in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All such contracts or arrangements have been approved by the Audit Committee, as applicable. There were no materially significant Related Party Transactions (RPTs) entered into

by the Company with Promoters, Directors, Key Managerial Personnel, or other related parties which may have a potential conflict with the interest of the Company. Requisite prior approval of the Audit Committee of the Board of Directors was obtained for RPTs. All the transactions with the related parties entered into by the Company were in the ordinary course of business and at arm's length. Therefore, disclosure of RPTs in **Form AOC-2** as per the provisions of Section 134(3)(h) and Section 188 of the Companies Act, 2013 read with the Rule 8(2) of the Companies (Accounts) Rules, 2014 is **"Not Applicable"**.

All RPTs are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of RPTs under the Companies Act, 2013, and Listing Regulations.

The details of the transactions with the related parties are provided in Note No. 43 of the accompanying financial statements which sets out Related Parties Disclosures pursuant to Ind AS. There were no related party transactions made during the year required to be disclosed in Form AOC-2.

(W) VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a robust Vigil Mechanism and a Whistle-blower policy in accordance with provisions of the Act. Your Company's Whistle Blower Policy encourages directors and employees to bring to the Company's attention, instances of unethical behaviour, actual or suspected incidents of fraud, or any violation of the Code of Conduct, that could adversely impact Company's operations, business performance and/or reputation. It is your Company's Policy to ensure that no employee is victimised or harassed for bringing such incidents to the attention of the Company.

As per the whistle-blower policy adopted by the Company, all complaints are reported to Director–Management Assurance who is independent of operating management and businesses. The same is also discussed in the Audit Committee meeting of Board members.

In line with global practices, dedicated email IDs and centralized database have been created to facilitate receipt of complaints. A 24*7 whistle-blower hotline cum web-based portal is available to report genuine concerns. All employees and stakeholders can register their integrity related concerns either by calling on a toll-free number or by writing on the web-based portal that is managed by a third party. The hotline provides multiple local language options. After the investigation, established cases are brought to Group Ethics Committee for decision-making. Whistle Blower Policy is also posted on the website of the Company at <https://www.balcoindia.com/>.

(X) BOARD EVALUATION

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees' and individual Directors, including the Chairperson of the Board. The exercise was carried out through a structured evaluation process, and it covers various aspects of the Board functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgement, governance issues etc. A structured questionnaire was circulated to the Board members in this connection.

As an outcome of the above exercise, it was noted that the Board is functioning as a cohesive body which is well engaged with different perspectives. The Board Members from different backgrounds bring about different complementarities that help Board discussions to be rich and value adding. It was also noted that the Committees are functioning well and besides the Committee's terms of reference as mandated by law, important issues are brought up and discussed in the Committee meetings.

Outcome of the evaluation exercise conducted for the financial year 2025-26:

- a) Introduce regular informal interaction sessions between Board Members and Senior Management to strengthen working relationships and improve Board cohesion.
- b) Increase frequency and depth of information sharing with the Board on company performance, industry trends, and emerging risks between formal meetings.
- c) Facilitate more direct access for Board Members to the wider management team beyond those typically present at Board meetings.
- d) Continue the annual Board evaluation process, recognized as effective in building accountability and improving governance.
- e) Strengthen mechanisms to track and report on progress against prior year evaluation findings.
- f) Continue Board discussions on long-term digital transformation and Gen AI adoption to ensure the Board is well-positioned to oversee this critical area.

(Y) DEPOSIT

During the year under review, your Company has not accepted any deposits from the public falling under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. Thus, as on 31st March 2026, there were no deposits that were unpaid or unclaimed and due for repayment.

(Z) LOANS AND INVESTMENT UNDER SECTION 186

Details of Loans, Guarantee and Investments covered under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the notes to Financial Statements. The investments made by your Company are duly approved by the Board under the powers conferred to it under Section 179(3) of the Companies Act, 2013, and are within the limits laid down under Section 186 of the said Act.

(AA) COMMITTEES OF THE BOARD

Currently, there are three (3) Statutory Committees of the Board i.e. the Audit Committee, the Nomination and Remuneration Committee, Corporate Social Responsibility Committee. Meetings of the Board Committees are convened by the respective Committee Chairperson. Matters requiring the Board's attention/approval, as emanating from the Board Committee meetings, are placed before the Board with clearance of the Committee Chairperson. All the recommendations made by Board Committees during the year were accepted by the Board. Minutes of Board Committee meetings are placed before the Board for its information. The role and composition of these Committees are provided below, the number of meetings held during the financial year and the related attendance are provided in Corporate Governance report which forms part of this report.

I. Audit Committee:

Your Company has an Audit Committee at the Board level which acts as a link between the management, the statutory and the internal auditors and the Board of Directors and oversees the financial reporting process. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013. The Committee comprises of three (3) Non-Executive Directors, out of which two (2) are Independent Directors and one (1) is Government Nominee Director.

Composition, names of members and number of meetings held during the year:

Mr. Prasun Kumar Mukherjee	Chairperson (Independent Director)
Mr. Sushil Kumar Roongta	Member (Independent Director)
Mr. Ashim Kumar Modi	Member (Govt. Nominee Director)

During the financial year ended 31st March 2026, 6 (Six) Audit Committee Meetings were held on the following dates: 22nd April 2025, 16th July 2025, 16th October 2025, 04th December 2025, 21st January 2026 and 30th March



2026. The Board has accepted all recommendations made by the Audit Committee.

II. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee (NRC) of the Board of Directors constituted in compliance of Section 178 of Companies Act, 2013, is tasked with overseeing key processes and making recommendations to the Board concerning its structure, size, and composition, as well as that of Key Managerial Personnel (KMP). The NRC ensures that the Board possesses the appropriate mix of skills, experience, diversity, and independence to operate effectively. The Committee also conducts an annual performance evaluation.

As of March 31, 2026, the NRC consists of two Independent Directors and one Non-Executive Director, ensuring balanced and effective oversight of the Board’s composition and performance. In accordance with the provisions of Section 134(3)(e) of the Companies Act, 2013, the Company has adopted the Nomination and Remuneration Policy.

Composition, names of members and number of meetings held during the year:

Mr. Prasun Kumar Mukherjee	Chairperson (Independent Director)
Mr. Sushil Kumar Roongta	Member (Independent Director)
Mr. Tarun Jain	Member (Non-Executive Director)

During the financial year ended 31st March 2025, Nomination & Remuneration Committee met 4 (Four) time i.e., on 22nd April 2025, 15th May 2025, 16th July 2025 and 16th October 2025.

III. Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee of the Board oversees and reviews the Company’s CSR activities. In compliance with Section 135 of the Companies Act, 2013, the Company has duly constituted the CSR Committee. As of March 31, 2026, the Committee comprises Two (2) Independent Director, a Government Nominee Director, and an Executive Director. The role of the CSR Committee includes formulating and recommending the CSR Policy and activities to the Board, recommending the expenditure on CSR activities, and reviewing the Company’s performance in the area of CSR.

Composition, names of members and number of meetings held during the year:

Mr. Sushil Kumar Roongta	Chairperson (Independent Director)
Mr. Thomas Mathew T	Member (Independent Director)
Mr. Rajesh Kumar	Member (CEO & Whole Time Director)
Mr. Ashim Kumar Modi	Member (Government Nominee Director)

During the financial year ended 31st March 2026, CSR Committee met two (2) times on 22nd April 2025 and 16th October 2025.

(AB) CORPORATE SOCIAL RESPONSIBILITY

Your Company’s overarching commitment to create significant and sustainable societal value is manifest in its CSR initiatives that embrace the most disadvantaged sections of society, especially in rural India, through economic empowerment based on grassroots capacity building. CSR for BALCO is an integral part of its business strategy, which includes creating an organisation intended to maximise wealth of shareholders and establish productive and lasting relationship with all stakeholders, with an emphasis on fulfilling our responsibility towards the entire community and society.

In terms of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a CSR Committee which is chaired by Mr. Sushil Kumar Roongta, Independent Director. The other Members of the Committee for the year ending March 31, 2026, are Mr. Rajesh Kumar, Mr. Thomas Mathew T and Mr. Ashim Kumar Modi.

The role of CSR Committee includes formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company, recommending the amount of expenditure to be incurred on CSR activities of the Company, reviewing the performance of Company in the area of CSR.

The Corporate Social Responsibility Policy is available on the website of the Company at <https://www.balcoindia.com/>.

Your Company is a caring corporate citizen and lays significant emphasis on development of the communities around which it operates. During FY26, the Company has spent ₹ 23.20 Cr. under Section 135 of the Act on CSR activities. The Annual

Report on Corporate Social Responsibility (CSR) Activities for FY26 is enclosed to this Report at “Annexure-C”.

(AC) CORPORATE SOCIAL RESPONSIBILITY PROJECTS

BALCO CSR works towards a larger goal of creating enduring value for the communities. We undertake various community programs as part of our Corporate Social Responsibility (CSR). The Company has committed to align its CSR activities to the priorities of its neighborhood communities and the national priorities. CSR programs are spread across various thematic areas i.e., Education, Sustainable Livelihoods, Health, Water & Sanitation, Women’s Empowerment, Environment & Safety, Sports & Culture and Community Asset Creation including community development. This year a spent of ₹ 23.20 Cr was made across various CSR programs. Our Initiatives reached out to 123 villages in 5 districts of Chhattisgarh touching the lives of 1.8 Lac people.

• EDUCATION

Connect

The Project focuses on empowering youth through enhanced coaching & preparedness for seeking Government Job opportunities. During the year BALCO established 2 Coaching Centres, namely BALCO Connect Coaching Program in Korba district and Boramdev Vidyapeeth Coaching Program in Kawardha district. The free Coaching Center facilities are staffed with expert faculty from Path IAS Academy and Delhi IAS Academy to train aspirants for government examinations such as Chhattisgarh Public Service Commission (CGPSC), Vyavsayik Pariksha Mandal (VYAPAM).

As a collective result of the Coaching Centers, 84 Aspirants qualified, 117 selections for government exams such as Border Security Force (BSF), Central Reserve Police Force (CRPF), Nagar Sena, Central Teacher Eligibility Test (CTET), Chhattisgarh Teacher Eligibility Test (CTET), CGPSC Prelims & Assistant Development Extension Officer (ADEO) etc.

Additionally, Digital Classroom support at 4 Government Schools benefited over 400 students, Remedial classes supported 50 Dropouts and co-curricular activities like summer camp engaged over 200 students across 8 Government schools.

Nand Ghar

An initiative undertaken by Vedanta under the Anil Agarwal Foundation, in collaboration with the Ministry of Women and Child Development (MoWCD), aims to improve pre-school education by imparting best-in-class curriculum through interactive learning BALA (Building as Learning Aid) paintings and digital learning. Thus, helping the children to develop their cognitive abilities by improving the level of pre-primary

education. The state-of-the-art Anganwadi model, equipped with televisions for e-learning, safe drinking water, and clean toilets, has marked improvements in attendance, learning abilities, and school readiness among children.

During the year, 111 Nand Ghars spread over the district of Korba in Chhattisgarh benefitted 7226 children & mothers. Over 800 children availed pre-school education, i.e. Up to 75% increase in participation was observed at Nandghars with enhanced engagement & learning activities. Held series of capacity building workshops capacitating 222 Anganwadi workers & helpers across 111 NandGhars on Early Childhood Care & Education (ECCE) practices and launched learning modules like ‘Khiltey Phool’ and ‘Balgeet’ to promote interactive learning & early childhood stimulation practice guidance for Parents & Frontline workers. Nandghars also became the epicentres for Maternal & Child health, conducted health screening to identify the status of Malnourishment, addressed 94 identified malnourished children through PD Hearth sessions, THR trainings, meetings with parents etc. 76% children observed improvement in their health status. Created Poshan Badi (Kitchen Gardens) for nutritious meal intakes, conducted health talks on seasonal diseases to enhance overall health environment & importance of nutrition. Special days & festivals like Nutrition Month, Breast Feeding week, Shishu Sanjeevani drive, Children’s Day etc. were also celebrated across Nandghars with great enthusiasm.

• SUSTAINABLE LIVELIHOODS

Mor Jal Mor Maati

The project focuses on enhancing water security & efficiency through surface water management & irrigation facilities along with farm-based livelihood opportunities through advanced agricultural practices & mechanization. It also emphasizes livelihood diversification through livestock development, horticulture, crop diversification, etc. ensuring income generation round the year. The program is also institutionalizing farming practices by business model development of Farmer Producer Organization (FPO) - Korba Krushak Unnayan Producer Company Limited (KKUPCL) for Sustainable Business Development.

The project expanded its reach to 9420 Farmers and cumulatively brought over 1400 acres of land under secured irrigation with continued impact across 40 villages. Farmers were supported in different activities like promotion of modern farming techniques, crop & livelihood diversification, livestock development, water security and FPO development. Farmers were capacitated through training programs on modern cropping methods, Integrated Pest & Nutrient Management (IPM & INM) and provided with input support of seeds, manure, fencing, soil testing and periodic technical support in the field. As a result, 80% of farmers adopted modern agriculture techniques like



Systematic rice intensification (SRI), Trellis & Natural farming, Climate resilient cropping etc. Project interventions helped farmers in getting 1.25-1.50 times increase in production hence led to an average increase in income by 50% and reduction in cost of cultivation by 25-30%. Climate resilient cropping like Groundnut, Black Gram and Scented rice introduced as innovation in the regional landscape to reduce the dependency of farmers on rainfall. Use of SIT (System of Insect Traps) completely replaced chemical pesticides, ensuring eco-friendly farming.

The Farmer Producer Organization (FPO), Korba Krushak Unnayan Producer Limited (KKUPCL) made a turnover of ~INR 16 Lacs through Output business sales (Vegetables, groundnut, aromatic rice & Paddy) and Input sales (Seeds, Fertilizers, Pesticides, etc.). It also expanded its business portfolio by introducing Tractor Rental Services, supporting farmers with affordable mechanization access. Additional innovations at Vedanta Agriculture Resource Centre (VARC) & Piloting models ranged from Automatic Wireless Weather Stations (AWWS), Drone fertilizer, Hi-tech Nurseries, Biogas (IRESA) units to Exotic plantations, effective outcomes to lead further replication in this topography.

32% of the farmers are engaged in Livelihood Diversification activities like Lac Cultivation, Livestock development (Poultry, Goat rearing, Pisciculture) and Horticulture. 2 Livestock Development Centres (LDC's) continued providing farmers with free treatment & Medicine support, information on preventive health care practices, vaccination schedules, disease management and overall animal welfare benefitting over 700 livestock farmers and over 5000 cattles. Promoted breed improvement with 602 Artificial Insemination (AIs) and 6 Animal health camps. Trained & supported 300 new farmers in the region for lac cultivation (Non- Timber Forest Produce) taking the total count to over 1000 farmers, generating an Average additional income of ~INR 50K each farmer. 250 farmers developed 250 Wadis (Fruit Orchards) comprising 12500 tree plantations as a long-term sustainable livelihood generation plan converting 125 acres of barren land.

67 water structures (21 farm ponds, 45 lining ponds, 1 community pond) are created generating cumulative water storage capacity of 23,733 CuM. Supported over 60 Farmers with micro irrigation systems and lift irrigation systems enhancing water conservation, improving irrigation efficiency, and boosting agricultural productivity. Water conservation efforts over the years have cumulatively increased the water security & recharge and is promoting multiple cropping in the region, as a result over 3000 Farmers have adopted second & third cropping (Wheat, Groundnut, black gram, Sunflower & Vegetable cultivation) in the region.

Project was able to converge and leverage a total of ₹21 lacs through various Govt departments like Agriculture, Fisheries and Animal Husbandry through various schemes

like National Food Security, Mission Oil Seed (NFSMOS), Pradhan Mantri Krishi Sinchai Yojana, Pradhan Mantri Matsya Sampada Yojana, Sub- Mission on Agricultural Mechanization and converged ₹61 lacs through community contribution in activities like construction of farm ponds, community ponds, poultry & Goat sheds, vermicomposting units, irrigation equipment's, etc.

Vedanta Skill School

The project focuses on imparting vocational training to rural youth, dropouts, and the unemployed population of Chhattisgarh with a special focus on our operational areas and links them with gainful employment opportunities. During the year 1202, youth trained in 3 skilling centres running in Korba, Kawardha & Surguja out of which 82% secured placements or engaged in entrepreneurial pursuits. 14 New Placement tie ups were secured during the year taking the total count to 75 reputed organizations like Foxconn, Crompton, Adani, Volvo Eicher, Tata Mobile Manufacturing etc. across 12 states with an average Annual CTC of ~₹ 1.8 Lac - 2.8 Lac.

The center embraced its commitment to gender equality as evidenced by the training of 61% females as well as its focus on empowering marginalized communities, with 59% of trainees coming from the SC/ST category. The centre maintained its reach across Chhattisgarh with youth coming from 23 different districts of the state this year.

33% youth i.e. 15 batches trained in convergence with government and private partners like Skill India Impact Bond (SIIB) & Generation India (Organic), Credit Access India Foundation (CAIF), Infosys's Graduate Employability Enhancement Training (GEET). These collaborations have optimized resources, resulting in enhanced outcomes & livelihood opportunities.

The Centre continued other soft skills development with Value Addition Module on AI, activities in 4 Youth clubs (Sports, Environment, Cultural & Vocarium), Routine industrial exposure visits & interactions. Fire & Road safety trainings, Menstrual Health sessions, Mentorship sessions by employee volunteers, Alumni connect and more were held for overall development.

HEALTH, WATER AND SANITATION

Arogya

The project is a comprehensive health initiative providing quality Primary health care services, both preventive and curative through Rural Health Posts, Maternal & Child Health with special focus on reduction of malnourishment & anemia, awareness campaigns on HIV, TB and De-addiction. During the year, the program reached out to 93,442 people through curative and preventive healthcare services.

Three Rural Health Post at Chuhiya, Parsabhatha and Chotia provided OPD services to 4799 people.

As part of the Maternal and Child Health initiative, 3,340 children (0–5 years) were screened across 65 Anganwadis in 45 villages. Among them, 915 were identified as malnourished children and received interventions—268 Children addressed through PD hearth sessions, 30 through NRC referral and 607 through home visits. Cumulatively all 653 children showed health improvement with 95% moved out of there Malnourished Category. Additionally, for reduction of anemia in the area, conducted Anaemia screenings in 45 areas. 2,310 women including pregnant & lactating mothers were screened; 691 were identified as anaemic. Provided them with targeted counselling, emphasizing on diet diversity, promoting the use of iron- and micronutrient-rich foods prepared with locally available ingredients. HB Levels improved in 92% women indicating a positive trend. Additionally, Celebration of Safe Motherhood Day, Poshan Maah recognized 'Champion Mothers', partners training collectively benefitting over 5000 mothers.

Generated awareness on HIV to over 2,500 high-risk behavior groups like Truckers and migrant workers. Over 34549 people were sensitized through a Month-long mass awareness campaign on World AIDS Day. Focused on youth held awareness sessions in 100% i.e. 35 Government high & higher secondary in Korba block. Additionally, Life skills training capacitated 64 Youth as changemakers on HIV/AIDS Awareness for promoting peer-based learnings, further led 'Yuva Chaupals' reaching out to over 1300 youth in High-risk areas. For a collective action on the matter, also organized HIV Dissemination Workshop also organized chaired by CMHO, Korba district. The workshop provided a platform for synergic action to arrive at a robust plan for decreasing the number of HIV cases & increasing testing on reducing HIV, over 100 Govt. & private stakeholders participated.

TB Awareness – Capacitated 97 Frontline workers from local health bodies (Mahila Arogya Samitis & Village Health and Sanitation Committee) and raised awareness to over 27,000 people through a Month-long mass awareness campaign on TB awareness on identification, causes, contact tracing & improving testing etc. Proper nutrition plays a crucial role in supporting the treatment and recovery of individuals with tuberculosis (TB). Hence to ensure proper dietary intake & nutrition we implemented Nikshay Mitra initiative in collaboration with District Medical & Health department by financially supporting the diet of 17 TB patients with Nutrition Basket support for 6 Months during their treatment.

Deaddiction Awareness sessions held at 100% High & Higher Secondary schools of Korba Block i.e. 35 Schools reaching out over 2400 students. Trained youth leaders held 45 Street

plays across communities reaching over 3000 members on Drug Deaddiction, as a result 27 action groups comprising over 700 members from local health bodies (Mahila Arogya Samiti & Village Health, Sanitation & Nutrition Committee) and SHGs have been formed towards building Nasha-Mukt (Addiction Free) community.

Mobile Health Van

The Mobile Health Van (MHV) is structured to provide Healthcare at the doorstep of the ailing. The 2 MHV's are serving our nearby 70 communities through fortnightly visits and addresses the problems of inaccessibility, inability to afford and non-availability of basic essential primary health care in communities.

During the year, 26,500 people availed health care services through MHVs including specialized physiotherapy & gynecology services. Organized 6 Multispecialty Mega health camps (Orthopedics, Dental, Eye, ENT, Pediatrics, Gynecologist, Physiotherapist, Blood & Sugar etc.) and camps in Kawardha & Mainpat Mines region. Seasonal Awareness camps were organized in Communities, schools & Nandghars, sensitizing people on Cancer, Vaccination, Malaria, TB and other matters of health and hygiene. 33 people provided assistive devices like Walking Sticks, Tripods, Wheelchair and Eyeglasses etc.

Additionally, MHV was Integrated with additional facilities like MHV like Mobile physiotherapy services and lab facility to improve last-mile healthcare access. The initiative enables on-site physiotherapy services and 40+ essential laboratory tests.

BALCO Medical Centre

BALCO Medical Centre envisages a society where people are free from the menace of cancer. The BALCO Medical Centre (BMC), a 170-bed tertiary oncology facility - a flagship initiative of the Vedanta Medical Research Foundation (VMRF). Aims to bring ultra-modern, multi-modality diagnostic and therapeutic facilities within easy reach of India's population at an affordable cost. It is in Naya Raipur, Chhattisgarh, and patients from different parts of the country visit the centre.

During the year, over 17290 people availed healthcare services from the hospital. BMC served in remote regions through Health screenings, camps, health talks and diagnostic services, going above and beyond.

In FY26, BMC delivered 2,800 surgeries, 16,891 chemotherapy sessions and 1,635 radiotherapy treatments, with an Outpatient Department (OPD) footfall of 98,787, while extending ₹6.39 Cr. in financial aid to 12,942 patients through various charitable funds. Capacity and capability



were strengthened through the addition of a sixth fully modular operation theatre, commissioning of a solar power plant, introduction of Central India's first da Vinci Xi robotic cancer surgical system, and implementation of a National Cancer Grid aligned Hospital Information System (HIS). Research activity included 15 active projects, six in the pipeline, completion of three major studies, and initiation of the PROSPECT study. The year also saw hosting of Central India's largest cancer conclave, receipt of the Federation of Indian Chambers of Commerce and Industry (FICCI) Healthcare Excellence Award 2025, strategic partnerships with Tata Memorial Centre–Navya and the National Health Mission (NHM), conduct of 143 screening camps covering 6,886 individuals, and extensive community engagement and tobacco cessation initiatives impacting over one lakh people.

• WOMEN'S EMPOWERMENT

Unnati

The project focuses on strengthening women into Self Help Groups (SHGs) and develop their capacities and skills for entrepreneurship and sustainable livelihoods. During the year, 40 new SHGs (Self Help Groups) formed with 433 women, taking total to 561 SHGs involving 6003 women with 2259 women economically engaged. The cumulative SHG savings was ₹0.92 Cr. signifying financial resilience and independence. 90% of SHGs reported regularity in meetings and the average inter loaning increased among 90% of SHG groups. Facilitated 19 SHGs for small business loans of ~INR 27 lacs through various bank linkages and convergence with Government schemes like PM SVANidhi Scheme.

The apex level body of women run businesses, "Unnatti Maha Sangh (UMS)" strengthened & continued its 5 Microenterprises- UnaTex (Textile), Dekoratti (Art & Craft), Chhattisa (Food items), Cleanla (Cleaning Items), Mushroom Spawn Unit, and also established 2 New Micro Enterprises- Mushroom Production Unit and Kosa Silk Unit, providing SHG's a broader avenue of collective business opportunities. Actively engaged over 600 women, enabling them to gain financial independence and diversified income sources, UMS generated a revenue of ~₹0.20 Cr. has been generated through these Microenterprises. 21 Nano enterprises were also supported to promote entrepreneurship & strengthen women or SHG run small businesses viz. Tiffin service, Fancy store, Cosmetic, Stitching etc. run by 104 SHG women. Aiding an average additional income of ~₹3,500 per women per month.

New Initiative on Kosa Silk Promotion was undertaken, a livelihood value chain initiative to promote Kosa silk through skill upgradation, market linkage, and brand building. Established a Kosa Weaving Training Centre at Dhangaon, to train 20 women weavers, and introduced the 'KosaKari' brand

and digital platform, www.kosakari.com to enhance visibility, market access, and sustainable incomes for Kosa artisans.

Additionally, exposure visits have been organised, providing over 70 women with valuable insights into product (Art & Craft) development, sales, and marketing strategies, thereby honing their entrepreneurial acumen. Moreover, Unnati products have been showcased at prestigious platforms Pali Mahotsav, Rajyotsav, CII Women's Mela, Investors meet Jharsuguda etc. highlighting the recognition garnered by its products. Organized "Unnati Utsav 2026" the annual women empowerment celebration, over 800 community women and employees participated. The programme also felicitated 15 community achievers for their transformative journeys, launched First ever women's Magazine 'Srishti'.

• COMMUNITY ASSETS CREATION

Community Infrastructure Development

Infrastructure development in the communities provides an opportunity to improve their quality of life. The intervention aims at addressing the infrastructural gaps in the socio-economic development of the communities. The activities of this year included creation of 12 Community toilets, 2 community stages and 4 Community Hall cumulatively benefiting over 7500 community members.

• Barra Community Development Program

Barra Community Development Program is an integrated program to ensure socio-economic development of communities surrounding Barra Coal Block. The integrated program focused on all thematic ranging from Health, education, livelihoods & women empowerment to ensure the overall sustained development in the region.

2 Stitching Centres were established in Rampur village & Puchiyapalli village, providing structured threemonth skill training to over 60 Self Help Groups (SHGs) women, enabling income generation and economic self-reliance. International Women's Day was marked through exposure visits and a stitching training completion ceremony at village Puchiyapali, fostering confidence and peer learning among women beneficiaries. Conducted 9 capacity-building training for Strengthening Self Help Groups (SHGs) to enhance governance, financial literacy, and operations of SHGs, with participation of over 200 women representatives. Over 100 youth referred to vocational training at Vedanta Skill School.

Provided Doorstep health services with dedicated Health Van and 6 Mega Health & Eye Camps, health awareness drives (Poshan Maah, Shishu Sanjeevani, breast feeding week, Vajan Tyohar etc.) were organized, benefiting over 3000 community members, additionally in collaboration with the District Health Department, supporting 11 successful cataract surgeries, restoring vision and improving quality of

life. Menstrual Health Management sessions held covered 100% schools & colleges at Barra coal block, sensitizing over 400 students.

Installed 30 solar streetlights and constructed a 250-meters boundary wall for a girls' hostel and 15 clean drinking water facilities across government schools & hostels significantly enhancing health, safety, security, and accessibility. Supported youth engagement and physical well-being by providing Kabaddi equipment to the Panchayat-led sports committee, encouraging organized sports at the community level.

• SAFETY

In order to promote safety in communities, 80 safety trainings on Road, Fire & Home safety and various Safety campaigns were organized reaching out to over 1900 community members & school children and students at Vedanta Skill School.

• ANIMAL WELFARE

Animal welfare initiatives held in collaboration with District Veterinary department, included Reflective Collar drive for over 1,400 stray cows and 200 dogs, enhancing their visibility for night-time safety, minimizing accidents, and ensuring their well-being on roads and in communities, Vaccination & feeding drive of over 100 stray dogs towards making the community rabies free and 20 awareness sessions held in communities. Additionally for continued support initiated 'Cattle Care Program' providing necessary rescue & care support for cattle's, 193 cattle's supported.

• SPORTS

During the year initiated, BALCO Archery initiative dedicated to archery promotion, aiming to identify and nurture young sporting talent. Conducted archery scouting camps across 29 Schools, with over 1200 students participating, 288 students qualified for advanced trials further leading to a selection of top 70 youth for the dedicated training.

• EMPLOYEE ENGAGEMENT

At BALCO the socio-economic development of the community is of paramount importance. We are dedicated towards empowering the local community and establishing a connect between the community members and employees to establish a relationship based on 'trust'. The employee engagement initiatives act as a bridge to achieve this connect. During the year, 468 employees and Business Partners volunteered, contributing 300+ manhours, cumulatively for activities like:

- **Wish Tree Initiative**, gifts to the kids of the nearby communities, fulfilling their wishes.
- **Value Added Modules** – Taking soft skill building sessions in Vedanta Skill School.

- **Blood Donation Drive** - Highest single day contribution at district level.
- **Let's Do Ropai** – Sowing in the fields of farmers for transplantation of paddy.
- **Wadi Plantation drive**- Plantation activities under the Fruit Orchard model.
- **Pond Rejuvenation Drive**- Community Pond rejuvenation drive at village.
- **Cleanliness Drive**- Joining hands for cleaning water body site at village.
- **Nikshay Mitra**- Financial support for six months for Nutritious Diet to TB patients
- **Birthday's at Nandghar**- Celebrating birthdays, Diwali or special days at Nandghars.
- **Book Donation Drive**- Reusing books, sharing books with community children.
- **Animal care**- Placed water bowls to ensure hydration for animals during heat conditions.

• AWARDS

During the year, CSR efforts were appreciated and recognized with **6 National & 4 District level awards-**

- Recognition at the **FICCI CSR SUMMIT & AWARDS 2025** for healthcare project Nayi Kiran, focused on Menstrual Health Management (MHM).
- Recognition at **'Think So Impact Awards 2025'**- Chhattisgarh's 1st CSR Awards by UNICEF, recognized for CSR at Aspirational districts for Enhancing Sustainable livelihoods- Project Unnatti, Vedanta Skill School & Mor Jal Mor Maati.
- Felicitated with **'Integrated Health & Wellbeing (IHW) Awards 2025'**- for Enhancing Sustainable livelihoods- Project Unnatti, Vedanta Skill School & Mor Jal Mor Maati.
- Recognition at **'8th ICC Social Impact Awards 2026'**, In the category 'Excellence in Skilling' for Project Vedanta Skill School.
- Recognition at **'Impact Root Awards 2026'** for BALCO's overall CSR Excellence through impactful CSR projects in the region.
- Felicitated with **'Feather Education Awards 2026'**- for Excellence in Education- Project Nandghar, BALCO Connect Coaching & School Programs.



- Recognition by **Korba District Health Department**, Government of Chhattisgarh for successfully conducting “Mega Blood Donation Camp”, Employees & Community Members donated 228 Blood Units.
- Recognition by Korba District Health Department, Government of Chhattisgarh for efforts on creating **TB Awareness & Nikshay Mitra support** for TB patients in the community, contributing to the larger goal of ‘TB Mukht Bharat’.
- First ever recognition to Unnatti Maha Sangh (UMS), the apex women run business body, supported & emerged under project Unnatti, received district level recognitions on International Women’s Day by Adani Foundation & Parsa East and Kanta Basan (PEKB) and at ‘Gadh Kaleva’ Katghora by Zila Panchayat CEO.

(AD) ENTERPRISE RISK MANAGEMENT

The Risk Management Committee is responsible for overseeing the Company’s risk management policies and framework. This Committee assists the Board of Directors in fulfilling its oversight responsibilities regarding the Company’s risk appetite, risk management, and compliance framework. The Committee typically includes members with relevant experience and expertise and is led by the CEO along with the Risk Officer i.e., the Company Secretary of the Company. These members are formally nominated at the operating business level to develop a risk-management culture within the businesses.

Risks are identified and assessed using a Risk Matrix, which evaluates risks based on a 5x5 scale of impact and likelihood. Risks are categorized into six factors: Financial, Health, Safety, Environment, Legal and Regulatory, and Brand and Reputational. Risks are documented in a Risk Register and rated as Critical, Significant, Moderate, or Acceptable based on their scores. Mitigation measures are mapped, and each risk has designated Risk Owners, Managers and Head of Departments, who continuously monitor and address risks. The framework includes quarterly reviews by the Risk Management Committee and is presented before the Audit Committee half-yearly.

In the opinion of the Board, none of the risks faced by the Company threaten its existence.

(AE) SHARE CAPITAL AND ITS EVOLUTION

The Authorised Share Capital of the Company is ₹ 500,00,00,000 (Rupees Five Hundred Crores only) divided into 50,00,00,000 (Fifty Crore Only) Equity Shares of ₹ 10/- (Ten) each.

The Paid up Equity Share Capital as at 31st March, 2026 stood at ₹ 220,62,45,000 (Rupees Two Hundred Twenty

Crore Sixty Two Lakh Fourty Five Thousand only) divided into 22,06,24,500 (Twenty Two Crore Six Lakh Twenty Four Thousand Five Hundred Only) Equity Shares of ₹ 10/- (Ten) each. There were no changes in the capital structural of the Company during the period under review.

As on 31st March, 2026, none of the Directors of the Company hold instruments convertible into equity shares of the Company;

Further the company has not issued any shares with differential voting rights, sweats equity shares, Bonus Shares and also not granted stock options as prescribed in Companies Act, 2013 and rules framed there under.The company has not bought back any of its securities during the financial year 2025-26.

(AF) MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION AND CHANGE IN NATURE OF BUSINESS

There have been no material change(s) and commitment(s), except elsewhere stated in this report, affecting the financial position of the Company between the end of the financial year of the Company i.e., March 31, 2026, and the date of this Report. There has been no change in the nature of business of the Company during the financial year ended on March 31, 2026.

(AG) SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company is a Subsidiary of Vedanta Ltd., bearing CIN. L13209MH1965PLC291394, having registered office situated at “Vedanta Limited, 151 Floor, ‘C’ wing, Unit 103, corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai - 400093, Maharashtra, India.

The Company does not have any Subsidiary, Associate and Joint Venture Company.

(AH) DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

There is no instances of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions.

(AI) OTHER DISCLOSURES

- There was no revision in the financial statements.

- There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company’s operations in future.
- There were no frauds reported by the Auditors u/s 143(12) of the Companies Act, 2013.
- There were no applications made or any proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year.
- All properties and insurable interests of the Company have been adequately insured.
- Industrial relations were harmonious throughout the year. The Board wishes to place on record their sincere appreciation to the co-operation extended by all the employees in maintaining cordial relations.
- Company’s Industrial relations continued to be healthy, cordial and harmonious during the period under review

Your Directors also take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Government and Regulatory Authorities for their continued support.

- The Company’s shares are presently held in electronic mode.
- The Company has complied of the provisions relating to the Maternity Benefits Act 1961.

(AJ) APPRECIATIONS AND ACKNOWLEDGMENTS

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication, and Commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain an industry leader.

The Board of Directors would also like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government and regulatory authorities, customers, vendors, members, and debenture holders during the year under review. Your Company looks upon them as partners in its progress and has shared with them the rewards of growth.

For and on behalf of the Board of Directors
Bharat Aluminium Co. Ltd.

Sushil Kumar Roongta
DIN-00309302
Chairperson & Independent
Director

Rajesh Kumar
DIN-09586370
CEO & WTD

Dated: 23rd April 2026



Annexure-A

Annexure To Director’s Report

A. CONSERVATION OF ENERGY:

(1) Energy conservation measures taken:

- ❖ **Various initiative taken, and trials conducted in Pot line to achieve the benchmarking parameter in pot lines.**
- The new relining (RCC) has been done in 114 pots. The design has power savings of around 300KWhr/MT compared to the previous installed relining design. These pots produced net financial benefit of 1.47 Mn\$ in FY26 (0.6 Mn\$ through increased production rate and 0.87 Mn\$ through power savings).
- Indigenous Pot Controller: Developed in-house; 1 pot operational with PO initiated for 10 additional pots.
- Valve Optimization: Replacement of IAP valves with diaphragm valves yielding ~₹2 Cr., annual savings with AIF3 reduction of 0.4 kg/MT.
- ❖ **HSES Measures:**
- SPL Dispatch: Achieved highest-ever 20 KT, with zero SPL carbon maintained.
- Shot Blast Dust Management: Record disposal of 19.3 KT with lowest-ever generation of 1.2 KT.
- Legacy Waste Reduction: Reduced SBD stock from 19.7 KT to 1.57 KT.
- Emission Control: Achieved lowest-ever emissions — GAP: 12.69, Bake Oven FTP: 8.4 (vs. FY25 best).
- ❖ **Growth Projects-**
- New Potline Ramp-up: Commissioned 69 pots, producing 8.2 KT metal.
- Anode Production Milestones:
 - Highest-ever 467 green anodes/day (GAP-03).
 - 6,500+ green anodes in March’26, closing inventory at 4,500.
- Rodding Shop: Produced 4,000+ rodded anodes, closing inventory at 1,940.

- PFA-2: Commissioned in Dec’25; achieved 85% design capacity by Mar’26.
- Wire Rod Mill: Commissioned 50 KTPA mill, surpassing design throughput.
- Billet Pit: Successfully commissioned with 5’,6’,7’ and 9’ inch tables.
- Commissioning of 4 PTM’s Cranes, 2 Section Rail & DSL, 2 ABRF Machines & 76 Pots independently with safety and time bound manner in PL3.

(2) Energy conservation measures taken:

- ❖ **Initiative taken in the Power Plant to achieve the benchmarking parameters:**
- 540 MW Unit #1: Turbine rotor reblading and capital overhauling executed to enhance cylinder efficiency and improve heat rate.
- Air Preheater Improvement: APH basket replacement in 300 MW Unit #2 and 135 MW Unit #1, improving boiler efficiency.
- Condenser Performance: Installed online condenser tube cleaning system in 135 MW Unit #1 to maintain condenser cleanliness.
- Highpressure heater #2 replacement completed in 135 MW Unit #1.
- Water Conservation: Implemented Scaleban galvanized solution in 300 MW Unit #2, improving condenser performance and reducing blowdown.

(3) Recognition and system implementation for energy Improvements

- Recognized with **IMEA Platinum Award and Future Ready Factory Award.**
- Achieved **MERIT rank in British Safety Council Award** for Metal business.
- Won the **National Award for Digitalization in Manufacturing.**
- Awarded **Best TQM Organization** by QCFI

(4) Disclosure of particulars with respect to conservation of energy

(₹ in Cr.)

Sl. No.	Particular	Unit	2025-26	2024-25	2023-24
1	Hot Metal				
i	Electricity	Kwh/MT	13,670	13,657	13,627
2	Propenzi Rod (Including Alloy Rods)				
i	Electricity	Kwh/MT	179	131	138
ii	Furnance Oil	Ltr/MT	3	4	5
3	Ingots				
i	Electricity	Kwh/MT	36	40	38
ii	Furnance Oil	Ltr/MT	9	8	9
4	Rolled Product				
i	Electricity	Kwh/MT	1,567	1,328	1,281
ii	Furnance Oil	Ltr/MT	140	141	135

Sl. No.	Particulars	Unit	2025-26	2024-25	2023-24
1	Electricity : Own Generation				
	Units	M. KWH	10,943	10,996	10,656
	Total Amount	₹ in Crs	2,790	3,277	3,777
	Average Rate	₹/KWH	3	3	4
2	Coal (Used in Boiler House)				
	Quantity	MT	83,85,130	85,93,762	80,90,147
	Total Amount	₹ in Crs	2,036	2,438	2,876
	Average Rate	₹/MT	2,428	2,836	3,555
3	Furnace Oil & Light Diesel Oil				
	Quantity	KL	24,440	24,492	26,330
	Total Amount	₹ in Crs	141	149	143
	Average Rate	₹/KL	57,807	60,842	54,271

Excludes capitalised quantity

B. TECHNOLOGY ABSORPTION - FORM B

(1) Research and Development (R&D):

- ❖ **Specific areas in which R&D carried out by the Company:**
- BALCO has developed an advanced relining design that extends pot life by ~ 500 days, achieved entirely through inhouse expertise without any external technology transfer.
- BALCO, in collaboration with EESL, is implementing an Intelligent Flow Control (IFC) system to eliminate un-utilized compressed air during nonoperational periods.
- We successfully developed two value-added products from BALCO:
 - Development of Sr-micro alloyed T4 Alloy Rod for improved strength and conductivity post ageing procedure.
 - Development of Hot Rolled Plates of 6082 Aluminum Alloy to be utilized in Defense applications.

Customer & New Product development:

- Alloy wire rod trials (Al59, 8176, T4) conducted across key customers including Sterlite Power, Havells, Dicabs, Paramount Communication and Shuchi Alloys, supporting broader market validation.
- Export qualification of 8176 grade aluminium wire rod to Vietnam, strengthening international presence.
- First time supply of PFA to export market from BALCO-Hyundai Glovis
- Execution of Jumbo Coil trials at JSPL Angul with quality meeting required standards.
- Product trials extended to new application segments including HVAC wire rods, fan blade sheets, aluminium composite panel and coils for magnetic applications.
- Homologation for new PFA line done with major 2-Wheeler OEMs - Hero MotoCorp, Rockman, Endurance, Neo Wheels

- Homologation initiated for new PFA line with major 4-Wheeler OEMs - SSWL and Uno Minda.
- Supply of AlSi T-ingots initiated to customers including JSW, Manaksia and Assam Roofings

❖ **Future plan of action**

- ❖ **Power:**
 - Execute HIP rotor reblading with 3rd generation blade profile and comprehensive TG overhauling for 135 MW Units #3 and #4.
 - Retrofit Honeywell DCS for 540 MW Units #3 and #4 to improve reliability and operational stability.
 - Develop infrastructure for ash transportation through rail racks.
 - Implement HPH replacement in 540 MW Units #3 and #4 to further enhance unit performance.
- ❖ **Metal:**
 - By installing New Relining Design in 119 pots the net benefit is projected further by 2.23 Mn\$ in FY27.
 - Development of Advanced Lining Design for throughput improvement which will be giving additional pot life of 400 days.
 - Graphene enrichment will be implemented to achieve a net reduction of 5 kg/MT in carbon consumption.
 - New Product development of chequered sheets which will give NEP gain of 700\$/MT.
 - Commissioning and ramp up of Billet which will increase VAP capacity of 420 KTPA.
 - Implementing Forced Cooling Network in existing smelter for Volume Enhancement.

C. EXPENDITURE ON RESEARCH AND DEVELOPMENT (R&D)

(₹ in Cr.)

Particulars	FY 2025-26	FY 2024-25	FY 2023-24
Capital Expenditure	-	-	-
Recurring Expenses	4.42	2.13	3.78
Total Expenditure	4.42	2.13	3.78
R&D Expenditure as a % of total turnover	0.03%	0.01%	0.03%

D. TECHNOLOGY ABSORPTION, ADAPTATION, AND INNOVATION

- ❖ **Efforts made for technology absorption.**
 - 135 MW Turbine Rotor Reblading: Successfully executed HIP rotor reblading with 3rd generation blade profile.
 - Advanced Instrumentation: Implemented modern noncontact gammabased level sensors for accurate operation under extreme conditions in ash hoppers.
 - Process Automation: Achieved 100% automation and SAP integration of coal testing, eliminating manual errors and saving approximately 40 manhours per month.

In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not applicable.

E. FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services and export plans:

The initiatives taken by the Company in product development / production of new products have improved the export potential of the Company's products.

Total foreign exchange used and earned during FY 2025-26 is as below:

Foreign exchange earnings: ₹762 Cr.
Foreign exchange outflow: ₹3,702 Cr.

For and on behalf of the Board of Directors
Bharat Aluminium Co. Ltd.

Sushil Kumar Roongta
DIN-00309302
Chairperson & Independent
Director

Rajesh Kumar
DIN-09586370
CEO & WTD

Annexure-B

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2026
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Board of Directors,
BHARAT ALUMINIUM CO LTD
(CIN: U74899DL1965PLC004518)
Aluminium Sadan Core-6,
Scope Office Complex 7,
Lodhi Road, New Delhi-110003

Dear Sir/Ma'am(s),

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2026 ("**Audit Period**") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the "**Act**") and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iii) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable **{Not applicable during the audit period};**

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, which the Company has generally complied with.

During the audit period, we are of the opinion that the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable.

- v) The Company is engaged in the business of manufacturing and supply of high-quality aluminum. As informed by the Management, following Laws are being specifically applicable to the Company:

- i. The Mines Act, 1952 and Rules made thereunder;
- ii. The Mines and Minerals (Development and Regulation) Act, 1957 and the Rules made thereunder;
- iii. The Electricity Act, 2003 and rules and regulations made thereunder.

On our test-check basis, we are of the view that the Company has ensured the compliance of laws specifically applicable on it.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including woman director. Further, the changes in the board of directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Dated: 23rd April 2026



Adequate and proper notices were given to all Directors to schedule the Board Meetings, Committee meetings, agenda and detailed notes on agenda were sent in advance other than those meetings which were held on shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board decisions were carried out with requisite majority and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Sanjay Grover & Associates

Company Secretaries
Firm Registration No.: P2001DE052900
Peer Review Certificate No.: 6311/2024

Anirudh Grover

Partner

New Delhi
April 23, 2026

M. No.: A77442/ CP No. 28649
UDIN: A077442H000187519

Annexure-A to the Secretarial Audit Report

To,
The Board of Directors,
BHARAT ALUMINIUM CO LTD
(CIN: U74899DL1965PLC004518)
Aluminium Sadan Core-6,
Scope Office Complex 7,
Lodhi Road, New Delhi-110003

Our Report of even date is to be read along with this letter.

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our review.
- b) We have followed the review practices and processes as appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations, and standards is the responsibility of the management. Our examination was limited to the verification of procedures on a test basis.
- f) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sanjay Grover & Associates

Company Secretaries
Firm Registration No.: P2001DE052900
Peer Review Certificate No.: 6311/2024

Anirudh Grover

Partner

New Delhi
April 23, 2026

M. No.: A77442/ CP No. 28649
UDIN: A077442H000187519



Annexure-C

Annual Report on Corporate Social Responsibility Activities

1. Brief Outline on the CSR Policy of the Company:

Bharat Aluminium Co. Ltd. firmly believes in the Co-existence of business and communities and is committed to the development of an eco-system of prosperity in the society around operations. As a responsible corporate citizen, we aim “To empower and support communities specially neighbourhood communities in achieving greater economic and social well-being”. As part of our CSR policy, we believe in partnering with government agencies, development organisations, corporates, civil societies & community-based organisations to implement long term sustainable initiatives.

We also believe that our employees have the potential to contribute towards building strong communities through sharing their knowledge and expertise. Hence, we proactively

create opportunities whereby employees can also connect and contribute.

The Company complies with Section 135 of the Act and the approach is focused on long-term programmes aligned with community needs and national priorities, including Sustainable Development goals.

At Bharat Aluminium Co. Ltd., business success is not just about profits and shareholder returns. We believe in pursuing wider socioeconomic and cultural objectives and have always endeavoured to not just live up to it, but to try and exceed the expectations of the communities in which we operate.

The detailed CSR Policy of the Company is available on Company's website at: [CSR Policy](#)

2. The composition of CSR Committee is as under:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sushil Kumar Roongta	Chairman, Independent Director	02	02
2	Mr. Rajesh Kumar	Member, CEO & Whole Time Director	02	02
3	Mr. Ashim Kumar Modi*	Member, Government Nominee Director	01	01
4	Mr. Thomas Mathew T [#]	Member, Independent Director	-	-
5	Ms. Nirupama Kotru*	Member, Government Nominee Director	01	-
6	Mr. Ashish Chatterjee*	Member, Government Nominee Director	-	-
7	Mr. Anoop Kumar Mittal [#]	Member, Independent Director	02	02

*Appointment of Mr. Ashish Chatterjee (DIN: 07688473) as Government Nominee Director with effect from 25th July 2025, in place of Ms. Nirupama Kotru (DIN: 09204338), who ceased to hold office on the same date. Subsequently, Mr. Chatterjee was inducted as a Member of the CSR Committee with effect from 30th July 2025

*Appointment of Mr. Ashim Kr. Modi (DIN: 11342680) as Government Nominee Director with effect from 15th October 2025, in place of Mr. Ashish Chatterjee (DIN: 07688473), who ceased to hold office on 10th October 2025. Accordingly, Mr. Modi was inducted into the CSR Committee as a Member with effect from 19th October 2025

[#]Appointment of Mr. Thomas Mathew T (DIN: 00130282) as an Independent Director with effect from 19th October 2025, in place of Mr. Anoop Kumar Mittal (DIN: 05177010), whose tenure as an Independent Director concluded on 18th October 2025. Consequently, Mr. Mathew was inducted into the CSR Committee as a Member with effect from 19th October 2025.

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the num of the company:

Composition of CSR Committee	BALCO Leadership - Innovating with Expertise and Vision
CSR Policy	CSR_Policy_19th_May_2021.pdf
CSR projects approved by Board	BALCO CSR Annual Action Plan - Driving Social Change

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies if applicable – The Company has carried out Impact Assessment through Independent third party agency- the Indian Institute of Corporate Affairs (IICA). The Executive Summary reports can be accessed through the following link: (Link)

Highlights of the Impact Assessment Report

During the financial year, the Company conducted a Need and Social Impact Assessment Study through a third-party agency - the Indian Institute of Corporate Affairs (IICA), to evaluate the relevance, effectiveness, and impact of its CSR interventions across key thematic areas including Livelihoods, Skill Development, Education, Health, Women Empowerment, Community Infrastructure, and Environment.

The study covered 634 beneficiaries across 84 villages for Need Assessment and 384 beneficiaries for Impact Assessment across BALCO’s operational areas in Chhattisgarh, using globally recognised frameworks such as OECD-DAC, SDG framework, DFID Sustainable Livelihoods Framework, and Theory of Change.

The Executive Summary of key findings is as follows:

Sustainable Livelihoods & Agriculture

a. Mor Jal Mor Maati

- **Strengthened Water Security & Irrigation** - The programme has significantly improved irrigation access, with ~67% beneficiaries reporting moderate to high improvement in water availability, enabling better crop planning and multi-cropping systems.
- **Shift to Productivity-led Agriculture** - Around 66% beneficiaries reported improved crop productivity and adoption of better farming practices, indicating transition from subsistence to market-oriented agriculture.

- **Livelihood Diversification** - Nearly 60% beneficiaries reported moderate to high gains in livestock and allied activities, contributing to additional income streams and nutritional security.
- **Capacity Building & Behavioural Change** - Over 65% beneficiaries demonstrated application of improved agricultural knowledge and decision-making, strengthening long-term sustainability.
- **Institutional Strengthening (FPOs)** - Around 60% beneficiaries reported active to moderate participation in FPOs, improving collective bargaining, market linkages, and resource optimisation.
- **Income Enhancement & Stability** - Nearly 63% beneficiaries reported moderate to high improvement in income and livelihood stability, reflecting strong economic outcomes.
- **Enhanced Community Resilience** - Around 63% beneficiaries demonstrated improved resilience to climate and economic shocks, driven by integrated interventions.
- **Strategic Impact** - The programme reflects a holistic livelihood model integrating water, agriculture, livestock, and institutions, enabling sustainable rural transformation.

b. Vedanta Skill School

- **Enhanced Employability & Job Readiness** - The programme has significantly improved employability, with 61% of beneficiaries demonstrating moderate to high improvement in job readiness and skills application.
- **Growth in Self & Wage Employment** - Around 27.4% beneficiaries transitioned into self-employment, while others accessed local and external job opportunities.
- **Reduced Unemployment & Migration** - The intervention has contributed to reducing dependency on migration by enabling local livelihood opportunities.
- **Improved Confidence & Social Capital** - 70% Beneficiaries reported strong improvements in confidence, communication, and career awareness, strengthening long-term employability.
- **Strategic Impact** - The programme acts as a critical bridge between skill gaps and industry demand, with strong potential for scale and sectoral diversification.



Women Empowerment

a. Unnati

- Economic Empowerment of Women** - Around 32% beneficiaries reported increased livelihood engagement, contributing to enhanced household income.
- Improved Decision-Making & Agency** - Nearly 37% women demonstrated improved confidence and decision-making ability, indicating social empowerment.
- Strengthened SHG Ecosystem** - Increased participation in SHGs and community institutions has enhanced financial inclusion and collective action.
- Livelihood-led Empowerment Model** - The programme has enabled women to transition from passive participation to active economic contributors.
- Strategic Impact** - High social multiplier effect, with benefits extending to household welfare, education, and health outcomes.

Health, Nutrition & WASH

a. Arogya & Mobile Health Van

- Improved Access to Healthcare** - 91% beneficiaries reported improved access and timely availability of healthcare services, with 69% noting increased availability of medicines.
- Reduction in Healthcare Expenditure** - Households reported monthly savings of ₹ 100-₹ 500, reducing out-of-pocket expenses.
- Improved Awareness & Preventive Healthcare** - 43.8% beneficiaries reported reduction in illness episodes, indicating improved primary healthcare access.
- Last-Mile Service Delivery** - MHV has played a critical role in bridging accessibility gaps through doorstep healthcare services. 62% beneficiaries reported improved frequency of healthcare visits, reflecting better service outreach.
- Strategic Impact** - Strong preventive healthcare model, reducing disease burden and improving access and affordability.

b. Nayi Kiran

- Behavioural Transformation in MHM** - 36.9% beneficiaries reported high improvement in menstrual hygiene awareness and adoption.

- Breaking Social Stigma** - 32.3% beneficiaries reported high reduction in taboos and stigma, indicating behavioural transformation.
- Improved Hygiene Practices** - 36.2% beneficiaries reported increased confidence among women and girls.
- Strategic Impact** - A behaviour change-led intervention, creating long-term improvements in health and gender equity.

Education Initiatives (Connect / Nand Ghar)

- Improved Learning Outcomes** - Around 37.5% students reported high academic improvement, with reduction in learning gaps.
- Enhanced Career Awareness & Aspirations** - Around 38.8% beneficiaries reported increased readiness for competitive exams and future opportunities.
- Improved Confidence & Communication** - Over 36% beneficiaries showed improvement in soft skills and confidence.
- Strengthened Early Childhood & Nutrition (Nand Ghar)** - Around 38-40% beneficiaries reported improvements in nutrition, ECCE, and Anganwadi access.
- Strategic Impact** - High long-term human capital returns, with intergenerational benefits.

Infrastructure & Community Development

- Improved Access to Basic Infrastructure** - Around 42% beneficiaries reported high improvement in access to water, sanitation, and roads.
- Enhanced Mobility & Connectivity** - Nearly 39% beneficiaries experienced improved connectivity, enabling access to services and markets.
- Improved Quality of Life** - Around 41% beneficiaries reported overall improvement in living conditions.
- Strengthened Community Cohesion** - Increased participation and utilisation of community assets.
- Strategic Impact** - Acts as a strong enabler across all thematic interventions.

Animal Welfare

- Reflective Collar Drive** - Implemented initiatives to improve visibility of stray animals, reducing accident risks in communities.

- Community Awareness Sessions** - Conducted awareness programmes promoting responsible animal care and coexistence.
- Dog Vaccination Drives** - Supported vaccination drives to prevent zoonotic diseases and improve public health outcomes.
- Strategic Impact** - Contributes to community safety, disease prevention, and humane animal care practices.

Social Return on Investment (SROI)

- 34.2% beneficiaries reported income increase of ₹500 - ₹3,000/month
- 18-20% beneficiaries reported cost savings of ₹100 - ₹500/month
- 25.6% beneficiaries reported time savings of 1-3 hours/week
- 33.8% beneficiaries expect benefits to sustain for 1-3 years
- 63.4% willing to engage in future programmes

Overall SROI:

- ₹2 - ₹4 social value generated for every ₹1 invested

Conclusion

The assessment highlights that BALCO's CSR interventions are strategically aligned, impact-driven, and delivering

measurable socio-economic outcomes. The integrated approach across livelihoods, health, education, and infrastructure has created a multiplier effect, driving sustainable and inclusive community development.

5. (a) Average net profit of the Company as per sub-section (5) of section 135: ₹ **1956 Cr**
- (b) Two percent of average net profit of the Company as per sub-section (5) of section 135: ₹ **39.11 Cr**
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: **NIL**
- (d) Amount required to be set-off for the financial year, if any: ₹ **23.87 Cr.**
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ **15.24 Cr**
6. (a) Amount spent on CSR Projects (both Ongoing Project & other than Ongoing Project): ₹ **21.90 Cr.**
- (b) Amount spent in Administrative Overheads: ₹ **1.16 Cr**
- (c) Amount spent on Impact Assessment, if applicable: ₹ **0.14 Cr**
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ **23.20 Cr**

- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ in Cr.)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
23.20	NIL	NIL	NIL	NIL	NIL

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

Sl. No.	Particular	Amount (₹ in Cr.)
(1)	(2)	(3)
(i)	Amount of surplus contribution being carried forward from previous years	23.87
(ii)	Two percent of average net profit of the Company as per sub-section (5) of section 135	39.11
(iii)	Total amount spent for the Financial Year	23.20
(iv)	Excess amount spent for the Financial Year [(i)-(ii)] + (iii)]	7.96
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(vi)	Amount available for set off in succeeding Financial Years [(iv)-(v)]	7.96



7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: NIL

(Amt in ₹)

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135	Balance Amount in Unspent CSR Account under sub-section (6) of section 135	Amount Spent in the Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years	Deficiency, if any
					Amount	Date of Transfer		
1	FY-25	NA	NA	NA	NA	NA	NA	NA
2	FY-24	NA	NA	NA	NA	NA	NA	NA
3	FY-23	NA	NA	NA	NA	NA	NA	NA

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

If Yes, enter the number of Capital assets created/ acquired : NA

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) – NA

Mr. Sushil Kumar Roongta
Chairperson, CSR Committee
DIN: 00309302

Mr. Rajesh Kumar
CEO & WTD
DIN: 09586370

Annexure-D

Nomination Policy

1. Legal Framework & Objectives:

Section 178 of the Companies Act, 2013 (“Act”) read with the applicable Rules thereto require the Nomination and Remuneration Committee (“NRC”) of the Board of Directors of every listed company, among other classes of companies, to:

- a. Identify persons who are qualified to become directors and who may be appointed in a KMP role in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- b. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- c. Devising a policy on diversity of the Board of Directors.
- d. Specify the manner and criteria for effective evaluation of the performance of the Board, its Committees, and individual directors to be carried out either by the Board, by the Committee or by an independent external agency and review its implementation and compliance. Basis the performance evaluation results of independent directors, decide whether to extend or continue their term of appointment or not.
- e. Recommend to the Board of directors a policy relating to the remuneration of the directors, KMP and other employees including SMP.

This policy shall act as a guideline on some of the above-mentioned objectives of the NRC.

2. Definitions:

- a. **Board** means Board of Directors of the Company.
- b. **Committee** means the Nomination & Remuneration Committee
- c. **Directors** mean Directors of the Company.
- d. **Independent Director** means as provided under clause 49 of the Listing Agreement and/or under the provision of Section 149(6) Companies Act, 2013.
- e. **Key Managerial Personnel (KMP)** means: -

– Chief Executive Officer or the Managing Director or the Manager;

- Whole Time Director;
- Chief Financial Officer;
- Company Secretary;
- such other officer, not more than one level below the Directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- such other officer as may be prescribed;
- f. **Senior Management** means personnel of the Company who are members of its core management team excluding the Board of Directors and including Functional Heads, viz., the Executive Committee (EXCO) of the Company.

3. Composition and Chairpersonship:

The membership of the Committee shall consist of at least three non-executive directors, out of which not less than one half shall be Independent Directors. The Chairperson of the Company (whether executive or non-executive) may be appointed as a Member but shall not chair such Committee. The Chairperson of the Committee shall be an independent director and shall be appointed by the Board. In case the Chairperson is not present at any Committee meeting, the members present at the meeting shall, amongst themselves, elect a Chairperson for that meeting. The membership of the Committee shall be disclosed in the annual report.

4. Appointment and removal of Director & KMP:

The Committee shall evaluate the balance of knowledge, skill, professional & functional expertise, industry orientation, gender, age etc. on the Board and, in the light of this evaluation, prepare and recommend to the Board, a description of the role and capabilities required for a particular appointment. In case of Directors, and KMPs, in addition to the above specifications the NRC shall ensure that the potential candidates possess the requisite qualifications and attributes as per the Applicable Laws. With respect to removal of any Director and KMP, the NRC shall in consultation with either the Chairperson, other Directors or CEO (as appropriate), review the performance and/or other factors meriting a removal and subject to the provisions of the applicable Laws and the Articles of Association of the Company, recommend to the Board its course of action.



5. Board Familiarization and learning:

The NRC will adopt a structured program for orientation and training of Independent & Non-Executive Directors at the time of their joining so as to enable them to understand the Company - its operations, business, industry, and environment in which it operates. The Company has a separately defined Familiarization Program for the Directors which also focus to update the Directors on a continuing basis on any significant changes therein so as to be in a position to take well-informed and timely decisions.

6. Performance Evaluation of the Board, its Committees, and individual directors:

Each year, the NRC will formulate the criteria and the process for evaluation of performance of the Board, Individual Directors, Chairperson, and the Committees of the Board and recommend the same to the Board. The evaluation shall be carried out either by the Board, by the Committee or by an independent external agency and the NRC shall review its implementation and compliance with Applicable laws as well as the criteria and process lay out.

The evaluation of the Independent Directors shall be done by the entire Board of Directors which shall include:

- Performance of the directors; and
- Fulfilment of the independence criteria as specified and their independence from the management as specified under Applicable Laws.

Directors who are subject to this evaluation shall not participate in their own evaluation. The independent directors of the Company shall hold at least one meeting in a year, without the presence of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting. The independent directors in their separate meeting shall, inter alia:

- Review the performance of non-independent directors and the Board of Directors as a whole.
- Review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors.
- Assess the quality, quantity and timeliness of flow of information between the management of the entity and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

Basis the evaluation results, the NRC will make its recommendations to the Board on the appointment/ re-appointment / continuation of Directors on the Board.

7. Board Diversity:

The Committee in their nomination process and while making recommendations to the Board shall endeavour to have an optimum combination of directors from different fields/walks such as Management, Legal, Finance, Marketing, Human Resources, Bureaucracy, Public Policy etc. and adequate representation of Women directors on the Board. While reviewing the composition of the Board, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described above.

8. Succession Planning:

The NRC shall draft and recommend to the Board a succession plan for the appointments made to the Board of Directors as well as KMPs. The NRC shall review such plan on an annual basis and recommend revisions, if any, to the Board. The NRC shall work with the management and follow the following process for effective succession planning:

- Assessment of potential employees and creation of a leadership pool.
- Development of the talent pool through actions such as involvement in strategic meetings, leadership workshops with top management, coaching, anchoring, job rotations, role enhancement, council memberships and involvement in cross function projects etc.

REMUNERATION POLICY

The Committee will recommend policy relating to remuneration payable to Directors, Key Managerial personnel, and Senior Management. The same shall be subject to the approval of the shareholders of the Company and the Central Government, wherever required.

1. Guiding Principles of the Executive compensation program are:

- **Alignment with Business Strategy and Level of Responsibility & Impact:** As employees progress to higher levels in the organisation, their performance has a greater direct impact on the strategic initiatives and business results.
- **Fixed/ Base Salary Decisions:** The Executives' fixed salary shall be competitive and based upon the industry practice and benchmarks considering the skill & knowledge, experience, and job responsibilities.
- **Pay-for-Performance:** A large portion of each Executive's total compensation is linked to the achievement of Company and individual performance goals. Such variable compensation is "at risk", and rewards performance and contributions to both

short-term and long-term financial performance of the Company.

- Performance Bonus Plan:** The Performance Bonus Plan rewards contribution to the achievement of the Company's annual financial, strategic, and operational goals and individual KRAs. The Performance Bonus drives high performance culture to achieve the organisation's objectives by differentiating rewards based on performance. The performance will be related to the fulfilment of various targets and attainment of business objectives, both at the Company and individual level.
- Short/Long Term Incentives:** Executives' compensation is linked to long-term stock price appreciation, and shareholder value creation through the Company's Long-term Incentives (LTI) plan. The LTI Plan balances Executives' performance orientation and decisions to deliver on the short-term business outcomes with the long-term performance of the Company, both on financial and non-financial parameters.
 - **Competitive in Marketplace:** We compete for talent globally. In order to attract and retain a highly skilled workforce, we must remain competitive with the pay of other employers who compete with us for talent.

2. Remuneration to Non-Executive / Independent Director:

- **Sitting Fees:** The Non-Executive Director/Independent Director may receive remuneration by way of fees for

attending the meetings of the Board or Committee thereof provided that the amount of such fees shall not exceed Rupees One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

- **Stock Options:** An Independent Director shall not be entitled to any stock options of the Company.
- **Yearly Fee/Commission:** The yearly fee/commission may be paid within the monetary limit approved by the shareholders subject to the limit not exceeding 1% of the net profit of the Company as per the applicable provisions of the Companies Act 2013.

3. Interpretation:

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and rules prescribed therein, as may be amended from time to time and per the Listing Agreement with Stock Exchange(s) as may be amended from time to time, shall have the meaning respectively assigned to them therein.

4. Amendments in Law:

Any subsequent amendment/modification in the Companies Act, 2013 and/or the listing agreement and/or other applicable laws in this regard shall automatically apply to this Policy.

Dated: 23rd April 2026

For and on behalf of the Board of Directors
Bharat Aluminium Co. Ltd.

Sushil Kumar Roongta
DIN-00309302
Chairperson & Independent
Director

Rajesh Kumar
DIN-09586370
CEO & WTD



Report on Corporate Governance

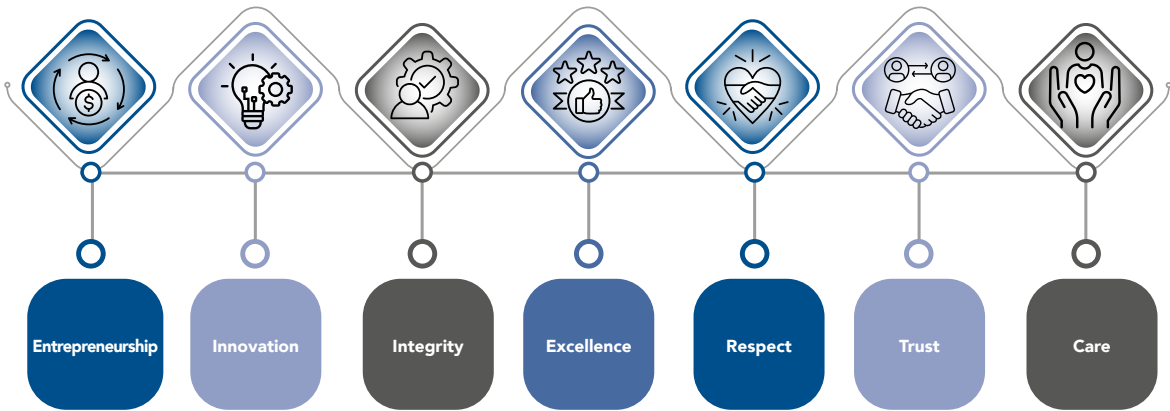
“Building strength through people while promoting organizational success through committing teamwork.”

Company’s Philosophy on Code of Governance:

At Bharat Aluminium Co. Ltd., our Corporate Governance framework is a reflection of our core values, vision, mission, and seven foundational pillars. We are unwavering in our commitment to maintaining the highest levels of trust and confidence among our stakeholders. This is achieved through a steadfast adherence to transparency, accountability, excellence, integrity, safety, and professionalism. We believe that the sustainable and long-term growth of all stakeholders is contingent upon the judicious and effective utilization of available resources, a relentless pursuit of

business excellence, active participation in societal development, environmental stewardship, and significant contributions to economic growth.

Our approach to business is rooted in ethical decision-making and strict compliance with applicable legislation. Responsible corporate conduct is integral to our operations, guided by our values and principles at every level of the organization. We recognize our individual and collective responsibilities to manage our business activities with the utmost integrity.



Seven Pillars of BALCO

Transforming Board’s Governance

- All Statutory Committees of Board chaired by a Non-Executive Independent Director;
- Separate Roles of Chairperson and Executive Director held by different individuals;
- Online Secured Platform for circulation of documents to Directors enabling them to mark annotations and access the repository of archived meetings’ papers;
- Complete and robust online system for ensuring compliances across all locations and functions;
- Online Platform for Performance Evaluation of Directors, Board and its Committees;
- Online Platform for uploading documentation Internal financial control;
- Online Platform for Related Party Transactions to eliminate errors, optimize time and ensure thorough documentation resulting in automation of all admins manual entries along with saving around 2000+ manhours per annum. All requests raised, allocated and approved are now via portal with 100% coverage of RPT resulting in reduction of governance lapses;
- Implementation of Bi-Monthly online confirmation process for material events and Information requiring disclosure under Regulation 30 of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements), 2015 (“Listing Regulations”), being the material subsidiary of Vedanta Limited;
- Monthly update to Directors on Company’s Performance and Developments;
- Online Portal for comprehensive Risk Management, including quarterly updates of risk ratings and mitigations plans.

Guiding Principles of Corporate Governance:

We adhere to corporate governance guidelines that uphold the highest standards of accountability, transparency, fairness, responsibility, and risk management. These principles guide our operations, balancing stakeholder interests and fostering trust. By following these guidelines, we ensure ethical conduct, legal compliance, and sustainable growth, ultimately creating lasting value for all stakeholders.



Corporate Governance Framework:

Our corporate governance framework is guided by the principles outlined in the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and the Companies Act, 2013 (“Act”). These guidelines ensure that our governance practices adhere to the highest ethical and responsible business standards. The Board of Directors is entrusted with the responsibility of upholding sound Corporate Governance principles. They play a crucial role in overseeing the management’s efforts to serve the short- term and long-term interests of shareholders and other stakeholders. This commitment is reflected in our governance

practices, which are designed to achieve excellence in all facets of our business operations.

We prioritize accountability and ethical conduct in all our operations, ensuring that our business decisions align with the best interests of our stakeholders. Additionally, we actively engage in Corporate Social Responsibility (CSR) activities, reflecting our commitment to societal and environmental well-being. Through these comprehensive governance practices, we strive to achieve sustainable growth and generate long-term value for all our stakeholders.





Role of the Company Secretary in overall Governance Process:

The Company Secretary plays a pivotal role in ensuring effective corporate governance within an organization. They are responsible for ensuring compliance with all legal and regulatory requirements, including the Act, and Secretarial Standards. By facilitating the efficient functioning of the Board of Directors and its Committees, organizing meetings, preparing agenda, and maintaining accurate records, the Company Secretary supports the Board in its governance duties.

Acting as a liaison between the Board and stakeholders, the Company Secretary ensures transparent and effective communication. They also maintain and safeguard corporate records, identify and manage risks, and promote a culture of integrity and ethical behavior throughout the organization. The Company Secretary upholds the principles of corporate governance, fostering trust, transparency, and accountability within the organization.

Board of Directors:

The Board of Directors is an apex body that plays a significant role in corporate governance by establishing and overseeing the Company's vision, mission, and strategic direction. This diversely constituted Board creates an enlightened culture of leadership, providing long-term vision and improving governance practices with effective oversight. The Board holds a fiduciary position, exercising appropriate control and independent judgment, and monitoring the effectiveness of the Company's governance mechanisms. They supervise strategic decisions on behalf of all stakeholders, including shareholders.

To effectively discharge its obligations and oversee relevant areas, the Board has delegated specific responsibilities to various designated Board Committees. Each Committee operates under a clearly defined terms of reference including scope, powers and responsibilities.. These Committees are entrusted with their respective duties, roles, and responsibilities, and they make recommendations to the Board for action.

Composition of Board of Directors as on March 31, 2026



Mr. Sushil Kumar Roongta
Chairperson & Independent Director

Age: 76 Y	Board Membership –Indian Listed Companies: 5
Initial Date of Appointment: 31-01-2012	No. of Directorships in Public Limited Companies: 8
Date of Re-appointment: 14-07-2022	Member/Chairperson in Committee(s):
Tenure Till: 13-07-2026	Member: 7
Tenure as on 31 March 2026: 13.2 Y	Chairperson: 1
Shareholding: Nil	



Mr. Rajesh Kumar
CEO & Whole-Time Director

Age: 59 Y	Board Membership –Indian Listed Companies: NIL
Initial Date of Appointment:15-02-2023	No. of Directorships in Public Limited Companies: 2
Date of Re-appointment: NA	Member/Chairperson in Committee(s):
Tenure Till: 14-02-2027	Member: NIL
Tenure as on 31 March 2026: 3.1 Y	Chairperson: NIL
Shareholding: 01 Equity Share*	

* Holding One (1) Equity Share as a Nominee Shareholder of Vedanta Ltd.



Mr. Tarun Jain
Non-Executive Director

Age: 66 Y	Board Membership –Indian Listed Companies: - NIL
Initial Date of Appointment:02-03-2001	No. of Directorships in Public Limited Companies: 1
Date of Re-appointment: NA	Member/Chairperson in Committee(s):
Tenure Till: NA	Member: NIL
Tenure as on 31 March 2026: 25.08 Y	Chairperson: NIL
Shareholding: Nil	



Mr. Prasun Kumar Mukherjee
Independent Director

Age: 71 Y	Board Membership –Indian Listed Companies: 1
Initial Date of Appointment: 30-07-2025	No. of Directorships in Public Limited Companies: 3
Date of Re-appointment: NA	Member/Chairperson in Committee(s):
Tenure Till: 29-07-2027	Member: 2
Tenure as on 31 March 2026: 0.8 Y	Chairperson: 1
Shareholding: Nil	



Mr. Thomas Mathew T
Independent Director

Age: 72 Y	Board Membership – Indian Listed Companies: 1
Initial Date of Appointment: 19-10-2025	No. of Directorships in Public Limited Companies: 3
Date of Re-appointment: NA	Member/Chairperson in Committee(s):
Tenure Till: 18-10-2027	Member: 2
Tenure as on 31 March 2026: 0.5 Y	Chairperson: 2
Shareholding: Nil	



Mr. Ashim Kumar Modi
Govt. Nominee Director

Age: 50 Y	Board Membership –Indian Listed Companies: 2
Initial Date of Appointment: 15-10-2025	No. of Directorships in Public Limited Companies: 4
Date of Re-appointment: NA	Member/Chairperson in Committee(s):
Tenure Till: NA	Member: 4
Tenure as on 31 March 2026: 0.5Y	Chairperson: NIL
Shareholding: Nil	



Ms. Farida Mahmood Naik
Govt. Nominee Director

Age: 55 Y	Board Membership –Indian Listed Companies: NIL
Initial Date of Appointment: 21-11-2022	No. of Directorships in Public Limited Companies: 2
Date of Re-appointment: NA	Member/Chairperson in Committee(s):
Tenure Till: NA	Member: NIL
Tenure as on 31 March 2026: 3.4 Y	Chairperson: NIL
Shareholding: Nil	



Mr. Mustaq Ahmad
Govt. Nominee Director

Age: 51 Y	Board Membership –Indian Listed Companies: NIL
Initial Date of Appointment: 29-07-2024	No. of Directorships in Public Limited Companies: 1
Date of Re-appointment: NA	Member/Chairperson in Committee(s):
Tenure Till: NA	Member: NIL
Tenure as on 31 March 2026: 1.8 Y	Chairperson: NIL
Shareholding: Nil	



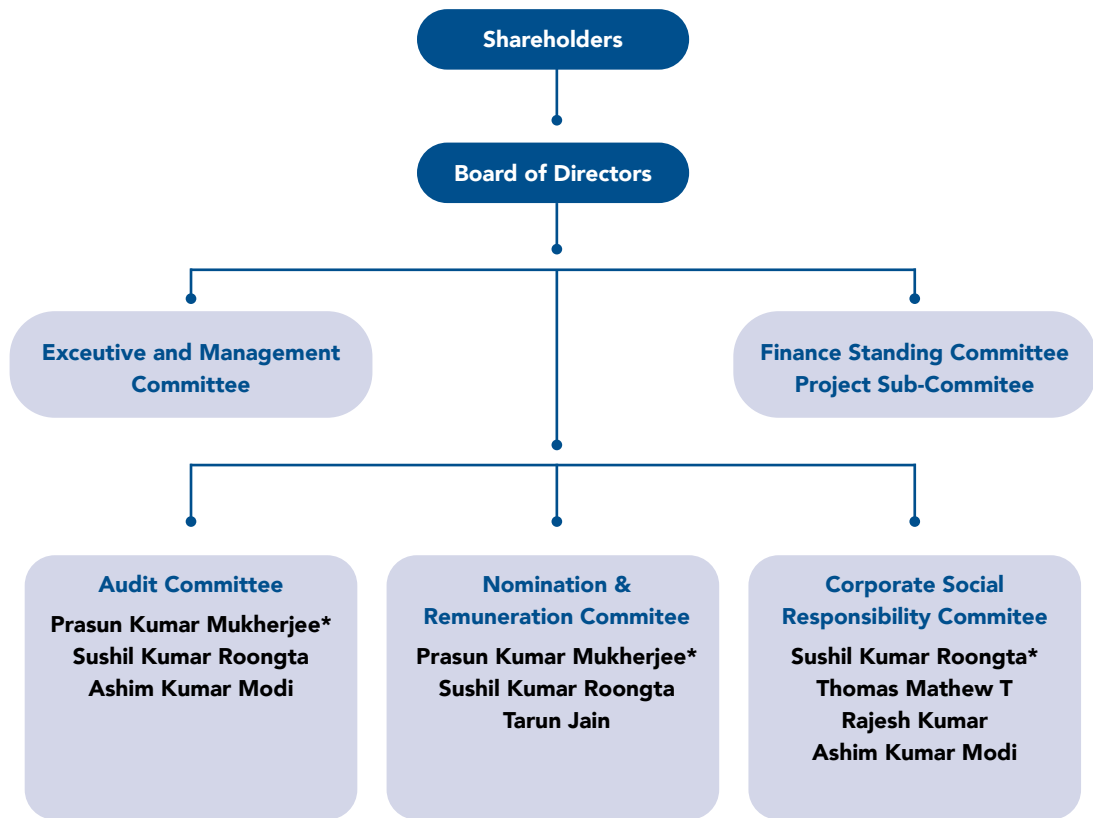


Mr. Johnny Tom Varghese
Govt. Nominee Director

Age: 39 Y	Board Membership –Indian Listed Companies: NIL
Initial Date of Appointment: 19-01-2026	No. of Directorships in Public Limited Companies: 2
Date of Re-appointment: NA	Member/Chairperson in Committee(s):
Tenure Till: NA	Member: NIL
Tenure as on 31 March 2026: 0.2 Y	Chairperson: NIL
Shareholding: Nil	

- The details provided above are as on 31 March 2026.
- The number of directorships ("Directorships") in Public Limited Companies includes Bharat Aluminium Co. Ltd., For the purposes of other mandates of the directors ("Mandates"), the other external directorships in publicly listed companies, as given above, shall be considered. Board memberships in private limited companies, educational institutes (school, college or universities) and in non-profit organizations are not considered in the definition of Mandates.
- For the membership and chairpersonship in Committees, only Audit Committee and Stakeholders' Relationship Committee have been considered. Also, all Public Limited Companies, whether listed or not, have been included and all other Companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Act, have been excluded.
- In the Committee details provided, every chairpersonship is also considered as a membership.

The reporting structure, as shown below, between the Board, Board Committees and Management Committees forms the backbone of the Company's Corporate Governance framework.



* Chairperson of the Committee

Key Board Qualifications, Skills, and Attributes:

Brief resume of the Directors summarizing the key qualifications, skills and attributes which are taken into consideration while nominating to serve on the Board and to function effectively. The nature of their expertise in specific functional areas and name of Companies in which they hold Directorship, and the Membership of the Committees of the Board can be viewed on the Company's website at <https://www.balcoindia.com>.

Board's Role in driving Leadership for Excellence and Ensuring Robust Governance:

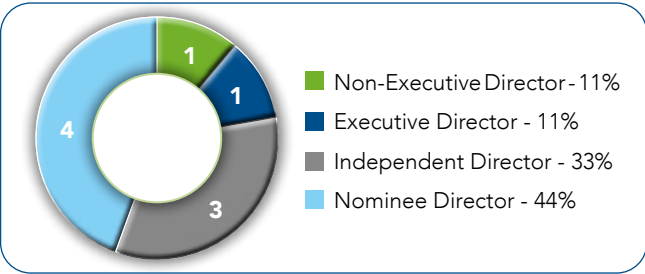
Our Board members, with their rich industry experience and diverse backgrounds, provide valuable insights to senior management on emerging trends, industry practices, potential growth opportunities, and risks. The Board encourages innovation and the adoption of pioneering technologies to create sustainable, long-term value for stakeholders, recognizing that innovation and technology are key drivers of the Company's steady growth.

The Board ensures the Company's performance remains robust and its growth sustainable by proactively requesting detailed analyses, benchmarking, review presentations, and status updates. Based on these updates and presentations, the Board offers suggestions to enhance business performance and strategy. During quarterly Board meetings, senior management presents updates on both financial and non-financial aspects of the business. Significant time is dedicated to agenda items, with briefings provided to directors in pre-call meetings. Input from these meetings is implemented, and updates are given in subsequent meetings.

The Board Composition and Size:

The Board has a One-Tier Structure with a balanced mix of Executive, Non-Executive and Independent Directors from diverse backgrounds. The Board's composition ensures a mix of professionalism, competence, and knowledge, providing effective leadership. The diversity of the Board allows for independent judgment on strategic and performance matters, enhancing the overall decision-making process.

As on 31st March 2026, the Board comprises of 9 (Nine) Directors, including 1 (One) Non-Executive & Non-Independent Director, 1 (One) Executive & Whole Time Director, 4 (Four) Nominee Directors, and 3 (Three) Non-Executive-Independent Directors. This diverse composition ensures a balanced approach to governance and decision-making.



Diversity, Equity and Inclusion:

We are dedicated to offering equal employment opportunities and fostering an inclusive workplace where every employee is treated with respect, care, fairness, sensitivity, and dignity. Workforce diversity is essential to our organization, and we aim to ensure our workforce reflects all sections of society. We believe that this approach will enable us to achieve better business results.

Your organization also recognizes and values Board diversity as essential for maintaining a competitive edge. The Board includes 1 (One) women director. This diverse composition helps ensure a broad range of perspectives and effective governance.

Separate Role of Chairperson, Executive Director and Key Managerial Personnels:

The Chairperson's principal responsibility is to act as the Leader for the effective running of the Board and to preside over the meetings of the Board and the Shareholders. The roles and responsibilities of the Chairperson of the Board and Executive Director have been demarcated, and the positions are held by separate individuals. Apart from this, the Company also has a separately designated Chief Financial Officer and Company Secretary.

Chairperson

- Leads the Board and ensures that it discharges its responsibilities effectively;
- Promotes the highest standards of integrity, probity and governance;
- Chairs the Board meeting and facilitates active engagement of all Directors;

Executive Director

- Leads the management team;
- Develops and executes the corporate strategy in conjunction with the Board;
- Implements the decisions of the Board and its Committees;
- Develops policies and ensures effective implementation; and
- Enhances stakeholder value and implements the organization's vision, mission, and overall direction

Key Managerial Personnel (KMPs) of the Company as on March 31, 2026 include:

- Mr. Rajesh Kumar, Chief Executive Officer & Whole Time Director
- Mr. Anand Soni, Chief Financial Officer
- Ms. Wageesha Agarwal, Company Secretary



Selection & Appointment of Directors & KMPs:

The Board, with the support of the Nomination and Remuneration Committee (NRC), continuously reviews the composition of the Board and its Committees, competency, diversity, inclusion, and remuneration-related matters. This ongoing evaluation ensures effective governance and alignment with the Company's strategic goals.

The Nominations and Remuneration Committee has established a formal and transparent process for appointing new directors to the Board. Based on below criteria, the Committee makes recommendations to the Board for the induction of new directors:

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a Public Limited Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- professional qualifications, expertise and experience in specific area of relevance to the Company;
- balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest;
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

The criteria for nominating a candidate for directorship has been provided for in the NRC Policy of the Company which can be accessed at <https://www.balcoindia.com>.

Director's Induction and Familiarization:

Board members are provided with essential documents, brochures, reports, and internal policies to help them become familiar with the Company's procedures and practices. A formal and comprehensive induction is given to all new directors, which includes an overview of the Company's operations and the industry it operates in, along with site visits and meetings with Board members and key senior executives such as Business CEOs and CFOs. They are also introduced to the organization's structure, strategy, constitution, policies, and Board procedures.

New Directors undergo a detailed induction and familiarization program when they join the Board. This exhaustive program covers the history and culture of Bharat Aluminium Co. Ltd., the Company's background and growth over the decades,

significant milestones, the current structure, and an overview of the businesses and functions.

Succession Planning:

The Company is committed to ensuring robust succession planning for its leadership talent pool. Through effective succession management and planning, the Company identifies and develops future leaders to tackle growth challenges successfully. This approach ensures the systematic and long-term development of individuals, providing a continuous flow of talented people to meet the organization's management needs.

Independent Directors:

Independent Directors bring an element of objectivity to the Board processes and an objective view in the Board deliberations. They provide a valuable outside perspective to the deliberations of the Board and contribute significantly to the decision-making process.

As on 31st March 2026, the Board consists of 3 (Three) Independent Directors. The Independent Directors of the Company abide by the definitions/criteria prescribed in the Companies Act, 2013 ("Act") read with rules made under Companies (Appointment and Qualification of Directors) Rules, 2014. Based on the disclosures received from all the Independent Directors and in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act are independent of the Management.

Meeting of Independent Directors:

As per Schedule IV of the Act read with the Rules thereunder mandate that the Independent Directors of the Company shall hold at least one meeting in a financial year, without the presence of Non-Independent Directors and members of the Management inter alia to:

- Evaluate the performance of Non-Independent Directors and the Board of Directors as a whole.
- Evaluate the performance of the Chairperson, considering the views of Executive and Non-Executive Directors.
- Evaluate the performance of the Chief Executive Officer, considering the views of the Non-Executive Directors.

During FY 2025-26, the Independent Directors met without the presence of management on 30th March 2026. The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole. Additionally, the Independent Directors also met separately with the Statutory Auditors once a year to discuss matters such as key accounting issues, audit plans and to invite their overall feedback.

Databank Registration of Independent Directors:

Pursuant to the Ministry of Corporate Affairs (MCA) notification dated 22nd October 2019, requisite confirmations have been

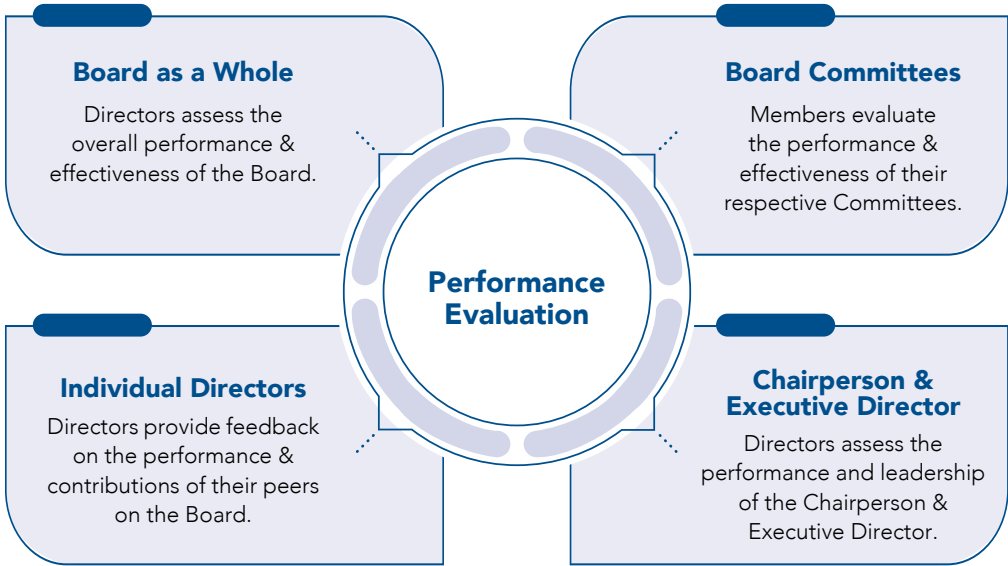
received from all the Independent Directors of the Company with respect to registration on the Independent Directors' Databank.

Performance Evaluation:

In accordance with the Act, the Company conducts an annual performance evaluation to enhance the effectiveness of the Board and its Committees. The Board recognizes the benefit of evaluation exercise that provides meaningful insight to Board members on how they can improve their individual and collective contribution to the leadership and effectiveness of the Group.

In line with the previous year, an evaluation was carried out by an external third party through a secured online questionnaire platform to capture the views of each Director. The evaluation was thoughtfully structured yet practical, aimed at fostering genuine discussions on relevant issues, reviewing progress on previously identified matters, and identifying opportunities for improving the Board's processes. Here are the key points:

Step	Description
Tailored Questionnaires	Prepared by an external agency
Secured Online Platform	Used for providing the responses
Evaluation Results Compilation	Conducted by the external agency without management involvement
Sharing of Evaluation Results	Results are shared with relevant parties
Discussion of Outcome and Feedback	Discussed at the NRC, Separate Meeting of Independent Directors, and Board Meeting
Action Plan Agreement	An action plan is agreed upon based on the feedback



Outcome of Performance Evaluation:

The evaluation concluded with overall positive ratings and that the Board as a whole is functioning as a cohesive body which is well engaged with different perspectives. It was indicated that the Board is performing with a suitable mix of expertise that continues to exhibit a collaborative and beneficial mindset, creating a conducive environment at Board meetings for participation and challenge.

The evaluation exercise for the financial year 2025-26 highlighted several key areas for improvement and strategic focus. It was recommended as follows:

- Introduce regular informal interaction sessions between Board Members and Senior Management to strengthen working relationships and improve Board cohesion.
- Increase frequency and depth of information sharing with the Board on company performance, industry trends, and emerging risks between formal meetings.



- c) Facilitate more direct access for Board Members to the wider management team beyond those typically present at Board meetings.
- d) Continue the annual Board evaluation process, recognized as effective in building accountability and improving governance.
- e) Strengthen mechanisms to track and report on progress against prior year evaluation findings.
- f) Continue Board discussions on long-term digital transformation and Gen AI adoption to ensure the Board is well-positioned to oversee this critical area.

Flow of Information to the Board: Meeting of the Board and Committees:

- **Schedule of meetings and agenda matters:**
 - The Board meets at regular intervals to discuss and decide on Company policy and strategy, as well as statutory and other matters. These meetings are pre-scheduled, and an annual calendar is circulated to all the Directors well in advance to facilitate planning of their schedule and to ensure meaningful participation in the meetings. However, in the case of business exigencies/urgencies resolutions are passed through circulation or additional meetings are conducted;
- Board and Committee Meetings are governed by structured agendas. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary, in consultation with the Senior Management prepares the detailed agenda for the meetings.
- **Circulation of Agenda:**
 - The Agenda is finalized by the CS, in discussion with the CEO & CFO.
- All the Agenda papers are disseminated electronically on a real-time basis. The papers are uploaded on a secure online platform specifically designed for this purpose, thereby eliminating circulation of printed agenda papers. The online platform also enables the Board to access the historical agendas, minutes, constitutional documents, Committee charters etc. It enables the participants to make notes and exchange notes amongst each other in a secured environment.
- **Information presented at meetings:**
 - The Board business generally includes consideration of important actions and events. Detailed presentations are made at the Board and Committee meetings covering

finance and operations of the Company, global business environment, all business areas of the Company including business opportunities, business strategy and risk management practices before taking on record the quarterly/ half-yearly/annual financial results of the Company.

- **Conduct and recording of meetings:**
 - Majority of the meetings are conducted as physical meetings, however, at times, it may not be possible for each one to be physically present at all meetings. Hence, we provide the facility of video conferencing/telepresence to the members and invitees at various locations;
- All the meetings conducted through telepresence are recorded and stored as per statutory requirements. The Company Secretary records minutes of all the Board and Committee meetings.
- **Post meeting Summary/Follow up:**
 - Various decisions taken at Board/Committee meetings are promptly communicated to the concerned departments/divisions;
- Draft minutes and signed minutes are circulated to Board/ Committee members within the timelines prescribed under Secretarial Standards;
- The matters arising from the previous meetings are taken up at the respective forthcoming Board/Committee meeting.

Remuneration to the Board & Executive:

The Executive Directors’ remuneration is based upon the industry practice and benchmarks considering the experience, skill, knowledge and job responsibilities. The remuneration of the Executive Directors is also governed by the agreements executed with them, subject to the approval of the Board and of the shareholders in general meetings necessary. As part of the remuneration structure, the Holding Company has granted, but not yet vested, stock options to the Executive Director of the Company.

The Non-Executive & Independent Directors are paid remuneration by way of commission and sitting fees. The Board decides the payment of commission within the limits approved by the members subject to the limit not exceeding 1% of the net profits of the Company. The Company pays sitting fees of ₹50,000/- per meeting of the Board and ₹25,000/- per meeting of the Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee, to the Non-Executive Directors & Independent Directors. Further, it may be noted that no stock options were issued to the Non Executive Directors & Independent Directors during the year.

Remuneration paid or payable to Directors for the year ended 31st March 2026

Name of Directors	Category*	Sitting Fees	Salary & Perquisites	Commission to Independent & non-executive directors	Stock Option	Total (Sitting Fees + Commission)
Mr. Sushil Kumar Roongta	ID & NED	5,50,000	-	16,00,000	-	21,50,000
Mr. Dindayal Jalan ¹	ID & NED	2,25,000	-	4,83,288	-	7,08,288
Mr. Prasun Kumar Mukherjee ¹	ID & NED	2,75,000	-	9,86,712	-	12,61,712
Mr. Anoop Kumar Mittal ²	ID & NED	2,00,000	-	8,09,507	-	10,09,507
Mr. Thomas Mathew T ²	ID & NED	1,00,000	-	6,60,493	-	7,60,493
Mr. Tarun Jain	NED	4,00,000	-	14,70,000	-	18,70,000
Mr. Rajesh Kumar	CEO & WTD	-	3,95,79,544	-	-	3,95,79,544
Ms. Nirupama Kotru ³	GND	-	-	-	-	-
Mr. Ashish Chatterjee ³	GND	-	-	-	-	-
Mr. Ashim Kumar Modi ³	GND	-	-	-	-	-
Ms. Farida Mahmood Naik	GND	-	-	-	-	-
Mr. Mustaq Ahmad	GND	-	-	-	-	-
Mr. Maneesh Kumar ⁴	GND	-	-	-	-	-
Mr. Anoop Kumar ⁴	GND	-	-	-	-	-
Mr. Johny Tom Varghese ⁴	GND	-	-	-	-	-

- *(ID – Independent Director, NED – Non-executive Director, CEO – Chief Executive Officer, WTD – Whole Time Director, GND – Government Nominee Director)
- Appointment of Mr. Prasun Kumar Mukherjee (DIN-00015999) as an Independent Director w.e.f. 30th July 2025, in place of Mr. Dindayal Jalan (DIN-00006882) following his conclusion of tenure as an Independent Director w.e.f. 29th July 2025;
 - Appointment of Mr. Thomas Mathew T (DIN-00130282) as an Independent Director w.e.f. 19th October 2025, in place of Mr. Anoop Kumar Mittal (DIN-05177010) following his conclusion of tenure as an Independent Director w.e.f. 18th October 2025;
 - Appointment of Mr. Ashish Chatterjee (DIN-07688473) as Government Nominee Director w.e.f. 25th July 2025 in place of Ms. Nirupama Kotru (DIN-09204338) following her cessation from the office with aforesaid mentioned date;

Appointment of Mr. Ashim Kumar Modi (DIN-11342680) as Government Nominee Director w.e.f. 15th October 2025 in place of Mr. Ashish Chatterjee (DIN-07688473) following his cessation from the office dated 10th October 2025;
 - Appointment of Mr. Anoop Kumar (DIN-11262098) as Government Nominee Director w.e.f. 26th August 2025, in place of Mr. Maneesh Kumar (DIN-10724088) following his cessation from the office dated 25th July 2025.

Appointment of Mr. Johny Tom Varghese (DIN-10392347) as Government Nominee Director w.e.f. 19th January 2026, in place of Mr. Anoop Kumar (DIN-11262098) following his cessation from the office from aforesaid date.

There are no material pecuniary relationships or transactions between the Independent Directors and the Company, except for sitting fees and commissions drawn by them for attending the meeting of the Board and Committee(s) thereof. None of the Non-Executive Directors hold any shares or convertible instruments in the Company. During FY 2025-26, the Company did not advance any loans to any of its directors.

Board Committees:

The Board has established various sub-committees to maintain strong business fundamentals and achieve high performance by

focusing on significant Company affairs across all regions. Each Committee is formally approved by the Board and operates under a charter that clearly outlines its purpose, roles, and responsibilities. The Chairperson of each Committee provides the Board with a summary of the discussions from the Committee meetings. The minutes of these meetings are reviewed and noted by the Board. The Company Secretary acts as the Secretary for these Committees. All Statutory Committees are chaired by Independent Directors. All the Statutory Committees of the Board are chaired by Independent Directors.



Composition of Committees as on 31st March 2026

Name of Director	Board	Audit Committee Meeting	Nomination & Remuneration Committee	Corporate Social Responsibility Committee
Mr. Sushil Kumar Roongta				
Mr. Prasun Kumar Mukherjee				
Mr. Thomas Mathew T				
Mr. Tarun Jain				
Mr. Rajesh Kumar				
Mr. Ashim Kumar Modi				
Ms. Farida Mahmood Naik				
Mr. Mustaq Ahmad				
Mr. Johny Tom Varghese				



Chairperson



Member

No Director is a member of more than 10 (Ten) Committees or Chairperson of more than 5 (Five) Committees (Audit, and Stakeholders’ Relationship Committees) across all companies they serve. Directors have disclosed their Committee positions in other companies and do not hold directorships in more than 10 Public companies as of March 31, 2026.

Board and Committee Meetings for FY 2025-26:

Meeting	Q1 (Apr - Jun)	Q2 (Jul - Sept)	Q3 (Oct - Dec)	Q4 (Jan - Mar)	Total Meetings for FY 2025-26
Board	22 nd April 2025	16 th July 2025	16 th October 2025 04 th December 2025	21 st January 2026	5
Audit Committee	22 nd April 2025	16 th July 2025	16 th October 2025 04 th December 2025	21 st January 2026 30 th March 2026	6
Nomination & Remuneration Committee	22 nd April 2025 15 th May 2025	16 th July 2025	16 th October 2025	-	4
Corporate Social Responsibility Committee	22 nd April 2025		16 th October 2025	-	2

The maximum interval between any two Board meetings did not exceed 120 days, as prescribed in the Act.

Attendance for Board and Committee Meetings held during FY 2025-26:

Name of the Director	Whether attended AGM on 27 th June 2025	Board Meeting (Attended/ Entitled)	Audit Committee Meeting (Attended/ Entitled)	Nomination & Remuneration Committee (Attended/ Entitled)	Corporate Social Responsibility Committee (Attended/ Entitled)	Total Meetings entitled	Total Meetings attended	Average (%)
Mr. Sushil Kumar Roongta	No	5/5	6/6	4/4	2/2	17	17	100%
Mr. Dindayal Jalan	No	2/2	2/2	3/3	-	7	7	100%
Mr. Prasun Kumar Mukherjee	-	3/3	4/4	1/1	-	8	8	100%
Mr. Tarun Jain	Yes	5/5	2/2	4/4	-	11	11	100%
Mr. Anoop Kumar Mittal	No	3/3	-	-	2/2	5	5	100%
Mr. Thomas Mathew T	-	2/2	-	-	-	2	2	100%
Mr. Rajesh Kumar	Yes	5/5	1/1	-	2/2	8	8	100%
Ms. Farida Mahmood Naik	No	4/5	-	-	-	5	4	80%
Mr. Anoop Kumar Mittal	-	2/3	3/3	-	-	6	5	83.3%
Mr. Mustaq Ahmad	No	4/5	-	-	-	5	4	80%
Mr. Johny Tom Varghese	-	1/1	-	-	-	1	1	100%
Mr. Anoop Kumar	-	1/2	-	-	-	2	1	50%
Mr. Ashish Chatterjee	-	-	-	-	-	-	-	-
Ms. Nirupama Kotru	No	0/2	-	-	0/1	3	0	-
Mr. Maneesh Kumar	No	1/2	-	-	-	2	1	50%

Pursuant to Section 167 of the Act, a Director shall incur disqualification if he/she does not meet the minimum attendance criteria and absents himself/herself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence from the Board. All Directors of the Company have duly met the attendance criteria during FY 2025-26.

Changes in Directors/Key Managerial Personnels (“KMPs”) of the Company during FY 2025-26:

- Mr. Prasun Kumar Mukherjee (DIN: 00015999) was appointed as an Independent Director effective 30th July 2025, following the cessation of Mr. Dindayal Jalan (DIN: 00006882) on 29th July 2025 upon completion of his tenure;
- Took note of the appointment of Mr. Ashish Chatterjee (DIN: 07688473) as Government Nominee Director effective 25th July 2025, succeeding Ms. Nirupama Kotru (DIN: 10101407) following her cessation from office;
- Mr. Anoop Kumar (DIN: 11262098) was appointed as Government Nominee Director effective 26th August 2025, in place of Mr. Maneesh Kumar (DIN: 10724088), who ceased on 25th July 2025;
- Took note of the appointment of Mr. Ashim Kumar Modi (DIN: 11342680) as Government Nominee Director effective 15th October 2025, succeeding Mr. Ashish Chatterjee (DIN: 07688473) following his cessation from office on 10th October 2025.;

- Mr. Thomas Mathew T (DIN: 00130282) was appointed as an Independent Director effective 19th October 2025, in place of Mr. Anoop Kumar Mittal (DIN: 05177010), who ceased to hold office upon completion of his tenure on 18th October 2025.;
- Mr. Johny Tom Varghese (DIN: 10392347) was appointed as Government Nominee Director effective 19th January 2026, succeeding Mr. Anoop Kumar (DIN: 11262098), who ceased to hold office on the same date.
- Mr. Anand Soni was appointed as the Chief Financial Officer with effect from 01st August 2025, in place of Mr. Amit Gupta, who ceased to hold office on 31st July 2025.

Relationship of Directors Inter-se :

During the period under review, None of Directors are related inter-se.

I. Audit Committee:

Your Company has an Audit Committee at the Board level which acts as a link between the management, the Statutory and the Internal Auditors and the Board of Directors and oversees the financial reporting process. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Act. The Committee comprises of three (3) Non-Executive Directors, out of which two (2) are Independent Directors and (1) Government Nominee Director.

The Audit Committee of the Board, inter-alia, provides reassurance to the Board on the existence of an effective internal control environment that ensures:



- efficiency and effectiveness of operations;

➤ safeguarding of assets and adequacy of provisions for all liabilities;

➤ reliability of financial and other management information and adequacy of disclosures;

➤ Compliance with all relevant statutes.

The Board has accepted all recommendations made by the Audit Committee during the year.

The meetings of the Audit Committee are also attended by the Chief Executive Officer, Chief Financial Officer,
- Statutory Auditor, and Internal Auditor as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed in the next meeting of the Board. Other invitees are invited on a need basis to brief the Audit Committee on important matters.

During the financial year ended 31st March 2026, 6 (Six) Audit Committee Meetings were held on the following dates: 22nd April 2025, 16th July 2025, 16th October 2025, 04th December 2025 , 21st January 2026 and 30th March 2026. The Board has accepted all recommendations made by the Audit Committee. The composition details & attendance record of the Audit Committee are given in Table 1.

Table 1: Composition Details & Attendance Record of Audit Committee meeting:

Name of Member	Position	Status	No. of Meeting held	No. of Meeting Attended	Sitting Fees (₹)
Mr. Dindayal Jalan*		Independent Director			50,000
Mr. Prasun Kumar Mukherjee*		Independent Director			1,00,000
Mr. Tarun Jain*		Non-Executive Director			50,000
Mr. Ashim Kumar Modi*		Govt. Nominee Director			-
Mr. Sushil Kumar Roongta		Independent Director			1,50,000
Mr. Rajesh Kumar*		CEO & WTD			-
Mr. Ashish Chatterjee*		Govt. Nominee Director			-

Chairperson Member

*The Committee was reconstituted w.e.f. 30th July 2025, with Mr. Prasun Kumar Mukherjee appointed as Chairperson and Mr. Ashish Chatterjee inducted as a member in place of Mr. Dindayal Jalan and Mr. Tarun Jain.

The Committee was further reconstituted w.e.f. 10th October 2025, as Mr. Ashish Chatterjee ceased to be a Director and consequently ceased to be a Committee member, as per the order of Ministry of Mines. Accordingly, Mr. Rajesh Kumar was inducted as a member of the Committee.

Further, the Committee was reconstituted w.e.f. 17th October 2025, with Mr. Ashim Kumar Modi inducted as a member in place of Mr. Rajesh Kumar.

- The role and terms of reference of the Audit Committee are set out in Section 177 of the Companies Act 2013, besides other terms as may be referred to by the Board of Directors of the Company.

The terms of reference of the Audit Committee covering key responsibilities broadly are:

1) The integrity of the Company's financial statements.

2) The Company's compliance with legal and regulatory requirements pertaining to financial reporting.

3) The audit process, including the qualifications and independence of the Statutory Auditor employed by the

Company for the purpose of issuing an audit report or related work.

4) The audit process of Company's Statutory Auditors and internal audit function.

5) Evaluation of internal financial controls;

6) Discuss policies with respect to risk assessment and risk management.

7) The performance of the Company's Internal Audit function and Statutory Auditor.
- 8) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.

9) Review and monitor the auditor's independence and performance, and effectiveness of audit process

10) Approval of payment to Statutory auditors for any other services rendered by them

11) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

12) The effectiveness of Company's financial reporting process and systems of disclosure controls and internal controls.

13) Examination of the financial statement and the auditors' report thereon

14) Reviewing with the management, the annual financial statements before submission to the Board for approval

15) Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

16) Evaluation of inter-corporate loans and investments.

17) Approval or any subsequent modification of transactions of the Company with related parties, including the power to make omnibus approval for related party transactions proposed to be entered into by the Company, in compliance with conditions prescribed under the Companies Act, 2013 and rules made thereunder.

18) Valuation of undertakings or assets of the Company, wherever it is necessary.

19) Monitoring the end use of funds raised through public offers and related matters.

20) Investigate the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors, if any

21) Discuss the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies;

All related party transactions are pre-approved by the Audit Committee. During the year all transaction(s) with related parties were at arm's length and in the ordinary course of business and there was no significant material transaction with any of the related parties of the Company.
- II. Nomination and Remuneration Committee:
- The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity, and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments. The role of the Nomination and Remuneration Committee, inter alia, includes: -

➤ Determine/recommend the criteria for appointments of Executive, Non-Executive and Independent Directors to the Board;

➤ Determine/recommend the criteria for qualifications, positive attributes and independence of Director;

➤ Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonuses, stock options, pension, etc.;

➤ Formulate criteria and carry out evaluation of each Director's performance and the performance of the Board as a whole.
- During the financial year ended 31st March 2026, the Nomination & Remuneration Committee met four 4 (four) time i.e. 22nd April 2025, 15th May 2025, 16th July 2025 and 16th October 2025. The composition details & attendance record of the Nomination and Remuneration Committee are given in Table 2.
- Table 2: Composition Details & Attendance Record of Nomination and Remuneration Committee Meeting:
- | Name of Member | Position | Status | No. of Meeting held | No. of Meeting Attended | Sitting Fees (₹) |
|-----------------------------|----------|------------------------|---|---|------------------|
| Mr. Dindayal Jalan* | | Independent Director | <div><div></div><div></div><div></div><div></div></div> | <div><div></div><div></div><div></div><div></div></div> | 75,000 |
| Mr. Prasun Kumar Mukherjee* | | Independent Director | <div><div></div><div></div><div></div><div></div></div> | <div><div></div><div></div><div></div><div></div></div> | 25,000 |
| Mr. Sushil Kumar Roongta | | Independent Director | <div><div></div><div></div><div></div><div></div></div> | <div><div></div><div></div><div></div><div></div></div> | 1,00,000 |
| Mr. Tarun Jain | | Non-Executive Director | <div><div></div><div></div><div></div><div></div></div> | <div><div></div><div></div><div></div><div></div></div> | 1,00,000 |
- Chairperson Member
- *The Committee was reconstituted w.e.f. 30th July 2025, with Mr. Prasun Kumar Mukherjee appointed as Chairperson in place of Mr. Dindayal Jalan.
- 198/Integrated Annual Report 2025-26
- Integrated Annual Report 2025-26/199



The Committee expressed its overall satisfaction with the performance of the individual Board members and the Board in totality.

III. Corporate and Social Responsibility Committee

The role of CSR Committee includes formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company, recommending the amount of expenditure to be incurred on CSR activities of the Company, and reviewing the performance of the Company

in CSR. The detailed terms of reference of the Corporate Social Responsibility Committee are contained in the ‘CSR Policy’ which is available on the website of the Company at <http://www.balcoindia.com>.

During the financial year ended 31st March 2026, the Committee met 2 (two) times on 22nd April 2025 and 16th October 2025. The composition details and attendance record of CSR Committee meetings are given in Table 3.

Table 3: Composition Details & Attendance Record of Corporate Social Responsibility Committee meeting:

Name of Member	Position	Status	No. of Meeting held	No. of Meeting Attended	Sitting Fees (₹)
Mr. Sushil Kumar Roongta		Independent Director			50,000
Mr. Rajesh Kumar		CEO & Whole Time Director			-
Mr. Thomas Mathew T*		Independent Director			-
Mr. Anoop Kumar Mittal*		Independent Director			50,000
Mr. Ashim Kumar Modi*		Govt. Nominee Director			-
Mr. Ashish Chatterjee*		Govt. Nominee Director			-
Ms. Nirupama Kotru*		Govt. Nominee Director			-

Chairperson Member

*The Committee was reconstituted w.e.f. 30th July 2025, with Mr. Ashish Chatterjee inducted as a member in place of Ms. Nirupama Kotru. The Committee was further reconstituted w.e.f. 19th October 2025, as Mr. Anoop Kumar Mittal ceased to be a member of the Committee w.e.f. 18th October 2025, following the completion of his tenure as an Independent Director, in place Mr. Thomas Mathew T inducted as members of the Committee. Further Mr. Ashim Kumar Modi inducted as member of the Committee w.e.f. 19th October 2025, following cessation of Mr. Ashish Chatterjee as member of the Committee w.e.f. 10th October 2025.

The Committee oversees, inter-alia, corporate social responsibility and other related matters as may be referred by the Board of Directors and discharges the roles as prescribed under Section 135 of the Act which includes formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company, as per Schedule VII to the Act; recommending the amount of expenditure to be incurred; and monitoring the CSR Policy of the Company.

During the financial year, the Company spent ₹23.20 Cr. on CSR activities.

IV. Finance Standing Committee

The Finance Standing Committee (FSC) of Directors is entrusted with the responsibility to consider and approve

the finance and treasury-related proposal within the overall limits approved by the Board. The Committee comprises Mr. Tarun Jain as Chairperson and Mr. Rajesh Kumar, CEO & Whole Time Director as a Member. The Committee meets as and when required

V. Project Sub-Committee

The Project Sub-Committee is a voluntary Committee of the Board of the Company formed during the year. The Committee is entrusted with the responsibility to review the progress of the ongoing expansion Project of the Company and report the same to the Board. The Committee comprises Mr. Thomas Mathew T. as a Chairperson, Mr. Rajesh Kumar and Mr. Prasun Kumar Mukherjee as members. The Committee meets as and when required.

Engagement with Shareholders

The Company remains committed to maintaining transparent, timely, and effective communication with its shareholders. We recognize shareholders as key stakeholders and strive to ensure their rights are protected. Regular updates are provided through annual general meetings and/or extra-ordinary general meetings. Our governance framework is designed to uphold accountability, fairness, and long-term value creation for our shareholders.

General Body meeting: Location and time, where last three AGMs were held:

FY ended on	Date	Time	Venue	Special Resolution passed
31 st March 2025	27 th June 2025	03:30 PM	Through video conferencing (“VC”)	-
31 st March 2024	27 th June 2024	03.30 PM	Through video conferencing (“VC”)	1. Appointment of Mr. Dindayal Jalan (DIN:00006882) as an Independent Director of the Company. 2. Appointment of Mr. Anoop Kumar Mittal (DIN: 05177010) as an Independent Director of the Company.
31 st March 2023	27 th June 2023	03.30 PM	Through video conferencing (“VC”)	1. Appointment of Mr. Rajesh Kumar (DIN:09586370) as a Director of the Company. 2. Appointment of Mr. Rajesh Kumar (DIN:09586370) as a Whole Time Director of the Company 3. To approve waiver of excess remuneration paid to Mr. Abhijit Pati (DIN:08457230)

*None of the resolutions passed during the preceding three (3) financial years were undertaken through postal ballot. The 60th Annual General Meeting of the members of the Company will be on Monday, 24th August 2026, at 3:30 P.M. through video conferencing (“VC”) / other audio-visual means (“OAVM”) pursuant to the Ministry of Corporate Affairs (“MCA”) vide General Circular No. 03/2025 dated 22nd September 2025, read with previous circulars issued by MCA in this regard (collectively referred to as “MCA Circulars”) and as such there is no requirement to have a venue for the AGM.

General Body meeting: Location and time Extra-ordinary General Meeting was held: No Extraordinary General Meeting was held during the financial year.

II. Whistle Blower Policy

Your Company is committed to the highest standards of ethical, moral, and legal business conduct. The Company has in place a Whistle Blower Policy, as part of vigil mechanism which provides appropriate avenues to the Directors and employees to bring to the attention of the management instances of unethical behaviour, actual or suspected incidents of fraud or violation of the Company's Code of Conduct that could adversely impact on the Company's operations, business performance and/or reputation.

The Audit Committee has laid down certain procedures governing the receipt, retention, and treatment of complaints regarding the Company's accounting, internal accounting controls or auditing matters, and protecting the confidential, anonymous reporting by Director(s) or employee(s) or any other person regarding questionable accounting or auditing matters.

Governance and Compliance

I. Code of Business Conduct & Ethics

The Company has in place a comprehensive Code of Conduct (‘the Code’) applicable to the Directors and Employees. The Code is applicable to Non-Executive Directors including Independent Directors to such an extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The code reflects the core values of the Company viz. Integrity, Respect, Entrepreneurship, Care, Innovation, Trust, and Excellence.



The Company also has a designated Email id - balco.whistleblower@vedanta.co.in for reporting complaints. Further, the complaints can also be lodged on the web-based portal www.vedanta.ethicspoint.com.

The Whistle Blower Policy forms part of the Code of Business Conduct and Ethics, and the same has been displayed on the Company's website at <https://www.balcoindia.com>. It is also affirmed that no personnel have been denied access to the Audit Committee.

III. Internal Control System

The Board of Directors of the Company is responsible for ensuring that Internal Financial Controls (IFC) have been laid down in the Company and that such controls are adequate and operating effectively.

The Company has IFC framework, commensurate with the size, scale, and complexity of its operations. The framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies.

The controls based on the prevailing business conditions and processes have been tested during the year and no reportable material weakness in the design or effectiveness was observed. The framework of IFC over Financial Reporting has been reviewed by the internal and external auditors.

The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairperson of the Audit Committee. The Internal Audit team develops an annual audit plan based on the risk profile of the business activities. The Internal Audit plan is approved by the Audit Committee, which also reviews compliance to the plan.

Your Company has in place comprehensive risk assessment and minimization procedures, which are reviewed by the Risk Management Committee periodically to ensure that

management controls risk through means of properly defined framework. The Audit Committee of the Company also reviews the risk matrix and mitigation plan from half-yearly.

IV. Compliance

Our compliance systems cover a multitude of statutory obligations and ensure adherence to all applicable laws and regulations. During FY 2025-26, no material and uncontested financial or non-monetary sanctions were imposed upon the Company except as disclosed in the Financial Statements. Some of the key compliance aspects are dealt with below:

(a) Disclosure of Related party transactions:

Pursuant to Section 177, read with Section 188 of the Act, all the related party transactions were at arm's length price and in ordinary course of business. All transactions with the Related Parties were duly approved by the Audit Committee.

(b) Disclosure of Accounting Treatment in Preparation of Financial Statements:

The Company follows the guidelines of Accounting Standards referred to in Section 133 of Act read with Rule 7 of the Companies (Accounts) Rules, 2014 together with early adoption of Accounting Standard (AS) 30 'Financial instruments: Recognition and Measurement' and the consequential limited revisions to certain Accounting Standards issued by the Institute of Chartered Accountants of India.

(c) CEO & CFO Certificate:

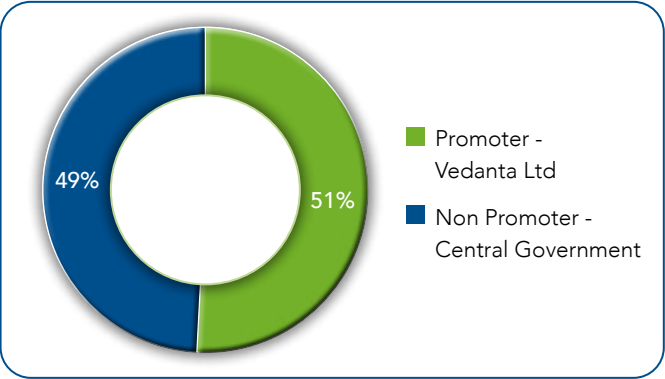
The CEO and CFO certification of the Financial Statements for FY 2025-26 is enclosed at the end of this report as **Annexure I**.

V. Risk Mitigation Plan

Your Company has in place comprehensive risk assessment and minimization procedures, which are reviewed by the Risk Management Committee periodically to ensure that management controls risk through means of properly defined framework. The Audit Committee of the Company also reviews the risk matrix and mitigation plan from half-yearly.

Shareholding Pattern by Ownership as on March 31, 2026

Shareholding Pattern



Category of Shareholders	No. of Shares Held	% of Total Shares
A Promoter's Holding		
1 Indian promoter-Vedanta Ltd.	1,12,518,495	51.00
Sub Total	1,12,518,495	51.00
B Non-Promoter Holding		
2 Non-Institutional		
a) Individual shareholders holding nominal share capital up to ₹ 1 lakh	-	-
b) Central Govt.	1,08,106,005	49.00
Sub-total	1,08,106,005	49.00
Grand Total	2,20,624,500	100.00

Registrar and Transfer Agent (RTA)

RCMC Share Registry Pvt Ltd
B-25/1, First Floor
Okhla Industrial Area Phase II, New Delhi - 110 020
E Mail : investor.services@rcmcdelhi.com
Website : www.rcmcdelhi.com



Annexure I

CEO & CFO Certification

We, Rajesh Kumar, Chief Executive Officer & Whole Time Director and Anand Soni, Chief Financial Officer of the Bharat Aluminum Co. Ltd. ("the Company"), hereby certify that:

- A. We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March 2026 and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) These statements together present a true and fair view of the Company's affairs and are in-compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered-into by the Company during the year under review which are fraudulent, illegal, or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have not noticed any deficiencies in the design of operation of such internal controls, or of which we are aware that needs to be rectified or informed to the Auditors and the Audit Committee.
- D. During the year it was disclosed to the Auditors and the Audit Committee that:
- (1) There were no significant changes in internal control over financial reporting;
 - (2) No significant changes in accounting policies were made during the year; and
 - (3) We have no knowledge of any fraud or suspected fraud involving management or other employees who have a significant role in the Company's internal control over financial reporting. In addition, we have no knowledge of any fraud or suspected fraud involving other employees where the fraud could have a material effect on the financial statements.

Rajesh Kumar
Chief Executive Officer & WTD

Anand Soni
Chief Financial Officer

Place: New Delhi
Date: 23rd April 2026

Operations

- I. Korba**
- i. 2.45 LTPA - Pre-bake Aluminium Smelter (PL-1)
 - ii. 3.138 LTPA - Pre-bake Aluminium Smelter (PL-2)
 - iii. Total Installed Capacity of two potlines (PL-1 & PL-2) : 5.587 LTPA
 - iv. 810-MW Captive power plants, comprising 4x135-MW (540-MW) units
 - v. 1200 MW TPP (3x300 CPP & 1x300 IPP) From Apr'25 Onwards
- vi. Barra coal mines: Greenfield project**

Address of Correspondence

Ms. Wageesha Agarwal
Company Secretary
Bharat Aluminium Co. Ltd.
Aluminium Sadan, Scope Office Complex, Core-6,
7 Lodhi Road, New Delhi 110003
Email Id: balco.secretarial@Vedanta.onmicrosoft.com
Tel. No. – 011-49166200



Financial Statements



INDEPENDENT AUDITOR’S REPORT

To the Members of **Bharat Aluminium Company Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bharat Aluminium Company 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 profit including other comprehensive loss, 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.

Information Other than the Financial Statements and Auditor’s Report Thereon

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.

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 charged with governance 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.
- 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 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;



- (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 28 and 41 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, as disclosed in the note 51 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entities, 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, as disclosed in the note 51 to the financial statements, no funds have been received by the Company from any person(s) or entities, including foreign entities

- 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.
- 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 52 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 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 years.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Pramod Kumar Bapna**
Partner
Membership Number: 105497
UDIN: 26105497CADPTL5390
Place of Signature: New Delhi
Date: April 23, 2026

(“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

Annexure 1 referred to in paragraph 1 of the section on “Report on other legal and regulatory requirements” of our report of even date

To The Members of **Bharat Aluminium Company Limited**

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 were physically verified by the management during the financial year 2023-24 in accordance with a planned programme of verifying them once in three years 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 4 to the financial statements are held in the name of the Company except for one immovable property as indicated in the below mentioned case as at March 31, 2026 for which title deeds were not available with the Company and hence we are unable to comment on the same.

Description of Property	Gross carrying value- as at March 31, 2026 ₹ in Crores	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company, Also indicate if in dispute
Freehold Land	0.02	National Thermal Power Corporation Ltd (NTPC)	No	Since 20 th June 2002, as informed by management	206.18 acres of freeholds land transferred to the Company by NTPC is yet to be registered in the name of the Company. Certain dispute arose between the parties leading to initiation of arbitration proceedings and the Ld. Sole Arbitrator passed an award dated 11.01.2016 in favour of the Company but directed that transfer of title deeds of land will be effected by the Central Government with the assistance of State Government. Both parties have approached Hon’ble High Court of Delhi against the award and the matter is sub judice since year 2016.

- (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)

Physical verification of inventory has been conducted at reasonable intervals during the year by the management except for inventories lying with third parties. In our opinion, the coverage and procedure for such verification by the management is appropriate. Inventories lying with third parties have been confirmed by such third parties as at March 31, 2026. There were no discrepancies of 10% or more noticed, in aggregate for each class of inventory.



(b) As disclosed in note 24 to the financial statements, the Company had 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 unaudited books of account of the Company.	(iv) There are no loans, guarantees and security in respect of which provisions of Section 185 and Section 186 of the Companies Act, 2013 are applicable and hence not commented upon.			(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
The Company do 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	Investments in respect of which provisions of Section 186 of The Companies Act, 2013 are applicable have been complied with by the Company.			(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirements to report on clause 3(xii)(a) (b) and (c) of the Order are not applicable to the Company.
(iii) (a) The Company has made investments in companies and granted loans to employees aggregating Rs 66.88 Crores and Rs. 0.76 Crores respectively and aggregate balances outstanding as at March 31, 2026 were Rs. 410.20 Crores and Rs. 0.60 Crores respectively. The Company has not provided advances in the nature of loans, stood guarantee or provided security to companies, firms, limited liability partnerships or any other party during the year.	(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. Therefore, the requirement to report on clause 3(v) of the Order is not applicable to the Company.			(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the notes to the financial statements, as required by applicable accounting standards.
(b) During the year, the investments made by the Company and terms and conditions of the grant of loans given to employees are not prejudicial to the Company's interest. Also, during the year, the Company has not provided any guarantees or security to companies, firms, limited liability partnerships or any other party.	(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 Act, related to the manufacture of Company's products and generation of electricity and are of the opinion that, prima facie, specified accounts and records have been made and maintained. We have, however, not made a detailed examination of the same.			(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 this audit report, for the period under audit have been considered by us.
(c) The Company has granted loans during the year to employees where the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular.	(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it.			(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.
(d) There are no amounts of loans granted to employees which are overdue for more than ninety days.	According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.			(xvi) 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) to (d) of the Order is not applicable to the Company.
(e) There were no loans granted to employees which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.	(b) The dues of the goods and services tax, provident fund, employees' state insurance, income-tax, duty of excise, cess and other statutory dues that have not been deposited on account of any dispute are as set out in the attached Annexure 1(a) together with relevant details.			(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
(f) The Company has not granted any loans, either repayable on demand or without specifying any terms or period of repayment to employees. Therefore, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company and hence not commented upon.				(xviii) There has been no resignation of statutory auditors of the Company during the year, and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
	(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.			(xix) On the basis of the financial ratios disclosed in note 48 to the financial statements, 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, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of our audit
		(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender. (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority. (c) Term loans were applied for the purpose for which the loans were obtained. (d) On an overall examination of the financial statements of the Company, no funds raised on short term basis have been used for long-term purposes by the Company. (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company. (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(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). Therefore, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company. (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) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations provided to us by the management, we report that no fraud by the Company or no material fraud on the Company by officers and employees of 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 secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.		



report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section (5) of section 135 of the Act. Therefore, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in accordance of provision of sub section (6) of section 135 of the Act. Therefore, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/ E300005

per **Pramod Kumar Bapna**
Partner
Membership Number: 105497
UDIN: 26105497CADPTL5390
Place of Signature: New Delhi
Date: April 23, 2026

Annexure 1 (a) referred to in paragraph (vii)(b) of Annexure 1 referred to in paragraph 1 of the section on “Report on other legal and regulatory requirements” of our report of even date

Name of the statute	Nature of the dues	Amount (₹ in Crs)	Period to which the amount relates	Forum where the dispute is pending	Amount paid under protest (₹ in Crs)
Central Excise Act, 1944	Disallowance of Cenvat Credit taken on the basis of supplementary invoices raised by M/s SECL, barred in view of Rule 9(1)(b) of CCR,2004.	6.51	March 2011 to February 2013	High Court Chhattisgarh	-
Central Excise Act, 1944	Disallowance of CENVAT credit availed on insurance services.	0.95	2011-12 to June-17	CESTAT, Principal Bench, New Delhi	0.04
Central Excise Act, 1944	Disallowance of CENVAT credit availed on Inter-unit transactions.	36.25	2011-12 to June-17	CESTAT, Principal Bench, New Delhi	1.36
Chhattisgarh Entry Tax Act, 1976	The demand was made against equipment which was purchased for setting up of the new industrial unit established by the Petitioner.	114.42	FY 2010-11 to FY 2013-14	High Court Chhattisgarh	-
Chhattisgarh Entry Tax Act, 1976	The demand was made with respect to goods imported for territory outside India.	5.00	2016-17	High Court Chhattisgarh	-
Chhattisgarh Electricity Duty Act, 1949 and Chhattisgarh Electricity Duty Rules, 1949	Demand for Electricity Duty along with interest.	49.61	FY 1987-88 to Oct 22	Chhattisgarh High Court	-
Chhattisgarh Electricity Duty Act, 1949 and Chhattisgarh Electricity Duty Rules, 1949	Demand for Electricity Surcharge.	2.00	Till FY 2015-16	State chief Electricity officer	-
Chhattisgarh Transit (forest produce) Rules, 2001	Demand.	1.02	2008-12	Chhattisgarh High Court	-
Chhattisgarh Upkar (Sanshodhan) Adhiniyam, 2004	Demand for Energy Development Cess.	1,389.28	2004-05 to 2024-25	Supreme Court of India	34.54
Chhattisgarh VAT Act, 2003	Demand on account of excess input credit on various matters.	3.88	2011-12	Special Commissioner, Bilaspur	-
Chhattishgarh Municipal Limits Rule, 1996	Demand for State Terminal Tax.	16.00	2001-02 to 2006-07	Supreme court of india	-
Electricity Act, 2003	Demand for cross subsidy along with interest.	170.07	October 2015 to March 2025	Appellate Tribunal For Electricity at New Delhi	-
Forest Conservation Act. 202/1995	Demand for penalty for using the forest land for non-forest purposes.	156.00	Till Financial 2007	Supreme Court	-
Goods and Service Tax, 2017	Demand for difference in GSTR1 and GSTR 3B.	0.47	July'18 - Sep'18	Commissioner (Appeals),State Tax, Raipur	0.12



Name of the statute	Nature of the dues	Amount (₹ in Crs)	Period to which the amount relates	Forum where the dispute is pending	Amount paid under protest (₹ in Crs)
Goods and Service Tax, 2017	Demand on account of violation of Pre-Import Condition.	397.07	Oct-17 to Jan-19	CESTAT, Mumbai	3.49
Goods and Service Tax, 2017	Demand for difference between ITC as per GSTR 3B and GSTR -2A.	115.97	FY 2018-19 and FY 2019-20	High Court Chhattisgarh	10.07
Goods and Service Tax, 2017	Demand for disallowance of refund of GST Compensation Cess.	0.94	Aug'2019	Supreme Court	0.14
Goods and Service Tax, 2017	Demand on account of excess GST ITC availed in GSTR-2A and short reversal of input credit.	175.67	July'17 to Mar'18	Chhattisgarh High Court	-
Goods and Service Tax, 2017	GST demand on account of excess input credit in GSTR-2A and short reversal of input credit for exempt income as per Rule 42 of ITC reversal and other various matters.	310.18	FY 18-19	High Court Chhattisgarh	15.45
Goods and Service Tax, 2017	Demand on account of short reversal of input credit for exempt income as per Rule 42.	1.18	FY 2020-21	Additional Commissioner, SGST, Raipur	0.22
Goods and Service Tax, 2017	GST Demand through DRC-01 on account of excess input credit in GSTR-2A and Nonpayment of interest for DRC-03 payments.	0.42	2017-18 to 20-21	Office of Commissioner of Central GST, Delhi	0.02
Goods and Service Tax, 2017	Demand on excess refund claimed related to GST Compensation Cess on account supply of electricity to Township and common power from 540 MW.	0.77	Dec'21, Jan'22, Mar'22, Jun'22, Oct'22, Feb'23, Mar'23, Jun'23, July'23, Sep to Dec'23	GST Appellate Tribunal	0.15
Goods and Service Tax, 2017	GST demand on account of short payment of RCM on various matters.	0.05	2020-21	Deputy Commissioner, Kolkata	-
Income Tax Act, 1961	Demand for short payment of interest.	0.10	AY 2011-12	ITAT	-
Income Tax Act, 1961	Demand on account of Non-deduction of Withholding tax on foreign remittances.	0.78	AY 2014-15	Commissioner of Income-tax (Appeals)	-

Name of the statute	Nature of the dues	Amount (₹ in Crs)	Period to which the amount relates	Forum where the dispute is pending	Amount paid under protest (₹ in Crs)
Income Tax Act, 1961	Demand on account of short deduction of TDS and corresponding interest in traces portal.	0.04	2008-09 to 2018-19 and AY 2021-22	Dy. Commissioner (TDS), Raipur	-
Income Tax Act, 1961	Penalty u/s 271(1)(C) for against original demand confirmed u/s 263 for AY 15-16.	574.33	AY 2015-16	CIT(A)	-
Income Tax Act, 1961	Demand on account of Non-deduction of Withholding tax on foreign remittances.	2.23	AY 2020-21	CIT(A)	-
Income Tax Act, 1961	Transfer Pricing adjustment u/s 92CA by restricting rate of transfer price of power.	325.45	AY 2014-15	CIT(A)	-
Income Tax Act, 1961	Demand on account of disallowance of other income u/s 80IA and mismatch in tax credit.	0.05	AY 2010-11	CIT(A)	-
Income Tax Act, 1961	Penalty u/s 271(1)(c) on 'Other Income' disallowed related to AY 11-12.	1.03	2011-12	CIT(A)	-
Income Tax Act, 1961	Penalty u/s 271(1)(c) on 'Other Income' disallowed related to AY 12-13.	0.81	2012-13	CIT(A)	-
The Finance Act, 1994	Demand on account of Service Tax on right to use natural resources (Water).	14.59	Apr 2016 to June 2017	CESTAT, Principal Bench, New Delhi	0.55
The Finance Act, 1994	Service Tax Demand on account of deemed mining services given to CMDC.	20.29	2007-08 to 2011-12	CESTAT, Principal Bench, New Delhi	0.76
The Mines and Minerals (Development and Regulation) Act	Penalty on excess extraction from bauxite mines.	45.00	2007-08 2008-09	The collector Collectorate (Mining Division) Chhattisgarh	-
Chhattisgarh Municipal Corporation Act, 1956	Property Tax.	80.81	2009-10 to 2024-25	High Court, Chhattisgarh	-



Annexure 2 to the Independent Auditor’s Report of even date on the Financial Statements of Bharat Aluminium Company 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 Bharat Aluminium Company 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.

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 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 **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Pramod Kumar Bapna**
Partner
Membership Number: 105497
UDIN: 26105497CADPTL5390
Place of Signature: New Delhi
Date: April 23, 2026

Balance Sheet

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
(a) Property, Plant and Equipments	4(a)	12,710.43	9,920.35
(b) Capital work-in-progress	4(a)	7,318.63	7,358.85
(c) Other Intangible assets	4(b)	9.97	13.96
(d) Exploration intangible assets under development	5	122.85	86.43
(e) Financial assets			
Investments	6	410.20	343.32
Trade receivables	7	133.06	125.55
Loans	8	0.07	0.08
Other Financial Assets	9	47.21	59.26
(f) Non-Current tax asset (net)	39	0.04	-
(g) Other Non-Current assets	10	250.93	319.81
Total non-current assets		21,003.39	18,227.61
Current assets			
(a) Inventories	11	1,867.64	1,439.21
(b) Financial assets			
Investments	12	1,209.58	1,040.34
Trade receivables	13	151.93	123.40
Cash and cash equivalents	14	174.43	194.48
Loans	15	0.53	0.60
Derivatives	44	62.34	92.20
Others	16	273.44	78.27
(c) Other Current assets	17	118.21	205.81
Total current assets		3,858.10	3,174.31
TOTAL ASSETS		24,861.49	21,401.92
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	18	220.62	220.62
(b) Other equity		16,161.42	11,935.49
Total Equity		16,382.04	12,156.11
Liabilities			
Non-current Liabilities			
(a) Financial liabilities			
Borrowings	19	1,126.10	2,547.47
Lease liabilities	20	5.95	9.98
Others	21	342.42	286.93
(b) Provisions	22	114.23	112.10
(c) Deferred tax liabilities (net)	39	1,253.65	1,094.30
(d) Other liabilities	23	966.01	907.30
Total non-current liabilities		3,808.36	4,958.08
Current Liabilities			
(a) Financial liabilities			
Borrowings	24	1,155.25	903.46
Lease Liabilities	20	4.03	3.70
Operational buyers' credit/suppliers' credit	25	-	684.35
Trade payables			
i) Total outstanding dues of micro and small enterprises	26	74.41	45.76
ii) Total outstanding dues of creditors other than micro and small enterprises	26	936.97	641.07
Derivatives	44	690.28	15.13
Others	27	855.73	659.59
(b) Provisions	28	123.05	186.44
(c) Current tax liabilities (net)	39	98.14	92.77
(d) Other liabilities	29	733.23	1,055.46
Total current liabilities		4,671.09	4,287.73
TOTAL EQUITY AND LIABILITIES		24,861.49	21,401.92

See accompanying notes to the financial statements and material accounting policies.
As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per **Pramod Kumar Bapna**
Partner
Membership No. 105497

Place: New Delhi
Date: April 23, 2026

For and on behalf of the Board of Directors

S K Roongta
Director
DIN: 00309302
Anand Soni
Chief Financial Officer

Place: New Delhi
Date: April 23, 2026

Rajesh Kumar
CEO & Whole-time Director
DIN: 09586370

Wageesha Agarwal
Company Secretary
ICSI Membership No. A67456

Place: New Delhi
Date: April 23, 2026

Statement of Profit and Loss

for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
Income:			
Revenue from operations	30	17,378.70	15,807.97
Other operating income	31	94.58	100.95
Other income	32	414.10	559.24
Total income		17,887.38	16,468.16
Expenses:			
Cost of materials consumed		6,163.23	6,681.35
(Increase) in inventories of finished goods and work-in-progress	33	(170.87)	(143.60)
Power and fuel charges		2,469.03	3,344.45
Employee benefits expense	34	482.56	451.48
Finance costs	35	291.54	203.44
Depreciation and amortisation expense	36	652.95	625.09
Other expenses	37	1,533.78	1,374.67
Total expenses		11,422.22	12,536.88
Profit before exceptional item and tax		6,465.16	3,931.28
Exceptional item- (Loss)	50	(3.99)	-
Profit before tax		6,461.17	3,931.28
Tax expense:	39		
- Current tax (Including tax related to earlier years)		1,292.74	769.19
- Deferred tax		344.85	193.16
On exceptional items:			
- Deferred tax		(1.00)	-
Total tax expense		1,636.59	962.35
Net profit after tax		4,824.58	2,968.93
Other comprehensive income			
Item that will not be subsequently reclassified to profit or loss:			
(a) Re-measurement (loss) on defined benefit obligations	40	(8.32)	(6.55)
(b) Tax (charge)/credit	39	(1.20)	0.02
Item that will be subsequently reclassified to profit or loss:			
(a) Net (loss)/gain on cash flow hedges		(737.80)	98.32
(b) Tax (charge)/credit	39	185.69	(24.74)
Total other comprehensive income/(loss) for the year		(561.63)	67.05
Total comprehensive income for the year		4,262.95	3,035.98
Earnings per share (of ₹ 10/- each)	38		
Basic and Diluted (in ₹ per share)		218.68	134.57

See accompanying notes to the financial statements and material accounting policies.
As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per **Pramod Kumar Bapna**
Partner
Membership No. 105497

Place: New Delhi
Date: April 23, 2026

For and on behalf of the Board of Directors

S K Roongta
Director
DIN: 00309302

Anand Soni
Chief Financial Officer

Place: New Delhi
Date: April 23, 2026

Rajesh Kumar
CEO & Whole-time Director
DIN: 09586370

Wageesha Agarwal
Company Secretary
ICSI Membership No. A67456

Place: New Delhi
Date: April 23, 2026



Statement of Cash Flows

for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Cash flow from operating activities		
Profit before tax	6,461.17	3,931.28
Adjusted for :		
- Depreciation and amortisation expense	652.95	625.09
- Finance cost	291.54	203.31
- Interest income	(184.30)	(147.48)
- Liabilities written back (net) (Refer Note 29(3) and 32)	(594.58)	(268.80)
- (Profit) on sale of current investments	(57.90)	(53.37)
- Deferred government grant	(30.09)	(26.73)
- Net foreign exchange differences (unrealised)	(11.31)	1.54
- (Profit)/Loss on sale/discard of property, plant and equipment (net)	36.79	(14.92)
- Unwinding of discount on site restoration liabilities	-	0.14
- Provisions for doubtful debts /expected credit loss	3.40	3.79
	106.50	322.57
Operating profit before changes in assets and liabilities	6,567.67	4,253.85
Adjusted for :		
- (Increase)/Decrease in trade receivables	(40.04)	188.36
- (Increase) in Inventories	(517.44)	(240.92)
- (Increase) in financial and other assets	(82.54)	(18.71)
- Increase/(Decrease) in trade payables	324.54	(181.86)
- Increase/ (Decrease) in other liabilities and provisions	(399.02)	5.10
	(714.50)	(248.04)
Cash generated from operations	5,853.17	4,005.81
Income taxes paid (net)	(1,296.83)	(670.88)
Net cash flow from operating activities	4,556.34	3,334.93
B. Cash flow from investing activities		
Purchases of property, plant and equipment (including intangibles)	(2,895.33)	(3,416.82)
Proceeds from sale of property, plant and equipment	17.61	44.37
Purchases of short-term investments	(13,874.23)	(12,031.00)
Proceeds from sale of short-term investments	13,762.43	11,044.03
Interest received	182.59	148.89
Bank deposits made during the year	(0.01)	(22.32)
Bank deposits matured during the year	-	22.21
Purchase of long term investments	(66.88)	(195.00)
Net cash used in investing activities	(2,873.82)	(4,405.64)

Statement of Cash Flows (Contd.)

for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
C. Cash flow from financing activities		
Proceeds from current borrowings (net)	22.37	27.22
Proceeds from long-term borrowings	400.00	1,737.16
(Repayment) of long-term borrowings	(1,598.57)	(362.59)
Interest paid	(521.60)	(410.46)
Repayment of lease liabilities	(4.77)	(7.89)
Net cash flow in financing activities	(1,702.57)	983.44
Net (decrease) in cash and cash equivalents	(20.05)	(87.27)
Cash and cash equivalents as at the beginning of the year (refer note 14)	194.48	281.75
Cash and cash equivalents as at the end of the year (refer note 14)	174.43	194.48

Notes

- The figures in parenthesis indicate 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.
- For movement in borrowings, refer note 19 and note 24.
- The Company entered into non cash investment activity of acquisition of ROU Asset of Nil (31st March 2025: ₹19.54 Crores). This is not reflected in the statement of cash flow.

See accompanying notes to the financial statements and material accounting policies.

As per our report of even date

For **S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

per **Pramod Kumar Bapna**

Partner

Membership No. 105497

Place: New Delhi

Date: April 23, 2026

For and on behalf of the Board of Directors

S K Roongta

Director

DIN: 00309302

Anand Soni

Chief Financial Officer

Place: New Delhi

Date: April 23, 2026

Rajesh Kumar

CEO & Whole-time Director

DIN: 09586370

Wageesha Agarwal

Company Secretary

ICSI Membership No. A67456

Place: New Delhi

Date: April 23, 2026



Statement of Changes in Equity

for the year ended March 31, 2026

A Equity share capital

Particulars	Numbers of shares	Amount in ₹ Crores
Equity shares of ₹ 10 each issued, subscribed and fully paid:		
As at March 31, 2026 and March 31, 2025	22,06,24,500	220.62

B Other equity

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Reserve and Surplus				OCI		Total
	Capital reserve ³	Retained earnings ⁴	General reserve ¹	Total reserves (other than OCI)	Effective portion of cash flow hedge ⁵	Total OCI	
Balance as at April 1, 2024	9.20	8,474.86	430.31	8,914.37	(14.83)	(14.83)	8,899.54
Profit for the year	-	2,968.93	-	2,968.93	-	-	2,968.93
Other comprehensive income/ (loss) for the year ^{2,5}	-	(6.54)	-	(6.54)	73.58	73.58	67.04
Total comprehensive income/ (loss) for the year	-	2,962.39		2,962.39	73.58	73.58	3,035.97
Balance as at April 1, 2025	9.20	11,437.25	430.31	11,876.76	58.75	58.75	11,935.49
Profit for the year	-	4,824.58	-	4,824.58	-	-	4,824.58
Other comprehensive income/ (loss) for the year ^{2,5}	-	(9.52)	-	(9.52)	(552.11)	(552.11)	(561.63)
Total comprehensive income/ (loss) for the year	-	4,815.06	-	4,815.06	(552.11)	(552.11)	4,262.95
Share Based Payment against group scheme arrangement ^{2,6}	-	(37.02)	-	(37.02)	-	-	(37.02)
Balance as at March 31, 2026	9.20	16,215.29	430.31	16,654.80	(493.36)	(493.36)	16,161.42

1 General reserves

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations, to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve is no longer applicable.

- 2 Amount considered in Retained Earnings represent Re-measurement of defined benefit obligation (net of tax) and for Share Based Payment against group scheme arrangement.

- 3 The balance in capital reserve is on account of capital restructuring done by the Company.
- 4 Retained earnings represent the cumulative profit /(loss) of the Company and effects of re-measurement of defined benefit obligations and can be utilised in accordance with the provisions of the Companies Act, 2013.
- 5 **Effective portion of cash flow hedge**
The Company uses hedging instruments as part of its management of commodity price risk. For hedging commodity price risk, the Company uses commodity hedging contracts. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the effective portion of cash flow hedges. Amounts recognised in the effective portion of cash flow hedges is reclassified to the statement of profit and loss when the hedged item affects profit or loss.
- 6 During the year, pursuant to the acquisition of equity shares of Vedanta Limited (Holding Company) by the Vedanta ESOS trust for allotment of shares under ESOS 2016 to employees of the company , an incremental amount of ₹ 37.02 Crore, arising due to an increase in the market price of such shares, was reimbursed by the company to Vedanta Limited. Consistent with the accounting framework under Ind AS 102 and the principles applicable to group share based payment arrangements, the incremental settlement cost has been adjusted directly in “Retained Earnings”. For other details on ESOS, refer Note 34 (employee benefit expense).

See accompanying notes to the financial statements and material accounting policies.

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per **Pramod Kumar Bapna**
Partner
Membership No. 105497

Place: New Delhi
Date: April 23, 2026

For and on behalf of the Board of Directors

S K Roongta
Director
DIN: 00309302

Anand Soni
Chief Financial Officer

Place: New Delhi
Date: April 23, 2026

Rajesh Kumar
CEO & Whole-time Director
DIN: 09586370

Wageesha Agarwal
Company Secretary
ICSI Membership No. A67456

Place: New Delhi
Date: April 23, 2026



Notes to the financial statements

as at and for the year ended March 31, 2026

1 Company overview

Bharat Aluminium Company Limited (referred to as “BALCO” or “the Company” hereinafter) was incorporated under the laws of the Republic of India with its registered office at Aluminium Sadan, Core-6, Scope Office Complex, 7, Lodhi Road, New Delhi – 110 003 having 5.70 lakhs mtpa aluminium plants comprising 2.45 lakhs mtpa and 3.25 lakhs mtpa plants with 2,010 MW of power plants comprising captive power plant of 270 MW, 540 MW, 900 MW and independent power plant of 300 MW at Korba (Chhattisgarh) and is in the process of expanding its aluminium capacity by 4.35 lakhs mtpa. Vedanta Limited and the Government of India respectively hold 51% and 49% of the paid up equity share capital of BALCO. The Corporate Identification Number is U74899DL1965PLC004518.

2 Basis of preparation and basis of measurement of financial statements

(A) Basis of preparation

- i) These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act, 2013 (the “Act”) (as amended from time to time).

These financial statements have been prepared in accordance with the accounting policies, set out below and were consistently applied to all periods presented unless otherwise stated.

These financial statements are approved for issue by the Board of Directors on April 23, 2026. The revision to these financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

All financial information presented in Indian Rupees (INR) has been rounded off to the nearest Crores with two decimals except when indicated otherwise. Amounts less than ₹ 0.50 Crores have been presented as “0”.

(B) Basis of measurement

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value as explained in the accounting policies below. The Ind AS are

prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. 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:

- In the principal market for the asset or liability, or
- 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 best economic interest.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3(a) Summary of Material accounting policies

(A) Revenue recognition

- **Sale of goods/rendering of services (Including Revenue from contracts with customers)**

The Company’s revenue from contracts with customers is mainly from the sale of aluminium and power. Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer which usually is on delivery of the goods to the shipping agent/ rendering of service at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. 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. The Company has generally concluded that it is the principal in its revenue arrangements.

Certain of the Company’s sales contracts 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

Notes to the financial statements

as at and for the year ended March 31, 2026

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.

No element of financing is deemed present as the sales are generally made with a credit term of 0-120 days, which is consistent with market practice. Any obligation to provide a refund is recognised as a provision. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue from freight and insurance services is recognised over the period during which services are rendered.

Revenue from sale of power is recognised based on contracted rates with customers as approved by concerned regulatory authorities and rates arrived at based on principles laid down under the relevant Tariff Regulations as notified by the regulatory bodies, as applicable . Revenue from sale of power on account of change in law events is recognised by Company based on order or report of regulatory authorities and best management estimates, wherever applicable.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs part of its obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration when that right is conditional on Company’s future performance.

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is received. As these are contracts that the Company expects, and has the ability, to fulfil through delivery of a non-financial item, these are presented as advance from customers and are recognised as revenue as and when control of respective commodities is transferred to customers under the agreements.

- **Interest income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, with reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

- **Dividends**

Dividend income recognised in the statement of profit and loss only when the right to receive payment is established, provided it is probable that the economic benefits from current investments are associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

- **Export benefits**

Export benefits are accounted on recognition of export sales. Revenue relating to insurance claims and interest on delayed or overdue payments from trade receivable is recognized when no significant uncertainty as to measurability or collection exists.

(B) Property, Plant and Equipment

- i) **Mining properties**

The costs of mining properties, which include the costs of acquiring and developing mining properties are capitalized as mining properties separate from Property, plant and equipment in the year in which they are incurred. When a decision is taken that a mining



Notes to the financial statements

as at and for the year ended March 31, 2026

property is viable for commercial production (i.e. when the Company determines that the mining property will provide sufficient and sustainable return relative to the risks and the Company decides to proceed with the mine development), all further pre-production primary development expenditure other than on land, buildings, plant and equipment is capitalized as developing asset until the mining property are capable of commercial production. Revenue derived during the project phase is adjusted from the cost incurred on the project from which such revenue is generated.

Deferred stripping costs are included in mining properties within property, plant and equipment and disclosed as a part of mining properties. After initial recognition, the stripping activity asset is depreciated on a unit of production method over the expected useful life of the identified component of the ore body.

In circumstances where a mining property is abandoned, the cumulative capitalised costs relating to the property are written off in the period in which it occurs i.e. when the Company determines that the mining property will not provide sufficient and sustainable returns relative to the risks and the Company decides not to proceed with the mine development.

Commercial reserves are proved and probable reserves as defined by the 'JORC' Code, 'MORC' code or 'SAMREC' Code.

Changes in the commercial reserves affecting unit of production calculations are dealt with prospectively over the revised remaining reserves.

ii) **Other property, plant and equipment**

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. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequently, property plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Land acquired free of cost or at below market rate from the government is recognized at fair value with corresponding credit to deferred income.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Assets held for sale are carried at lower of their carrying value or fair value less cost to sell.

Government grant related to fixed asset is capitalized along with the asset that it relates to and depreciated over the life of the primary asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposal of an item of property, plant and equipment computed as the difference between the net disposal proceeds and the carrying amount of the asset is included in the statement of profit and loss when the asset is derecognised. Major inspection and overhaul expenditure is capitalised, if the recognition criteria are met.

Core inventory items are classified as inventories or property, plant and equipment based on its nature and management's intended use, consistent with applicable accounting standards.

iii) **Assets under construction**

Assets under construction are capitalised in the assets under construction account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised until the period of commissioning has been completed and the asset is ready for its intended use. Revenue generated from production during the trial period together with related costs is adjusted in Capital Work in Progress.

Capital work in progress is carried at cost less accumulated impairment losses, if any.

Notes to the financial statements

as at and for the year ended March 31, 2026

iv) **Depreciation, depletion and amortisation expense**

Mining properties and other assets in the course of development or construction and freehold land and goodwill are not depreciated or amortised.

• **Mining properties**

The capitalised mining properties are amortised on a unit-of-production basis over the total estimated remaining commercial proved and probable reserves of each property or group of properties and are subject to impairment review. Costs used in the unit of production calculation comprise the net book value of capitalised costs plus the estimated future capital expenditure required to access the commercial reserves. Changes in the estimates of commercial reserves or future capital expenditure are dealt with prospectively.

• **Other assets**

Depreciation on other Property, plant and equipment is calculated using the straight-line method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives (determined by the management) as given below.

Management's assessment takes into account, inter alia, the nature of the assets, the estimated usage of the assets, the operating conditions of the assets, past history of replacement and maintenance support.

Estimated useful life of assets are as follows :

Asset	Useful life (in years)
Buildings (Residential; factory etc.)	3-60
Plant and equipment instead of*	4-40
Railway siding	15
Office equipment	3-6
Furniture and fixture	5-10
Vehicles	8-10

*Useful lives of pot relining included in plant and machinery ranges from 5-7 years

Major inspection and overhaul costs are depreciated over the estimated life of the economic benefit to be derived from such costs. The carrying amount of the remaining previous overhaul cost is charged to the statement of profit and loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Company reviews the residual value and useful life of an asset at least at each financial year-end. The

Company considers climate-related matters, including physical and transition risks in its assessment of expected useful lives and estimated residual values. If expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment, furniture and fixtures and vehicles over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

(C) **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over their estimated useful life on a straight line basis. Software license is amortised over the estimated useful life ranging from 0-5 years.

Amounts paid for securing mining rights are amortised over the period of the mining lease ranging from 16-25 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is different from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

(D) **Impairment of non-financial assets**

Impairment charges and reversals are assessed at the level of cash-generating units. A cash-generating unit (CGU) is the smallest identifiable Group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or Group of assets.

Impairment tests are carried out annually for all assets when there is an indication of impairment. The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. The Company conducts an internal



Notes to the financial statements

as at and for the year ended March 31, 2026

review of asset values annually, which is used as a source of information to assess for any indications of impairment or reversal of previously recognized impairment losses. External factors, such as changes in expected future prices, costs and other market factors are also monitored to assess for indications of impairment or reversal of previously recognized impairment losses.

If any such indication exists or in case of goodwill where annual testing of impairment is required, then an impairment review is undertaken and the recoverable amount is calculated, as the higher of fair value less costs of disposal and the asset's value in use.

Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the Company and not applicable to entities in general. Fair value for mineral assets is generally determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset, including any expansion prospects, and its eventual disposal, using assumptions that an independent market participant may take into account. These cash flows are discounted at an appropriate post tax discount rate to arrive at the net present value.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. The cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Value in use is determined by applying assumptions specific to the Company's continued use and cannot take into account future development. These assumptions are different to those used in calculating fair value and consequently the value in use calculation is likely to give a different result to a fair value calculation.

The carrying amount of the CGU is determined on a basis consistent with the way the recoverable amount of the CGU is determined. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss. Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss has previously been recognised.

(E) Exploration and evaluation intangible assets:

Exploration and evaluation expenditure incurred prior to obtaining the mining right or the legal right to explore are expensed as incurred. Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment, if any. Exploration and evaluation intangible assets are transferred to the appropriate category of property, plant and equipment when the technical feasibility and commercial viability has been determined. Exploration intangible assets under development are assessed for impairment and impairment loss, if any, is recognised prior to reclassification.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable operating costs of related support equipment and facilities and other costs of exploration activities:

- Acquisition costs - costs associated with acquisition of licenses and rights to explore, including related professional fees.
- General exploration costs - costs of surveys and studies, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defence clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies.
- Costs of exploration drilling and equipping exploration and appraisal wells. Exploration expenditure incurred in the process of determining mine exploration targets has been capitalised within "Exploration and evaluation assets".

(F) 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 - recognition & subsequent 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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular

Notes to the financial statements

as at and for the year ended March 31, 2026

way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

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

For purposes of subsequent measurement, financial assets are classified in four categories:

- **Financial Assets at amortised cost**

A 'financial asset' is measured at amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) 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 interest income in statement of profit and loss. The losses arising from impairment are recognised in statement of profit and loss.

- **Financial Assets at fair value through other comprehensive income (FVOCI)**

A 'financial assets' is classified as at FVOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in other comprehensive income (OCI). However, interest income, impairment

losses and reversals and foreign exchange gain or loss are recognized in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in other comprehensive income is reclassified from the equity to statement of profit and loss. Interest earned whilst holding fair value through other comprehensive income debt instrument is reported as interest income using the EIR method.

For equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

- **Financial assets at fair value through profit or loss (FVTPL)**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes being recognized in statement of profit and loss.

- **Equity instruments**

Any equity investments instrument in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.



Notes to the financial statements

as at and for the year ended March 31, 2026

For equity instruments which are classified as FVTPL, all subsequent fair value changes are recognised in the statement of profit and loss.

Further, the provisionally priced trade receivables are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in revenue.

(ii) Financial Assets - derecognition

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

(iii) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss on the following financial assets:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities and deposits
- b) Financial assets that are debt instruments and are measured as at FVOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, contract assets and lease receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR.

ECL impairment loss allowance (or reversal) during the year is recognized as income/ expense in statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- a) Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets. The Company does not reduce impairment allowance from the gross carrying amount.
- b) Debt instruments measured at FVOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Notes to the financial statements

as at and for the year ended March 31, 2026

(iv) Financial liabilities – Recognition & Subsequent measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or as 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 financial liabilities at amortised cost, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

• Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or 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. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to the statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of

such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

Further, the provisionally priced trade payables are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in costs.

• Financial liabilities at amortised cost (Loans and Borrowings and Trade and Other payables)

After initial recognition, interest-bearing loans and borrowings and trade and other payables 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 costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(v) Financial liabilities - 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 and loss.

(vi) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

The Company recognises a liability to pay dividend to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution with respect to interim dividend is authorised when it is approved by the board of directors



Notes to the financial statements

as at and for the year ended March 31, 2026

of the Company and final dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(vii) 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 recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

(G) 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 statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to 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 Company 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:

(i) Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in 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 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.

(ii) 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 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

Notes to the financial statements

as at and for the year ended March 31, 2026

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.

(H) Leases

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.

(a) Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(b) 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.

(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



Notes to the financial statements

as at and for the year ended March 31, 2026

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 lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities have been separately preseneted in the balance sheet.

(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.

(I) Inventories

Inventories and work-in-progress are stated at the lower of cost and net realisable value.

Cost is determined on the following basis:

- Raw materials, fuel stock and stores and spares are valued on weighted average basis
- Finished products and work-in-progress 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 and
- By-products are valued at net realisable value.

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

Inventories of 'Fuel Stock' mainly consist of coal which is used for generating power. On consumption, the cost is charged off to 'Power and Fuel' charges in the statement of profit and loss.

(J) Government grants

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will

comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset and presented within other income.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

(K) Taxation

Tax expense represents the sum of current tax and deferred tax.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years.

Subject to the exceptions below, deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes and on carry forward of unused tax credits and unused tax losses;

- deferred income tax is not recognised on initial recognition of an asset or liability in a transaction that:
 - (i) is not a business combination;
 - (ii) at the time of the transaction, affects neither the accounting profit nor taxable profit (tax loss); and
 - (iii) at the time of the transaction, does not give rise to equal taxable and deductible temporary differences; and
- deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based

Notes to the financial statements

as at and for the year ended March 31, 2026

on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or equity).

The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Further, management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

(L) Employee benefit schemes

(i) Short Term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

Compensated absences:

Compensated absences accruing to employees and which can be carried to future periods but where there are restrictions on availment or encashment or

where the availment or encashment is not expected to occur wholly in the next twelve months, the liability on account of the benefit is determined actuarially using the projected unit credit method.

(ii) Post-employment benefits

• Defined contribution plan

Retirement benefits in form of superannuation is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the superannuation fund. The Company recognizes contribution payable to the superannuation scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

• Defined benefit plans – Gratuity and Provident fund

Gratuity

The Company has a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. Presently the Company's gratuity plan is partially funded.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.



Notes to the financial statements

as at and for the year ended March 31, 2026

The liability recognized in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

Provident Fund

Eligible employees of the Company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the Balco Provident Fund Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the Government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is administered by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

(iii) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured

based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Post-retirement medical benefits (PRMB)

The Company has framed a scheme with a view to provide medical benefits to the regular employees of the Company and their spouses subsequent to their retirement on completion of tenure including retirement on medical grounds and voluntary retirement on contributory basis. Based on actuarial valuations conducted as at year end, a provision is recognized in full for the benefit obligation.

(M) Share-based payments

Vedanta Limited offers certain share based incentives under the Long-Term Incentive Plan ("LTIP") to employees and directors of the Company. It 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 and loss. Any change in the market price of shares after the grant date, the incremental settlement cost is being adjusted directly in "Retained Earnings".

(N) Provisions, contingent liabilities and contingent assets

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

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

Notes to the financial statements

as at and for the year ended March 31, 2026

future events beyond the control of the Company or a present obligation that is not recognised 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 recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Balance Sheet.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefit is probable.

(O) Restoration, rehabilitation and environmental costs

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing production of a mine. Such costs, discounted to net present value, are provided for and a corresponding amount is capitalised at the start of each project, as soon as the obligation to incur such costs arises. These costs are charged to the statement of profit and loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost estimates are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost estimates or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, changes to lives of operations, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as finance cost in the statement of profit and loss.

Costs for the restoration of subsequent site damage, which is caused on an ongoing basis during production, are provided for at their net present value and charged to the statement of profit and loss as extraction progresses. Where the costs of site restoration are not anticipated to be material, they are expensed as incurred.

Provision for site restoration cost are reviewed annually and adjusted for changes including mine utilisation plan.

(P) Accounting for foreign currency transactions and translations

The functional currency of the Company is determined as the currency of the primary economic environment in which it operates, for all principal businesses of the Company, the functional currency is Indian rupee (₹) and the financial statements are presented in Indian rupee (₹).

In the financial statements of the Company, transactions in currencies other than the respective functional currencies are translated into their functional currencies at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into functional currencies at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All exchange differences are included in the statement of profit and loss except those where the monetary item is designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income.

Exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalized as part of borrowing costs in qualifying assets.

The Company had applied paragraph 46A of AS 11 under Previous GAAP. Ind AS 101 gives an option, which has been exercised by the Company, whereby a first time adopter can continue its Indian GAAP policy for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period. Hence, foreign exchange gain/loss on long-term foreign currency monetary items recognized upto March 31, 2016 has been deferred/capitalized. Such exchange differences arising on translation/settlement of long-term foreign currency monetary items and pertaining to the acquisition of a depreciable asset are amortised over the remaining useful lives of the assets.

Exchange differences arising on translation/ settlement of long-term foreign currency monetary items, acquired post April 01, 2016, pertaining to the acquisition of a depreciable asset are charged to the statement of profit and loss.

(Q) Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number



Notes to the financial statements

as at and for the year ended March 31, 2026

of equity shares outstanding for the effects of all dilutive potential equity shares.

(R) Buyers' Credit/ Suppliers' Credit and vendor financing

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 up to twelve months (for raw materials) and up to 36 months (for project and 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 reflecting the substance of the payment.

(S) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non current only.

(T) Borrowing costs

Borrowing cost includes interest expense as per effective interest rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly relating to the acquisition, construction or production of a qualifying capital project under construction are capitalised and added to the project cost during construction until such time that the assets are substantially ready for their intended use i.e. when they are capable of commercial production. Where funds are borrowed specifically to finance a qualifying capital project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a qualifying capital project, the income generated from such short-term investments is deducted from the total capitalized borrowing cost. If any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing then becomes part of general borrowing. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year.

All other borrowing costs are recognised in the statement of profit and loss in the year in which they are incurred.

Notes to the financial statements

as at and for the year ended March 31, 2026

Capitalisation of interest on borrowings related to construction or development projects is ceased when substantially all the activities that are necessary to make the assets ready for their intended use are complete or when delays occur outside of the normal course of business.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options).

(U) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits which have maturity of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above and additionally includes unpaid dividend account.

(V) Segment Reporting

Each of the reportable segments derives its revenues from these main products and hence these have been identified as reportable segments by the Company's Chief Operating Decision Maker ("CODM").

Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amount allocated based on cost. Unallocated expenditure consist of common expenditure incurred for all the segments and expenses incurred at corporate level. The assets and liabilities that cannot be allocated between the segments are shown as unallocated assets and unallocated liabilities respectively.

Pricing between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

(W) Exceptional items

Exceptional items are those items that management considers, by virtue of their size or incidence (including but not limited to impairment charges and acquisition and restructuring related costs), should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year,

so as to facilitate comparison with prior periods. Also tax charges related to exceptional items and certain one-time tax effects are considered exceptional. Such items are material by nature or amount to the year's result and require separate disclosure in accordance with Ind AS.

3(b) Application of new and amended standards

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

1. Amendment to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants:

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. A requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

(A) Standards notified but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the financial statements.

(3c) Use of estimates and judgements

The preparation of the 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 assets and 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 under different assumptions and conditions.

Notes to the financial statements

as at and for the year ended March 31, 2026

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

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 elaborated in note no. 45.

Significant Judgements

(i) Contingencies

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.

(ii) Climate Change

The Company aims to achieve net carbon neutrality by 2050 or sooner, and net water positivity for all operational smelters & mines by 2030 as part of their climate mitigation and adaptation efforts and sustainability strategy. The Company conducted climate risk assessment and outlined its risks and opportunities in TCFD report. Climate change may have various impacts on the Company in the medium to long term. These impacts include the risks and opportunities related to the demand of products, impact due to transition to a low-carbon economy, disruption to the supply chain, risk of physical harm to the assets due to extreme weather conditions, regulatory changes etc. The accounting related measurement and disclosure items that are most impacted by our commitments, and climate change risk more generally, relate to those areas of the financial statements that are prepared

under the historical cost convention and are subject to estimation uncertainties in the medium to long term.

The potential effects of climate change may be on assets and liabilities that are measured based on an estimate of future cash flows. The main ways in which potential climate change impacts have been considered in the preparation of the financial statements, pertain to (a) inclusion of capex in cash flow projections, (b) recoverable amounts of existing assets (c) review of estimates of useful lives of property, plant and equipment, (d) assets and liabilities carried at fair value, etc.

The Company’s strategy consists of mitigation and adaptation measures and is committed to reduce its carbon footprint by limiting its exposure to coal-based projects and reducing its GHG emissions through high impact initiatives such as investment in Renewable Energy (224 MW Power delivery agreement (‘PDA’) till 2030 with Serentica Renewables signed on a Company captive basis), biomass cofiring, electrification of light motor vehicles and and energy efficiency opportunities. However, renewable sources have limitations in supplying round the clock power, so existing power plants would support transition and fleet replacement is part of normal lifecycle renewal. We have also taken certain measures towards water management while maintaining Zero Liquid Discharge such as commissioning of Sewage & Effluent Treatment plants, wastewater reuse facilities, thus reducing freshwater consumption as well as rainwater harvesting structures to generate water credit. These initiatives are aligned with the Company’s ESG strategy and no material changes were identified to the financial statements as a result.

As the Company’s assessment of the potential impacts of climate change and the transition to a low-carbon economy continues to mature, any future changes in the Company’s climate change strategy, changes in environmental laws and regulations and global decarbonisation measures may impact the Company’s significant judgments and key estimates and result in changes to financial statements and carrying values of certain assets and liabilities in future reporting periods. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation. However, as of the balance sheet date, the Company believes that there is no material impact on carrying values of its assets or liabilities.

Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

4(a) Property, Plant and Equipments^{3,4,5,6,8}

Particulars	Gross block				Accumulated depreciation				Net Block
	As at April 1, 2025	Additions	Deductions	As at March 31, 2026	As at April 1, 2025	Charge for the year	Deductions	As at March 31, 2026	As at March 31, 2026
Tangible assets									
Land- freehold ^{1,2,7}	17.32	-	-	17.32	(0.12)	-	-	(0.12)	17.44
(Previous year)	17.32	-	-	17.32	(0.12)	-	-	(0.12)	17.44
Buildings ²	2,246.93	306.90	-	2,553.83	1,151.81	61.25	-	1,213.06	1,340.77
(Previous year)	2,130.96	122.53	6.56	2,246.93	1,101.97	54.00	4.16	1,151.81	1,095.12
Plant and equipment	15,821.25	3,129.69	231.51	18,719.43	7,150.37	570.11	216.70	7,503.78	11,215.65
(Previous year)	15,041.60	1,019.89	240.23	15,821.25	6,811.68	542.25	203.56	7,150.37	8,670.88
Furniture and fixtures **	18.08	1.20	0.02	19.26	10.65	1.28	0.00	11.93	7.33
(Previous year)	17.93	0.79	0.64	18.08	10.04	1.25	0.64	10.65	7.43
Vehicles	30.35	0.64	0.45	30.54	17.88	1.18	0.12	18.94	11.60
(Previous year)	26.32	4.02	-	30.35	16.91	0.97	-	17.88	12.47
Office equipment	45.35	1.27	0.12	46.50	33.77	3.37	0.11	37.03	9.47
(Previous year)	40.41	6.87	1.93	45.35	32.40	3.13	1.76	33.77	11.58
Railway Sidings	229.94	14.24	-	244.18	133.24	11.45	-	144.69	99.49
(Previous year)	230.05	-	0.11	229.94	122.32	11.03	0.11	133.24	96.70
Mining properties	145.36	-	-	145.36	145.36	-	-	145.36	0.00
(Previous year)	145.36	-	-	145.36	139.66	5.70	-	145.36	-
Sub-Total	18,554.58	3,453.94	232.10	21,776.42	8,642.96	648.64	216.93	9,074.67	12,701.75
(Previous year)	17,649.95	1,154.10	249.47	18,554.58	8,234.86	618.33	210.23	8,642.96	9,911.63
Right of Use assets ⁶	35.30	-	-	35.30	26.57	0.04	-	26.62	8.68
(Previous year)	35.30	-	-	35.30	26.54	0.04	-	26.57	8.73
Total	18,589.88	3,453.94	232.10	21,811.72	8,669.53	648.68	216.93	9,101.29	12,710.43
Total -Previous Year	17,685.25	1,154.10	249.47	18,589.88	8,261.40	618.37	210.23	8,669.53	9,920.35
*Capital work-in-progress ⁹	7,358.85	3,413.72	3,453.94	7,318.63	-	-	-	-	7,318.63
(Previous year)	4,136.81	4,376.14	1,154.10	7,358.85	-	-	-	-	7,358.85

*For Capital work-in-progress deductions means capitalisation of Capital work-in-progress to respective class of assets.

** Amounts less than ₹ 0.50 Crores have been presented as “0”

1. Certain land and quarters of the Company including 40 nos. of Company's quarters at Bidhan Bagh Unit and 300.88 acres of land at Korba and Bidhan Bagh have been unauthorisedly occupied for which the Company is evaluating the options for evacuation.
2. The Division Bench of the Hon’ble High Court of Chhattisgarh has vide its order dated February 25, 2010, upheld that BALCO is in legal possession of 1,804.67 acres of Government land. Subsequent to the said order, the State Government has decided to issue the lease deed in favour of BALCO after the matter of issue of forest land is decided by the Hon’ble Supreme Court. In the proceedings before the Hon’ble Supreme Court, pursuant to public interest litigations filed, it has been alleged that land in possession of BALCO is being used in contravention of the Forest Conservation Act, 1980 even though the said land has been in its possession prior to the promulgation of the Forest Conservation Act, 1980 on which its Aluminium complex, allied facilities and township were constructed between 1971-76. The Central Empowered Committee of the Supreme Court has already recommended ex-post facto diversion of the forest land in possession of BALCO. BALCO has also filed two IA before the Supreme Court, 1st challenging the order of the Tehsildar Korba whereby he rejected BALCO’S applications for eviction of illegal encroachers on BALCO’S land on the ground that land matter is subjudice before the Supreme Court and the other application whereby BALCO



Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

has challenged the state government's action for allotment of land to illegal encroachers under the Rajiv Ashray Yojna. As per Supreme Court's directions, the CEC has now submitted another detailed report on 19.03.2025. The matter will be taken up for hearing in due course.

3. As part of Annual review, useful lives of certain assets has been re-estimated based on usability according to which no additional depreciation has been recognized in current year while ₹ 53.35 Crores was recognized in previous year.
4. For lien / charge against property, plant and equipment refer note no. 19, 24 & 25.
5. Refer note 36 for depreciation and amortisation expenses.
6. Disclosure of Right of Use (ROU) Assets as per IndAS 116 - "Leases"^{1,2}

Particulars	ROU Land
Gross Block	35.30
(Previous year)	35.30
Accumulated Depreciation	26.62
(Previous year)	26.57
Depreciation charged during the period	0.04
(Previous year)	0.04
Carrying book value as on March 31, 2026	8.68
(Previous year)	8.73

6.1. The above ROU is getting depreciated over a useful life of 99 years.

6.2. Carrying amount of Lease liability with respect to above asset as on 31st March 2026 and 31st March 2025 is Nil and hence no further disclosure related to movement of lease liabilities, accretion of interest and maturity analysis has been given. Refer Note 10.2 for Lease liability with respect to Intangible assets.

7. Title deeds of immovable properties not held in the name of Company:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (in Crores)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director (Y/N)	Property held since which date	Reason for not being held in the name of the Company(also indicate if in dispute)
Property, Plant and Equipment	Freehold Land	0.02	National Thermal Power Corporation Ltd	N	June 20, 2002	206.18 acres of freeholds land transferred to the Company by NTPC is yet to be registered in the name of the Company. Certain dispute arose between the parties leading to initiation of arbitration proceedings and the Ld. Sole Arbitrator passed an award dated 11.01.2016 in favour of the Company but directed that transfer of title deeds of land will be effected by the Central Government with the assistance of State Government. Both parties have approached Hon'ble High Court of Delhi against the award and the matter is sub judice since year 2016.

Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

8. a) Please refer note 35 for interest capitalised during the year and note 34 for manpower cost capitalised during the year.
- b) During the year, the Company has capitalised a part of its ongoing smelter expansion and commenced operations.In accordance with Ind AS 16 (Property, Plant and Equipment), the Company has recognised the proceeds from sale of items produced during the trial run phase and the related costs in the cost of property, plant and equipment. Accordingly, during the trial run period, revenue from sale of products amounting to ₹ 168.76 Crores and related cost amounting to ₹ 167.03 Crores were recorded, resulting in a net impact of ₹ 1.73 Crores, which has been capitalised during the year in Capital work-in-progress.

9. Capital work-in-progress(CWIP) ageing schedule:¹

CWIP	Amount				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,627.16	3,122.87	2,259.25	309.35	7,318.63
(Previous year)	3,583.05	3,354.44	367.01	54.35	7,358.85
Projects temporarily suspended	-	-	-	-	-
(Previous year)	-	-	-	-	-
Total	1,627.16	3,122.87	2,259.25	309.35	7,318.63
Total -Previous Year	3,583.05	3,354.44	367.01	54.35	7,358.85

- 9.1. There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during current financial year and previous financial year.

4 (b) Intangible Assets¹⁰

Particulars	Gross Block				Accumulated Amortisation				Net Block
	As at April 1, 2025	Additions	Deductions	As at March 31, 2026	As at April 1, 2025	Charge for the year	Deductions	As at March 31, 2026	As at March 31, 2026
Software license	2.34	0.29	-	2.63	1.42	0.36	-	1.78	0.85
Previous year	1.72	0.62	-	2.34	1.21	0.21	-	1.42	0.92
Right of use assets	19.54	-	-	19.54	6.51	3.91	-	10.42	9.12
Previous year	-	19.54	-	19.54	-	6.51	-	6.51	13.03
Total Intangible Assets	21.89	0.29	-	22.17	7.93	4.27	-	12.20	9.97
Previous year	1.72	20.17	-	21.89	1.21	6.72	-	7.93	13.96

10. Disclosure of Right of Use (ROU) Assets as per IndAS 116 - "Leases"^{1,2}

Particulars	ROU Software license
Gross Block	19.54
(Previous year)	19.54
Accumulated Depreciation	10.42
(Previous year)	6.51
Depreciation charged during the period	3.91
(Previous year)	6.51
Carrying book value as on March 31, 2026	9.12
(Previous year)	13.03



Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

10.1. The above ROU is getting depreciated over a useful life of 5 years.

10.2. Carrying amount of Lease liability as on 31st March 2026 is ₹ 9.98 Crores and 31st March 2025 is ₹ 13.68 Crores and refer note 20 for disclosure related to movement of lease liabilities, accretion of interest and refer note 44 for maturity analysis.

5 Exploration intangible assets under development

Particulars	Amount			As at March 31, 2026
	As at April 1, 2025	Additions	Deductions	
Exploration intangible asset under development	86.43	36.42	-	122.85
Previous year	16.69	69.74	-	86.43

Exploration intangible assets	Amount				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	36.42	69.74	0.25	16.44	122.85
(Previous year)	69.74	0.25	16.44	-	86.43

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during current financial year and previous financial year.

6 Financial assets - Non current : Investments¹

(at fair value)

a) Measured at fair value through profit and loss

Particulars	As at March 31, 2026	As at March 31, 2025
A. Investment in Preference shares - Unquoted		
Serentica Renewables India 1 Private Limited* (19,58,80,000 Optionally Convertible Redeemable Preference Shares (March 31, 2025: 14,90,00,000) of ₹ 10 each)	195.88	149.00
Serentica Renewables India 7 Private Limited* (10,23,20,000 Optionally Convertible Redeemable Preference Shares (March 31, 2025: 9,03,20,000) of ₹ 10 each)	102.32	90.32
Serentica Renewables India 8 Private Limited* (7,10,00,000 Optionally Convertible Redeemable Preference Shares (March 31, 2025: 6,30,00,000) of ₹ 10 each)	71.00	63.00
Total (A)	369.20	302.32

Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

b) Measured at fair value through other comprehensive income

Particulars	As at March 31, 2026	As at March 31, 2025
B. Investment in equity shares - Unquoted		
Serentica Renewables India 1 Private Limited* (4,10,00,000 equity shares of class B (March 31, 2025: 4,10,00,000 equity shares of Class B) of ₹ 10 each)	41.00	41.00
Total (B)	41.00	41.00
Total (A+B)	410.20	343.32

* The Company does not exercise significant influence or control on decision of investees. Hence they are not being construed as associate companies.

Note :

1. The Company has executed Power Delivery Agreements (“PDA”) with Serentica group companies (Serentica Renewables India 1 Private Limited, Serentica Renewables India 7 Private Limited and Serentica Renewables India 8 Private Limited) which are associates of Vedanta Incorporated (Erstwhile Volcan Investments Limited (Volcan)), for procuring renewable power over twenty five years from date of commissioning of the combined renewable energy power projects (“the Projects”) on a group captive basis.

These Serentica group companies were incorporated for building the Projects. During the current year, the Company has invested ₹ 66.88 Crores (March 31, 2025: ₹ 195.00 Crores) in Optionally Convertible Redeemable Preference shares (“OCRPS”) of ₹ 10 each of Serentica group companies.

These OCRPS will be converted into equity basis conversion terms of the PDA, resulting in Company's holding twenty six percent stake in its equity. Out of the total investment, ₹ 41.00 Crores (31 March 2025: ₹ 41.00 Crores) worth of OCRPS are converted into equity shares of SRI1PL as per the terms of the PDA. As at 31 March 2026, total outstanding commitments related to PDA with Serentica Group Companies are ₹ 84.20 Crores (31 March 2025: ₹ 151.08 Crores). The Company has involved external valuations experts for the fair valuation of investments as on the balance sheet date.

7 Financial assets - Non current : Trade receivables

(at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
Considered good ^{5,6}	-	-
Significant increase in credit risk	200.04	188.76
Total	200.04	188.76
Less: Allowances for expected credit loss	(66.98)	(63.21)
Total Non Current trade receivable	133.06	125.55

Notes:

- Carrying value of trade receivable may be affected by the changes in the credit risk of counterparties as explained in note no. 44 as well as for time value of money where collection is expected to be delayed.
- Maturity profile is as per note no. 44.
- For lien/charge against trade receivable refer note nos. 19, 24 and 25.
- No trade receivable is due from directors or other officers of the Company either severally or jointly with any other person (March 31, 2025- Nil). No trade receivable is due from firms or private companies respectively in which any director is a partner, a director or a member.



Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

5. Trade receivables includes ₹ 90.03 Crores (March 31, 2025: ₹ 90.03 Crores) (Net of allowance of expected credit loss ("ECL") of ₹ 45.34 Crores) on account of differential energy charges for supply of power to customers under power supply agreements, pursuant to amendment in escalation rates of domestic coal by Central Electricity Regulatory Commission (CERC) for the period October 1, 2012 to September 30, 2014 which is disputed in Honourable Delhi High Court. Supported by legal opinion obtained, management believes it to be highly probable that the disputes will ultimately be resolved in favour of the Company.
6. Trade receivables include ₹ 43.03 Crores as at March 31, 2026 (March 31, 2025: ₹ 35.52 Crores), net of allowance for expected credit loss ("ECL") of ₹ 21.64 Crores (March 31, 2025: ₹ 17.87 Crores), pertaining to escalation of taxes recoverable from Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO). The matter is under dispute before the Hon'ble Supreme Court of India. Considering favourable orders received from the Central Electricity Regulatory Commission (CERC) and the Appellate Tribunal for Electricity (APTEL), and based on independent legal opinion, the Company believes the amount as recoverable.
7. Ageing has been considered from the date of credit period expired, wherever applicable or from the date of invoice where there are no contracted credit period.

Particulars	Outstanding from due date of payment as on March 31, 2026						
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed	-	-	-	-	-	-	-
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	3.01	5.27	5.92	11.09	4.96	169.79	200.04
	3.01	5.27	5.92	11.09	4.96	169.79	200.04
Less: Allowances for expected credit loss	(1.01)	(1.77)	(1.98)	(3.70)	(1.66)	(56.86)	(66.98)
	2.00	3.50	3.94	7.39	3.30	112.93	133.06
Total	2.00	3.50	3.94	7.39	3.30	112.93	133.06

Non Current trade receivables ageing schedule as at March 31, 2025*:

Particulars	Outstanding from due date of payment as on March 31,2025						
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed	-	-	-	-	-	-	-
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	2.92	5.45	5.64	4.96	2.98	166.81	188.76
	2.92	5.45	5.64	4.96	2.98	166.81	188.76
Less: Allowances for expected credit loss	(0.99)	(1.82)	(1.88)	(1.66)	(1.00)	(55.86)	(63.21)
	1.92	3.63	3.76	3.30	1.98	110.95	125.55
Total	1.92	3.63	3.76	3.30	1.98	110.95	125.55

*There are no unbilled trade receivable as on March 31, 2026 and March 31, 2025.

Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

Movement of Allowance for expected credit loss

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	63.21	58.53
Change in estimates	-	-
Additions to allowances	3.77	4.68
Adjusted against bad debts written off	-	-
Closing Balance	66.98	63.21

8 Financial assets - Non current : Loans

(at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Loan to employees ¹	0.07	0.08
Total	0.07	0.08

1. For details of classification of financial assets and fair value hierarchy refer note no. 44.

9 Other Financial assets - Non Current : ¹

(at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good	27.12	39.51
Security deposits		
Bank Deposits ²	18.83	17.72
Unsecured, considered doubtful		
Other receivables having significant increase in credit risk	1.90	3.05
Less: allowance for expected credit loss	(0.64)	(1.02)
Total	47.21	59.26

1. For details of classification of financial assets and fair value hierarchy refer note no. 44.

2. Bank deposits represents fixed deposits with maturity more than 12 months under lien with banks against bank guarantee.

10 Other non-current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Capital advances	115.96	202.48
Prepaid expenses	0.51	0.57
Claims and other receivables ^{1*}	134.46	116.76
Total	250.93	319.81



Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

1. Claims and other receivables includes following :

- Refer note no 41(ii)(a)(i) for receivables pertaining to energy development cess.
- Claims recoverable from Madhya Pradesh Electricity Board (MPEB)/Chhattisgarh State Electricity Board (CSEB) amounting to ₹ 18.83 Crores (March 31, 2025 : ₹ 18.83 Crores) which are disputed by them. The Company is also disputing the claim for Electricity duty/surcharge made by MPEB/CSEB amounting to ₹ 13.23 Crores (March 31, 2025: ₹ 13.23 Crores). The net amount recoverable/payable can be ascertained on settlement of the disputes. Supported by a legal opinion obtained, management believes that it is probable that the matter will be decided in favour of the Company. The said claim is interest-bearing.
- Refer Note 32(3) for deposited ₹24.84 crores against the claim .
- An amount of ₹ 56.25 crores (March 31, 2025: ₹ 65.84 crores) has been deposited towards various indirect tax matters and other disputed cases.

11 Current assets : Inventories (At lower of cost and net realisable value)³

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Raw materials	407.29	493.28
Goods-in transit ⁵	617.65	238.06
	1,024.94	731.34
(b) Fuel stock	161.52	151.70
Goods-in transit ⁵	8.74	10.24
	170.26	161.94
(c) Work-in-progress	410.76	351.94
	410.76	351.94
(d) Finished goods ¹	24.72	1.67
(e) By-product ¹ **	0.00	0.00
(f) Stores and spares ²	221.80	185.18
Goods-in transit ⁵	15.16	7.14
	236.96	192.32
Total	1,867.64	1,439.21

** Amounts less than ₹ 0.50 Crores have been presented as “0.00”.

Notes:

- Inventories held at net realizable value amounting to ₹ 2.01 Crores (March 31, 2025: ₹ 1.39 Crores). The write down on inventories amounting to ₹ 8.41 Crores for the year (March 31, 2025: ₹ 9.85 Crores) has been charged to the Statement of Profit and Loss.
- Provision in respect of slow-moving, damaged, or obsolete inventories of stores and spares lying in books on March 31, 2026 is ₹ 7.57 Crores (March 31, 2025: ₹ 7.89 Crores).
- Entire inventory has been hypothecated as security against certain bank borrowings of the Company. For more details of lien/charge against inventories refer note no. 19, 24 & 25.
- For mode of valuation for each class of inventories, refer note no. 3(a)(I).
- Inventories lying with third party is ₹ 641.55 Crores (March 31, 2025: ₹ 255.44 Crores).

Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

12 Financial assets - Current : Investments¹

(at fair value through profit and loss)

Particulars	As at March 31, 2026	As at March 31, 2025
Unquoted investment:		
Investments in Mutual Funds	173.32	1,040.34
Investments in Commercial Paper	446.39	-
Investments in Certificate Of Deposit	589.87	-
Total	1,209.58	1,040.34
Aggregate amount of unquoted investments	1,209.58	1,040.34

- For determination of fair value refer note no. 44.

13 Financial Assets- Current : Trade receivables

(at amortised cost and at fair value through profit and loss)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured ⁶		
Considered good	145.26	120.03
	145.26	120.03
Unsecured ⁴		
Considered good	6.67	3.37
	6.67	3.37
Total	151.93	123.40

Notes :

- Carrying value of trade receivables may be affected by the changes in the credit risk of counterparties as explained in note no. 44.
- Maturity profile is as per note no. 44.
- For lien/charge against trade receivables refer note nos. 19, 24 and 25.
- No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. No trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member (March 31, 2025 : Nil). For amount due from related parties, refer note no. 43.
- Ageing has been considered from the date of credit period expired, wherever applicable or from the date of invoice where there are no contracted credit period.
- Debtors are secured against letter of credit or bank guarantee.



Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

Current trade receivables ageing schedule as at March 31, 2026* :

Particulars	Outstanding from due date of payment as on March 31,2026						Total
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
- considered good	69.69	82.24	-	-	-	-	151.93
- credit impaired	-	-	-	-	-	-	-
	69.69	82.24	-	-	-	-	151.93
Less: Allowances for expected credit loss	-	-	-	-	-	-	-
	69.69	82.24	-	-	-	-	151.93
Total**							151.93

Current trade receivables ageing schedule as at March 31, 2025* :

Particulars	Outstanding from due date of payment as on March 31,2025						Total
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed - considered good - credit impaired	94.46	28.94	-	-	-	-	123.40
	94.46	28.94	-	-	-	-	123.40
Less: Allowances for credit impaired	-	-	-	-	-	-	-
	94.46	28.94	-	-	-	-	123.40
Total**							123.40

*There are no unbilled trade receivable as on March 31, 2026 and March 31, 2025.

** There are no disputed receivables as on March 31, 2026 and March 31, 2025.

14 Financial Assets- Current : Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks	174.42	194.47
Cash on hand	0.01	0.01
Total	174.43	194.48

15 Financial assets - Current : Loans

(at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Loans to employees	0.53	0.60
Total	0.53	0.60

Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

16 Financial Assets- Current : Others¹

(at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Security deposits	0.24	0.06
Receivables from related parties (also refer note no. 43) **	0.00	14.23
Site restoration asset ²	20.73	19.77
Other receivables ³	252.47	44.21
Total	273.44	78.27

** Amounts less than ₹ 0.50 Crores have been presented as “0.00”.

Notes:

- For details of classification of financial assets and fair value hierarchy refer note no. 44.
- Represents deposits with Ministry of Coal pertaining to coal block which earns interest at fixed rate based on respective deposit rate.
- Includes marked to market valuation of derivative contract entered into to hedge risk of fluctuation of commodity prices as at March 31, 2026 ₹ 249.60 Crores (March 31, 2025 ₹ 35.82 Crores), also refer note 44.

17 Other Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good	79.93	146.61
Advances to suppliers		
Prepaid expenses ¹	30.31	39.67
Claims and other receivables ²	4.00	6.45
Balances with statutory/Government authorities	1.44	7.71
Export incentives receivable	2.53	5.37
Total	118.21	205.81

Notes:

- Includes ₹ 7.95 Crores (March 31, 2025: ₹ 23.86 Crores) excess of actual expenditure incurred towards Corporate Social Responsibility over obligation till date, refer note no 37 (2).
- Also refer note 10.1 for claims and other receivables.



Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

18 Equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Balance at the end of the year (equity shares of ₹ 10 each)	50,00,00,000	500.00	50,00,00,000	500.00
Issued, subscribed and fully Paid up				
Balance at the end of the year (equity shares of ₹ 10 each)	22,06,24,500	220.62	22,06,24,500	220.62
Total	22,06,24,500	220.62	22,06,24,500	220.62

i) Reconciliation of the number of shares and amount outstanding as at the beginning and at the end of the reporting period :

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Equity shares outstanding at the beginning and end of the year	22,06,24,500	220.62	22,06,24,500	220.62

ii) Details of shares held by each shareholder holding more than 5% shares

Name of Shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
a) Vedanta Limited ¹ and their nominees	11,25,18,495	51%	11,25,18,495	51%
b) Government of India - President of India	10,81,06,005	49%	10,81,06,005	49%
Total	22,06,24,500	100%	22,06,24,500	100%

1) Vedanta Limited, Holding Company holds 11,25,18,495 shares in the Company. The subsidiaries and associates of Vedanta limited do not hold any equity shares in the Company. Ultimate holding Company Volcan Investments Limited and its subsidiaries and associates do not hold any equity shares in the Company.

iii) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each holder of equity is entitled to one vote per share held. The dividend 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, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

iv) Shareholding of promoter

Promoter Name	As at March 31, 2026			As at March 31, 2025		
	No. of shares at the end of the year	% of Total Shares	% change during the year	No. of shares at the end of the year	% of Total Shares	%change during the year
Vedanta Limited	11,25,18,495	51%	-	11,25,18,495	51%	-

Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

v) As per the records of the Company, including its register of shareholders/members, the above shareholding represents legal ownership of shares.

vi) No shares were issued for consideration other than cash during the period of 5 years immediately preceding the reporting date.

19 Financial liabilities -Non current Borrowings ² :

(at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Rupee Term loans from banks ¹	1,126.10	2,547.47
Total	1,126.10	2,547.47

Notes :

1. Interest, repayment terms and security details of borrowings	As at March 31, 2026	As at March 31, 2025
Rupee Term loan (HDFC Bank-1)	41.83	49.75
Rupee term loans from various banks secured by first pari passu charge on movable property, plant and equipments (excluding coal block) of the Company. Weighted average rate of interest is 7.75% (Repo +2.00%) (March 31, 2025: 8.25% (Repo+2.00%)) and are repayable in 15 quarterly installments.		
Rupee Term loan (HDFC Bank-2)	568.95	245.30
Rupee term loans from various banks secured by first pari passu charge on movable property, plant and equipments (excluding coal block) of the Company. Weighted average rate of interest is 7.67% (Repo +2.08%) (March 31, 2025: 8.55% (Repo +2.08%)) and are repayable in 15 quarterly installments.		
Rupee Term loan (Bank of Baroda)	-	439.28
Rupee term loans from various banks secured by first pari passu charge on movable property, plant and equipments (excluding coal block) of the Company. Weighted average rate of interest is 8.52% (Overnight MCLR +0.05%) (March 31, 2025: 8.77% (Overnight MCLR +0.05%)) and are fully repaid during the FY 25-26.		
Rupee Term loan (UCO Bank)	-	424.06
Rupee term loans from various banks secured by first pari passu charge on movable property, plant and equipments (excluding coal block) of the Company. Weighted average rate of interest is 8.46% (3 Months MCLR +0.10%) (March 31, 2025: 9.51% (3 Months MCLR + 0.10%)) and are fully repaid during the FY 25-26.		
Rupee Term loan (Canara Bank)	1,620.98	2,265.32
Rupee term loans from various banks secured by first pari passu charge on movable property, plant and equipments (excluding coal block) of the Company. Weighted average rate of interest is 7.89% (External Benchmarking Lending Rate +2.20%) (March 31, 2025: 8.65% (External Benchmarking Lending Rate + 2.20%)) and are repayable in 10 quarterly installments.		
Total borrowings	2,231.76	3,423.71
Less: Current Maturity of Long Term Borrowings	1,105.66	876.24
Net Non-Current borrowings	1,126.10	2,547.47



Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

2. The credit facilities are subject to certain financial and non-financial covenants. The primary covenants which must be complied with include debt service coverage ratio, total outside liabilities to total net worth, fixed assets coverage ratio and ratio of total term liabilities to net worth. The Company has complied with the covenants as per the terms of the loan agreements.

19A Movement in borrowings during the year is provided below :

Particulars	Borrowings due within one year	Borrowings due after one year	Total
Opening Balance as on April 1, 2024	265.46	1,784.79	2,050.25
Cash inflow	27.22	1,737.16	1,764.38
Cash outflow	0.46	(363.05)	(362.59)
Other Non cash changes	610.79	(611.89)	(1.10)
As at April 1, 2025	903.93	2,547.01	3,450.93
Cash inflow	22.37	400.00	422.37
Cash outflow	(913.58)	(684.99)	(1,598.57)
Other Non cash changes	1,142.53	(1,135.92)	6.61
As at March 31, 2026	1,155.25	1,126.10	2,281.35

Other non-cash changes comprises of amortisation of borrowing costs and reclassification between borrowings due within one year and borrowings due after one year.

20 Movement in lease liabilities is as follows :

Particulars	As at March 31, 2026	As at March 31, 2025
Opening lease liability	13.68	-
Additions during the year	-	19.54
Interest on lease liabilities	1.07	2.03
Payment made ¹	(4.77)	(7.89)
Total	9.98	13.68

1. Includes payment of interest on lease liabilities of ₹ 1.07 Crores (March 2025 - ₹ 2.03 Crores)

21 Financial liabilities - Non current: Others¹

(at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital creditors	342.42	286.93
Total	342.42	286.93

1. For details of classification of financial liabilities and fair value hierarchy refer note no. 44

Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

22 Provisions : Non current

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits ¹	114.23	112.10
Provision for site restoration and rehabilitation ^{2,3}	-	-
Total	114.23	112.10

1. Includes Gratuity and Post Retirement Medical Benefits (PRMB). Also refer note no. 28 and 40.

2. Provision for site restoration and rehabilitation

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	-	11.50
Add: Unwinding of discount	-	0.14
Revision in estimates	-	-
Reclassified to Current provisions	-	(11.64)
Closing balance	-	-

3. The provisions for site restoration and rehabilitation represent the management's best estimate of the costs which will be incurred in the future to meet the Company's obligations under existing Indian law and the terms of the Company's contractual arrangements for coal mines. These amounts are calculated by considering discount rates within the range of 8% to 9%, and become payable on closure of mines and are expected to be incurred over a period of up to 1 year.

23 Other liabilities : Non current

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Government grants ¹	966.01	907.30
Total	966.01	907.30

1. Represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on import of plant and equipments accounted for as government grant as per the guidance given under Ind AS 20.

24 Financial liabilities -Current: Borrowings :

(at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Current maturities of long term borrowings ¹	1,105.66	876.24
	1,105.66	876.24
Unsecured		
Working Capital Loan **	49.59	27.22
	49.59	27.22
Total	1,155.25	903.46

** The Company has availed a working capital facility from HDFC Bank, which carries a processing fee of 0.72% on the utilized amount and is repayable within 20 days from the statement date.



Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

1. Current maturities of long term borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Term loans from banks	1,105.66	876.24
Total	1,105.66	876.24

- 1.1. Interest, security and payment terms as detailed in note no. 19 and for movement in borrowings during the year refer note 19A.
- 1.2. There were no differences as reported in the quarterly returns in terms of current assets secured against borrowings outstanding during the year.

25 Financial liabilities - Current : Operational buyers' credit/suppliers' credit^{1,2}

(at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Operational buyers' credit/suppliers' credit	-	684.35
Total	-	684.35

1. Operational Buyers'/Suppliers' Credit is availed in foreign currency from offshore branches of Indian banks or foreign banks at an interest rate ranging from 3.98% to 5.11% per annum.
2. Operational buyers' credit/suppliers' credit from HDFC Bank and State Bank of India are secured by way of hypothecation of stock of raw materials, work-in-progress, finished products, consumable stores and spares, bills receivables, book debts and all other movable PPE, both present and future. The charges rank pari passu among banks under the multiple banking arrangements, both for current and non-current fund based and non-fund based facilities.

26 Financial liabilities - Current: Trade payables⁴

(at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro and small enterprises ²	74.41	45.76
Total (a)	74.41	45.76
Total outstanding dues of creditors other than micro and small enterprises ¹	931.87	625.31
Dues to related parties (also refer note no. 43)	5.10	15.76
Total (b)	936.97	641.07
Total (a+b)	1,011.38	686.83

1. Trade payables are non-interest bearing and are normally settled up to 180 days terms.

Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

2. Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act 2006 (to the extent such parties have been identified on the basis of information available with the Company):

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	74.41	45.76
(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 actually paid	-	-

4. Ageing has been considered from the date of expiry of credit period, if available or from the date of transaction.

Trade payables ageing schedule as at March 31, 2026

Particular	Unbilled	not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small Enterprises - Undisputed	51.25	23.16	-	-	-	-	74.41
(ii) Micro and Small Enterprises - Disputed	-	-	-	-	-	-	-
(i) Others - Undisputed	306.46	93.63	488.70	1.25	0.14	2.62	892.80
(ii) Others - Disputed	-	-	3.94	3.53	3.93	32.77	44.17
Total	357.71	116.79	492.64	4.78	4.07	35.39	1,011.38

Trade payables ageing schedule as at March 31, 2025

Particular	Unbilled	not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small Enterprises - Undisputed	35.93	9.83	-	-	-	-	45.76
(ii) Micro and Small Medium Enterprises - Disputed	-	-	-	-	-	-	-
(i) Others - Undisputed	217.81	2.83	361.81	5.26	5.09	7.85	600.65
(ii) Others - Disputed	-	-	3.74	3.91	2.46	30.31	40.42
Total	253.74	12.66	365.55	9.17	7.55	38.16	686.83



Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

27 Financial liabilities- Current : Others²

(at amortised cost and fair value through profit and loss)

Particulars	As at March 31, 2026	As at March 31, 2025
At Amortised Cost:		
Interest accrued but not due	12.19	18.26
Capital creditors	520.24	515.80
Dues to related parties (refer note no. 43)	12.55	4.29
Security deposits from vendors and others	29.88	23.53
Employee Liabilities	103.96	81.88
At fair value through profit and loss:		
Other liabilities ¹	176.91	15.83
Total	855.73	659.59

Notes:

- Other liabilities represent liability arising from net losses on mark to market valuation of derivatives undertaken to hedge risk of fluctuation in commodity prices of ₹ 176.91 Crores (March 31, 2025 ₹ 15.83 Crores).
- For details of classification of financial liabilities and fair value hierarchy refer note no. 44.

28 Provisions : Current

Particulars	As at March 31, 2026	As at March 31, 2025
Employee benefits ¹	89.60	84.31
Provision for site restoration and rehabilitation ^{2,3}	11.64	11.64
Disputes and claims ⁴	21.81	90.49
Total	123.05	186.44

Notes:

- Includes gratuity, post retirement medical benefits (PRMB) to the extent considered current and leave encashment. Also refer note no. 40.
- Provision for site restoration and rehabilitation

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	11.64	-
Add: Unwinding of discount	-	-
Revision in estimates	-	-
Reclassified from non current provisions	-	11.64
Closing balance	11.64	11.64

- The provisions for site restoration and rehabilitation represent the management’s best estimate of the costs which will be incurred in the future to meet the Company’s obligations under existing Indian law and the terms of the Company’s contractual arrangements for coal mines. These amounts are calculated by considering discount rates within the range of 8% to 9%, and become payable on closure of mines and are expected to be incurred over a period of up to 1 year.

Notes to the financial statements

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

4. Provision for disputes and claims	As at March 31, 2026	As at March 31, 2025
Opening balance	90.49	85.87
Addition made during the year	11.29	-
Interest charged during the year	3.25	4.62
Payment made/adjusted during the year ^{2,3}	(83.22)	-
Closing balance¹	21.81	90.49

- Represents provision for disputed case (including interest) with Madhya Pradesh Electricity Board (MPEB)/Chhattisgarh State Electricity Board (CSEB) amounting to ₹ 10.36 Crores (March 31, 2025: ₹ 49.60 Crores) for electricity duty/surcharge pending in Chhattisgarh High Court and provision for vendor disputed case related to mining and transportation charges of raw material amounting to ₹ 11.45 Crores (March 31,2025 ₹ Nil). The above provision is net of amount paid under protest amounting to ₹ 7.37 Crores (March 31, 2025: ₹ 7.37 Crores).
- Refer Note no 32 (2) for interest provision liability reversed against electricity duty matter with Madhya Pradesh Electricity Board (MPEB).
- Refer note no 32(3) for details related to provision reversed during the year.

29 Other liabilities : Current

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Government grants (refer note no. 23(1))	54.46	41.40
Statutory liabilities ^{2,3}	468.33	848.82
Advance from customers ¹	210.44	165.24
Total	733.23	1,055.46

Notes:

- Advance from customers are contract liabilities and include amounts received under supply agreements. The advance payment plus interest thereon will be settled by supplying respective commodity over a period up to twelve months under an agreed delivery schedule as per the terms of the respective agreements. As these are contracts that the Company expects, and has the ability, to fulfil through delivery of a non-financial item, these are recognised as advance from customers and will be released to the income statement as respective commodity is delivered under the agreements.
- During the year ended March 31, 2026 certain unclaimed liabilities aggregating ₹ 58.45 Crores (March 31, 2025: ₹ 35.68 Crores) towards charges for power purchased from market sources and internally transferred from Independent Power Plant have been reversed in “Power and Fuel expenses” in view of applicability of The Limitation Act, 1963 which is supported by legal opinions obtained in this regard.
- During the year ended March 31, 2026, the Company has reassessed the provision towards duty levied on consumption of power in smelter plants generated from 1200 MW power plant, pertaining to FY 2014-15- 2019-20. This has been done considering its eligibility for exemption provided under the industrial policy of the relevant period for expansion of existing power plant within the specified period as mentioned in the circular dated January 13, 2023 and also considering that similar benefits has been provided to certain other companies within the same State.

Upon such reassessment, duly supported by legal opinion obtained, the Company has reversed the provision of ₹ 413.57 Crores during FY’26 and had netted off in “Power & Fuel” expense in the Statement of Profit and Loss, and continues to disclose the above amount along with interest of ₹1,237.54 Crores (aggregating to ₹1,651.10 Crores) as contingent liability as at March 31, 2026 considering that the Company has complied with the exemption criteria and has a strong chance to get the exemption. Refer Note 41(ii)(a)(iii) .



Notes to the financial statements

for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

30 Revenue from operations

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Sale of products and supply of power	17,378.70	15,807.97
Total	17,378.70	15,807.97

Notes:

- Revenue from sale of products and supply of power comprises revenue from contracts with customers of ₹ 18,271.12 crores for the year ended March 31, 2026 (March 31, 2025: ₹ 16,160.88 crores) and includes net loss on realised portion of hedges including mark to market of ₹ 182.33 crores (March 31, 2025: net gain of ₹ 91.54 crores) and discounts of ₹ 710.09 crores (March 31, 2025: ₹ 444.45 crores) arising in respect of sale of products at prices that were provisional at the time of sale and are pending final settlement at the year end.
 - Includes ₹ 165.24 Crores (March 31, 2025: ₹166.05 Crores) for which contract liabilities existed at the beginning of the year.
 - Performance obligation pending at the year end in respect of sale of products to customers recognised during the year are immaterial and hence not disclosed separately. Corresponding revenue will be recognised as and when such obligations will be performed.
 - For details on disaggregation of revenue, refer note 42D.
 - Majority of the Company's sales of products and supply of power are against advances or 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. 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.
 - The Company has a long-term Power Supply Agreement (PSA) with Chhattisgarh State Electricity Board (CSEB) for supply of power, wherein the tariff is determined by the Chhattisgarh State Electricity Regulatory Commission (CSERC) based on the final tariff order. The Company had recognised revenue on the basis of yearly provisional tariff.

During the year, CSERC has issued final tariff orders for FY 2022-23 and FY 2023-24 , approving tariffs higher than those considered for provisional revenue recognition, primarily on account of increased coal costs. Consequently, the Company has recognised incremental revenue of ₹ 29.72 Crores and ₹ 16.35 Crores related to these years respectively.

31 Other operating income

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
(i) Export incentives	27.87	27.68
(ii) Scrap sales	46.93	49.70
(iii) Miscellaneous income ¹	19.78	23.57
Total	94.58	100.95

- Miscellaneous income majorly consists of Hospital receipts of ₹ 10.64 Crores (March 31,2025: ₹10.20 Crores)

Notes to the financial statements

for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

32 Other income

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Net gain on investments measured at fair value through profit or loss	57.90	53.37
Interest Income from financial assets at amortised cost		
(i) Bank deposits	17.73	4.15
(ii) Others ¹	166.57	143.33
Gain on sale/discard of property, plant and equipments	2.75	14.92
Unclaimed liabilities written back (net) ^{2,3,4,5}	112.90	268.79
Miscellaneous income ⁷	26.16	47.95
Deferred Government grant income ⁶	30.09	26.73
Total	414.10	559.24

- This amount represents interest recovered from customers for extended credit period amounting to ₹ 165.38 crores (March 31, 2025: ₹ 132.27 crores). It also includes ₹ Nil (March 31, 2025: ₹ 8.78 crores) towards late payment surcharge on delayed payments. As per the terms of power sales agreement, the Company is entitled to receive late payment surcharge on delayed payment at SBI PLR rate.
- During the year ended March 31,2026, interest provision aggregating ₹ 39.25 Crores in respect of Electricity Duty matter with Madhya Pradesh Electricity Board (MPEB)/Chhattisgarh State Electricity Board (CSEB) has been reversed based on management's reassessment that the Company does not have any obligation for such interest based on the Company's request allowed by Hon'ble Chhattisgarh High Court which is duly supported by legal opinion obtained in this regard.
- During the year ended March 31, 2026, the Company has reversed provision of ₹ 65.72 crores in relation to a commercial dispute with a vendor based on reassessment that no obligation exists, in light of the order issued by the Commercial Court, which is further supported by legal opinion obtained in this regard. The Company has deposited ₹ 24.84 crores against the disputed claims. Refer Note 10.
- During the year ended March 31, 2025, provision aggregating ₹ 182.64 Crores towards upkeep charges recognised in prior years as per Arbitration order which was subject to conditions specified therein, has been reversed pursuant to management's re-assessment regarding adherence with aforesaid conditions and ongoing discussions with the vendor as submitted before Hon'ble Delhi High Court. The management strongly believes that the Company does not have any obligation to pay this amount, which is duly supported by legal opinion obtained in this regard.
- During the year ended March 31, 2025, provision of ₹ 59.24 Crores towards disposal of fly ash has been reversed based on management's reassessment that the Company does not have any legal obligation for disposal of such fly ash based on the guidelines issued by the MOEFC in 2021 and 2022 which is duly supported by legal opinion obtained in this regard.
- Income from deferred government grants is amortised over the useful life of related assets. For nature of Government grant refer note no 23 (1).
- Miscellaneous income mainly includes receipts from insurance claims and rental income.

33 Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Opening inventories		
Finished goods	1.67	0.29
Work in progress	351.94	292.87
By products**	0.00	0.17
Less :	353.61	293.33



Notes to the financial statements

for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Closing inventories		
Finished goods	24.72	1.67
Work in progress	410.76	351.94
By products **	0.00	0.00
	435.48	353.61
Finished Goods/Work in progress consumed for asset under construction	89.00	83.32
	(170.87)	(143.60)

** Amounts less than ₹ 0.50 Crores have been presented as “0”

34 Employee benefits expense*

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
(a) Salaries and wages (refer note no. 43)	470.15	444.85
(b) Contributions to provident and other funds (refer note no. 40)	27.33	26.05
(c) Gratuity expense	6.55	5.30
(d) Staff welfare expenses	49.90	45.55
(e) Long term incentive plan (LTIP) ¹	6.51	7.39
Total	560.44	529.14
Less: Capitalisation of Manpower cost	(77.88)	(77.66)
Total	482.56	451.48

*Refer Note 50 for new labour code related disclosure.

Notes:

1. Long term incentive plan (LTIP)

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 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 ESOS schemes are administered through VESOS trust and have underlying Vedanta Limited equity shares. Options granted during the year ended March 31, 2026 and year ended March 31, 2025 includes business performance based, sustained individual performance based, management discretion and fatality multiplier based stock options. Business performances will be measured using Volume, Cost, Net Sales Realisation, EBITDA, Free Cash Flows, ESG and Carbon footprint or a combination of these for the respective business/ SBU entities. The exercise price of the options is ₹ 1 per share and the performance period is three years, with no re-testing being allowed.

Further, in accordance with the terms of the agreement between the Parent and the Company, the cost recognised towards ESOS scheme is recovered by the Parent from the Company.

Amount recovered by Vedanta Limited and recognized by the Company in the Statement of Profit and Loss for the year ended March 31, 2026 is ₹ 6.51 Crores (March 31, 2025 : ₹ 7.39 Crores). The Company considers these amounts as not material and accordingly has not provided further disclosures.

Also , an incremental amount of ₹ 37.02 Crores arising due to increase in market price of such shares was reimbursed by the company to Vedanta Limited has been directly adjusted in “Retained Earnings” in accordance with framework under Ind AS 102.

Notes to the financial statements

for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

35 Finance cost

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Interest expense	524.86	417.06
Other finance cost	13.85	10.47
Net interest on defined benefit obligation	9.81	10.31
Less: Capitalisation of Finance cost ¹	(256.98)	(234.40)
Total	291.54	203.44

1. Interest rate of 8.17% (March 31, 2025: 8.85%) was used to determine the amount of general borrowing costs eligible for capitalization amounting to ₹ 101.63 Crores (March 31, 2025: ₹ 82.73 Crores) in respect of qualifying asset for the year ended March 31, 2026. Further, interest has been capitalized amounting to ₹ 155.35 Crores (March 31, 2025: ₹ 151.67 Crores) related to specific borrowing at an average interest rate of 7.89% (March 31, 2025: 8.45%).

36 Depreciation and amortisation expense

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Tangible assets (Refer note no. 4)	648.68	618.37
Intangible assets (Refer note no. 4)	4.27	6.72
Total	652.95	625.09

37 Other expenses

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Consumption of stores and spare parts	316.03	306.37
Repairs and maintenance		
Plant and machinery	450.26	393.82
Buildings	93.51	53.34
Others	77.26	79.35
Other manufacturing and operating expenses	121.84	108.46
Rent*	1.79	1.56
Rates and taxes	62.17	60.81
Insurance	23.78	30.12
Directors sitting fees and commission	0.78	0.73
Payments to auditors ¹	1.44	1.33
Net loss on foreign currency transactions and translation (other than considered as finance cost)	53.17	50.77
Consultants and professional fees	41.54	41.06
Corporate Social Responsibility Expenses ²	38.28	36.66
Carriage outwards	51.81	61.59
Allowances of impairment on financial and non-financial assets/ bad debts written off (Net)	3.39	3.79
Vehicle hiring charges	12.60	8.22
Security service charges	20.45	19.00
Packing expenses	26.07	17.31
Selling and distribution expenses	11.94	13.10
Miscellaneous expenses	125.67	87.29
Total	1,533.78	1,374.67

*Represents expense on short term/low value leases



Notes to the financial statements

for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

1. Payments to auditors

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
For Statutory Audit	0.69	0.53
For parent Company reporting (including quarterly reviews)	0.58	0.55
For other services	0.04	0.13
Reimbursement of expenses	0.13	0.12
Total	1.44	1.33

2. Corporate Social Responsibility Expenses

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Gross amount required to be spent by the Company during the year*	39.11	36.66
Amount approved by the Board to be spent during the year	28.50	20.84
Amount spent in cash on :		
Construction/acquisition of assets	-	-
On purposes other than above**	23.20	17.95
Amount yet to be paid in cash	-	-
Total amount spent	23.20	17.95

*Expenditure incurred during the year amounting to ₹39.11 crores (March 31, 2025: ₹36.66 crores), comprising ₹38.28 crores under other expenses (March 31, 2025: ₹36.66 crores) and ₹0.83 crores towards employee benefits expense (March 31, 2025: Nil). Out of the total expenditure of ₹39.11 crores, ₹23.86 crores has been utilised from the opening balance of CSR expenditure in accordance with Section 135 of the Companies Act, 2013.

** Includes ₹ 5.00 Crores (March 31, 2025: Nil) paid to a related party as disclosed below (also refer note 43).

Details of CSR activities

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
A) Donation to related party(Vedanta Medical Research Foundation)		
i) Health care	5.00	-
B) Other than related party		
i) Gender equality and women empowerment	1.25	2.47
ii) Health care	1.65	1.42
iii) Promotion of education	11.73	3.74
iv) Rural development projects	1.53	9.52
v) Sanitation works	0.04	0.04
vi) Promotion of Nationally Recognized Sports	0.30	-
vii) Others	1.70	0.76
Total	23.20	17.95

The Company has an excess CSR spent of ₹ 7.95 Crores (March 31, 2025: ₹ 23.86 Crores) for which it proposes to offset against future obligations and has recognised the same as an asset in the balance sheet :

Opening Balance	Required to be spent during the year	Actual Spent during the year	Amount utilised from opening balance	Closing balance of excess spent to be carried forwarded to next year*
23.86	39.11	23.20	23.86	7.95

*Based on the expectation, the Company is expected to utilise ₹7.95 Crores within the next financial year.

Notes to the financial statements

for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

38 Earnings per share (EPS)

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Net profit after tax for the year	4,824.58	2,968.93
Weighted number of ordinary shares for basic EPS	22,06,24,500	22,06,24,500
Nominal value of ordinary share (in ₹ per share)	10.00	10.00
Basic and Diluted earnings for ordinary shares (in ₹ per share)	218.68	134.57

39 Tax expense

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

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Current Tax:		
Current tax on profit for the year	1,307.26	856.46
Current tax for earlier years	(14.52)	(87.27)
Total Current Tax (a)	1,292.74	769.19
Deferred tax:		
Origination and reversal of temporary differences	332.50	145.16
Deferred / Income tax for earlier years	11.35	48.00
Total deferred tax (b)	343.85	193.16
Total tax charge:	1,636.59	962.35
Profit before tax	6,461.17	3,931.28
Effective income tax rate	25.33%	24.48%

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

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Accounting profit before tax for the year ended	6,461.17	3,931.28
Indian statutory income tax rate (%)	25.168%	25.168%
Tax at Indian statutory income tax rate	1,626.15	989.42
Disallowable expenses	13.61	12.20
Adjustment in respect of prior years	(3.17)	(39.27)
Tax charge for the year	1,636.59	962.35

1. There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters.

Notes to the financial statements

for the year ended March 31, 2026 (All amounts in ₹ Crores, unless otherwise stated)

(c) Deferred tax assets/liabilities (net)

Significant components of deferred tax (assets) & liabilities recognized in the financial statements

Particulars	April 1, 2025	Charged / (credited) to statement of profit and loss	Charged / (credited) to other comprehensive income	Reclassified to income tax assets	March 31, 2026
Property, Plant and Equipment	1,207.94	273.81	-	-	1,481.75
Voluntary retirement scheme **	0.00	-	-	-	0.00
Employee benefits	(32.78)	0.31	1.20	-	(31.27)
Fair valuation of derivative asset/liability	19.75	(0.01)	(185.69)	-	(165.95)
Fair valuation of other asset/liability	(0.33)	2.37	-	-	2.04
Others temporary differences	(100.28)	67.37	-	-	(32.91)
Total	1,094.30	343.85	(184.49)	-	1,253.65

** Amounts less than ₹ 0.50 Crores have been presented as “0.00”

Particulars	April 1, 2024	Charged / (credited) to statement of profit and loss	Charged / (credited) to other comprehensive income	Reclassified to income tax assets	March 31, 2025
Property, Plant and Equipment	1,064.50	143.44	-	-	1,207.94
Voluntary retirement scheme **	(2.20)	2.20	-	-	0.00
Employee benefits	(32.93)	0.17	(0.02)	-	(32.78)
Fair valuation of derivative asset/liability	(4.99)	0.00	24.74	-	19.75
Fair valuation of other asset/liability	(0.58)	0.25	-	-	(0.33)
Others temporary differences	(147.39)	47.10	-	-	(100.28)
Total	876.41	193.16	24.72	-	1,094.30

** Amounts less than ₹ 0.50 Crores have been presented as “0.00”

(d) Non-current tax assets

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax Assets*	0.04	-
Total	0.04	-

*Non current tax assets represent income tax receivable from Indian tax authorities by the Company.

(e) Current Tax liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax liabilities*(Net of income tax asset)	98.14	92.77
Total	98.14	92.77

*Represent income tax payable to Indian tax authorities by the Company

Notes to the financial statements

as at and for the year ended March 31, 2026 (All amounts in ₹ Crores, unless otherwise stated)

40 Employee benefit plans

A Defined contribution plans

Family pension scheme

The Company offers its employees benefits under defined contribution plan in the form of family pension scheme. Family pension scheme covers all employees on the roll. Contributions are paid during the year into the fund under statutory arrangements. The contribution to family pension fund is made only by the Company based on prescribed rules of family pension scheme. The contributions are based on a fixed percentage of the employee’s salary, subject to a ceiling, as prescribed in the respective scheme. A sum of ₹ 4.35 Crores (March 31, 2025: ₹ 2.36 Crores) towards family pension scheme has been charged to the statement of profit and loss during the year under the head employee benefit expense.

Superannuation

The Company offers benefits under defined contribution plan in the form of Superannuation fund for certain specified employees. Contributions are paid during the year into the fund. A sum of ₹ 0.74 Crores (March 31, 2025: ₹ 1.75 Crores) towards superannuation fund premium has been charged to the Statement of Profit and Loss during the year under the head employee benefit expense.

B Defined benefit plans

(I) Provident fund- Funded

Bharat Aluminium Company Limited Employee’s Contributory Provident Fund’ (‘Trust’) is exempted under section 17 of Employees Provident Fund Act, 1952. The conditions for grant of exemption stipulate that the employer shall make good the deficiency, if any, between the return guaranteed by the statute and actual earning of the Fund. Based on actuarial valuation in accordance with Ind AS 19 and Guidance note issued by the Institute of Actuaries of India for interest rate guarantee of exempted provident fund liability of employees, there is no interest shortfall in the funds managed by the Trust that is required to be met by the Company as of March 31, 2026 and March 31, 2025. Having regard to the assets of the Trust and the return in the investments, the Company also does not expect any deficiency in the foreseeable future. A sum of ₹ 21.46 Crores (March 31, 2025: ₹ 21.20 Crores) has been charged to the statement of profit and loss in this respect during the year under the head employee benefit expense. The discount rate used for calculating the present value of the obligation is 7.26% (March 31, 2025: 7.03%). Expected rate of return on plan assets is 8.25% (March 31, 2025: 8.25%). The present value of obligation and fair value of plan assets of the trust are summarised below:

Particulars	March 31, 2026	March 31, 2025
Fair value of plan assets	847.98	790.10
Present value of defined benefit obligations	841.13	766.47
Net liability/(assets) arising from defined benefit obligation of the trust	(6.85)	(23.63)

Percentage allocation of plan assets of trust are as below:

Assets by category	March 31, 2026	March 31, 2025
Government securities	46.66%	45.63%
Debentures/bonds	35.79%	36.46%
Equity (includes money market)	17.55%	17.91%

(II) Gratuity - long term defined benefit plan- Funded

In accordance with the Payment of Gratuity Act, 1972, the Company contributes to a defined benefit plan (the “Gratuity Plan”) covering certain categories of employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, disability or termination of employment being an amount based on the respective employee’s last drawn salary and the number of years of employment with the Company (also refer note no. 34). Based on actuarial valuations conducted as at year end using the projected unit credit method, a provision is recognised in full. The Company’s defined benefit



Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

plans are funded with Life Insurance Corporation of India (LIC) & HDFC Life Insurance Company Limited. The Company does not have any liberty to manage the fund provided to LIC & HDFC Life Insurance Company Limited. During the year the Company made a contribution of ₹ 20.00 Crores (March 31, 2025: ₹ 17.00 Crores) to HDFC Life Insurance Company Limited.

(III) **Post Retirement Medical Benefits (PRMB)- Unfunded**

The scheme is framed with a view to provide medical benefits to the regular employees of the Company and their spouses subsequent to their retirement on completion of tenure, retirement on medical grounds and voluntary retirement on contributory basis subject to provisions as detailed hereunder; the obligation under this plan is unfunded.

Based on actuarial valuations conducted as at year end, a provision is recognised in full for the benefit obligation.

Principal actuarial assumptions

Principal actuarial assumptions used to determine the present value of the defined benefit obligation as at and for the year ended are as follows :

Particulars	March 31, 2026	March 31, 2025
Discount rate	7.26%	7.03%
Expected rate of increase in compensation level of covered employees	5% to 7%	5% to 7%
Medical inflation	5% to 7%	5% to 7%

Assumptions regarding mortality rates are based on mortality tables of ‘Indian Assured Lives Mortality (2012-2014)’ published by the Institute of Actuaries of India. Assumptions regarding post retirement mortality are based on LIC a (96-98) ultimate.

Details of Actuarial Valuation carried out on balance sheet date are as under:

Amount recognised in the balance sheet consists of :

Particulars	March 31, 2026		March 31, 2025	
	Gratuity	PRMB	Gratuity	PRMB
Fair value of plan assets	39.27	-	17.98	-
Present value of defined benefit obligations	99.01	79.59	91.35	66.17
Net liability arising from defined benefit obligations	59.74	79.59	73.37	66.17

Amounts recognised in the statement of profit and loss are as follows :

Particulars	March 31, 2026		March 31, 2025	
	Gratuity	PRMB	Gratuity	PRMB
Current service cost	6.55	0.78	5.30	0.74
Past service cost (refer note no. 50)	1.83	-	-	-
Net Interest cost	5.16	4.65	6.04	4.27
Total charge to the statement of profit and loss	13.54	5.43	11.34	5.01

Amounts recognised in other comprehensive income are as follows :

Particulars	March 31, 2026		March 31, 2025	
	Gratuity	PRMB	Gratuity	PRMB
Re-measurement losses/(gains) arising from changes in financial assumptions	(2.67)	(1.72)	0.75	0.48
Re-measurement losses/(gains) arising from experience adjustments	(2.10)	14.81	0.30	5.99
Re measurement losses/(gains) recognised in OCI	(4.77)	13.09	1.05	6.47

Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

The movement during the year of the present value of the defined benefit obligation was as follows :

Particulars	March 31, 2026		March 31, 2025	
	Gratuity	PRMB	Gratuity	PRMB
Opening balance	91.35	66.17	85.02	60.20
Current service cost	6.55	0.78	5.30	0.74
Past service cost (refer note no. 50)	1.83	-	-	-
Benefits (paid)	(2.41)	(5.10)	(6.06)	(5.51)
Interest cost of scheme liabilities	6.42	4.65	6.04	4.27
Re-measurement losses/(gains) arising from changes in demographic assumptions	-	-	-	-
Re-measurement losses/(gains) arising from changes in financial assumptions	(2.63)	(1.72)	0.75	0.48
Re-measurement losses /(gains) arising from experience adjustments	(2.10)	14.81	0.30	5.99
Closing balance	99.01	79.60	91.35	66.17

The movement during the year of the present value of the defined benefit plan asset was as follows :

Particulars	March 31, 2026		March 31, 2025	
	Gratuity	PRMB	Gratuity	PRMB
Opening balance	17.98	-	-	-
Employer contributions	20.00	-	17.00	-
Benefits (paid)	-	-	-	-
Interest income	1.26	-	0.98	-
Remeasurement gain/(loss) arising from return on plan assets	0.03	-	-	-
Closing balance	39.27	-	17.98	-

The weighted average duration of the defined benefit obligation is 17.09 years for the year ended March 31, 2026 and 17.45 years for year ended March 31, 2025.

C Sensitivity analysis for Defined Benefit Plan

Sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation recognised in the balance sheet. Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Increase / (decrease) in defined benefit obligation	March 31, 2026		March 31, 2025	
	Gratuity	PRMB	Gratuity	PRMB
Discount rate				
Increase by 0.50%	(5.42)	(3.69)	(5.22)	(3.03)
Decrease by 0.50%	5.88	4.05	5.67	3.33
Expected rate of change in compensation level of covered employees				
Increase by 0.50%	1.09	3.74	1.46	3.07
Decrease by 0.50%	(1.26)	(4.13)	(1.49)	(3.39)



Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

The above sensitivity analysis may not be representative of the actual 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.

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

D Risk analysis

Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows:

(1) Salary growth risks

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. Salary increase considered @ 7%/5% (executive / workman) (March 31, 2025 7% for executives and 5% for workmen). As such, an increase in the salary of the plan participants will increase the plan’s liability. Effect of salary revisions through Long Term Settlements for workmen have also been considered.

(2) Life expectancy / Longevity risks

The present value of the defined benefit plan liability is calculated by reference to the best estimates of the mortality of plan participants both during and after their employment. Mortality tables as per Indian Assured Lives Mortality (2012-14) modified Ult. and LIC a (96-98) ultimate is used for during the employment and post retirement period respectively. An increase in the life expectancy of the plan participants will increase the plan’s liability.

(3) Interest rate risks

A decrease in the bond interest rate will increase the plan liability.

(4) Inflation risks

The present value of the defined benefit plan liability is calculated using 7.26% inflation rate (March 31, 2025: 7.03%). As such, a decrease in the inflation rate will increase the plan’s liability.

E Compensated Absences

The Company has provided for the liability on the basis of actuarial valuation using the projected unit credit method. Entire provision of ₹ 64.49 Crores as on March 31, 2026 and ₹ 56.85 Crores as on March 31, 2025 has been presented as current, since the Company does not have an unconditional right to defer the settlement of these obligations.

41 Commitments, Contingencies, Guarantees and other Matters

(to the extent not provided for/ recognised at)

(i) Commitments

Particulars	As at	
	March 31, 2026	March 31, 2025
(a) Capital and other commitments		
Commitments for Joint Ventures*	84.20	151.08
Capital Commitments	1,827.07	3,422.15
Total	1,911.27	3,573.23

* Refer Note No 6(1) for disclosure relating to Power Delivery Agreements (“PDA”) with Serentica group companies.

Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

(ii) Contingencies*

Particulars	As at	
	March 31, 2026	March 31, 2025
(a) Claims against the Company not acknowledged as debts are as follows :		
i. Energy Development Cess claimed by the Government of Chhattisgarh ¹	1,389.28	1,300.77
ii. Relating to Suppliers and Contractors - Matter pending in Court / arbitration.	16.61	16.61
iii. Electricity duty surcharge - Matter pending with Chhattisgarh State Electricity Board**	1,653.11	1,159.96
iv. Relating to application filed alleging the use of forest land for non-forest purposes (Refer Note no 4)	156.00	156.00
v. Relating to coal block matters	131.00	131.00
vi. Regulatory and other matters	128.30	149.92
(b) Indirect tax matters - Various matters decided in favour of the Company against which the department has preferred appeal or the Company is in appeal against notices received from department (Mainly on account of show cause notices received from Commissioner of Central Excise for availment of Cenvat credit on inputs/capital goods used for production of finished goods and entry tax demand for raw materials procured, disallowance of refund of GST Compensation Cess on account of power supply.)	-	0.45
(c) Income tax demands²	-	-
Total	3,474.30	2,914.71

**Includes Electricity duty, for details refer Note no 29(3).

* Future cash outflows in respect of the above matters will be determined only on receipt of judgments/ decisions pending at various forums/ authorities. Based on discussions with the solicitors/favourable decisions in similar cases/legal opinions taken by the Company, the management believes that the Company has good chance of success in above mentioned matters and hence no provision against them is considered necessary.

- The Company had challenged the constitutional validity of levying energy development cess on captive power producers under Section 3(1A) of the Chhattisgarh Upkar (Sanshodhan Adhinyam), 2004. The matter is currently pending before the Hon’ble Supreme Court on special leave Petition filed by the Government of Chhattisgarh . Based on the favourable High Court judgment and legal opinion obtained, management considers it as contingent liability amounting to ₹1,389.28 Crores as at March 31, 2026. Further, ₹ 34.54 Crores paid under protest is disclosed under “non-current claims receivable” refer Note 10 (1)(a).
- Income tax demands have been raised mainly on account of depreciation allowance, tax holiday benefits and interest thereon which are pending at various levels of appeals. Management considers these disallowances as not tenable against the Company, and hence considered as remote. The Company is subject to various claims and exposures which arise in the ordinary course of conducting and financing its business from the income tax and indirect tax authorities like Goods and Service Taxes. These claims and exposures mostly relate to various disallowances in the return filed, the assessable values of sales and purchases or to incomplete documentation supporting the Company’s returns or other claims. Based on evaluations of the matters and legal advice obtained, the Company believes that it has strong merits in its favor. Accordingly, no provision is required at this stage.

Except as described above, there are no pending litigations which the Company believes could reasonably be expected to have a material adverse effect on the results of operations, cash flows or the financial position of the Company.

- The Company has an export obligations of ₹ 3,996.30 Crores on account of import duty saved on import of capital goods under the Export Promotion of Capital Goods (EPCG) Scheme of ₹ 666.05 Crores. The Company has not defaulted in fulfilment of export obligation on account of the duty saved on import of capital goods.



Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

(iv) Guarantees

- i) Bank guarantees given to various agencies, suppliers and government authorities for various purposes amounting to ₹294.69 Crores (March 31, 2025: ₹433.02 Crores).

(v) Other matters

- i) The Ministry of Environment, Forest and Climate Change (MoEF&CC) has revised emission norms for coal based power plants in India. Accordingly, both captive and independent coal-based power plants in India are required to comply with these revised norms for reduction of sulphur oxide (SOx) emissions for which the current plant infrastructure is to be modified or new equipment have to be installed. Timelines for compliance to the revised norm for various plants in the Company is December 2028. Different power plants are at different stages of the implementation process.
- ii) During the year ended March 31, 2026, a short seller published reports alleging certain matters against some of the Vedanta Group entities, including the Company Based on management assessment, it continues to believe that it has complied with the applicable Indian GAAP, relevant laws and regulations, and that the presentation and disclosures in the financial statements are in accordance with the prescribed reporting requirements.

During and subsequent to the year ended March 31, 2026, the Group has received requests for information and summons for production of documents from the regulators including in respect of the Company. The Company has duly complied with such requests and submitted the requisite information and documents. Authorities have not sought any additional clarifications thereafter.

Based on above and the factual nature of the information involved, the management does not consider these matters to have any impact on the financial statements for the current or prior periods.

42 Segment information

A Basis of segmentation

The segment reporting of the Company has been prepared in accordance with Ind AS-108, “Operating Segment” (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015, as amended). The Chief operating decision Maker (CODM) monitors the operating results at the Company level for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the Company operates in a single primary segment namely “Aluminium”, which constitutes a reportable segment as per IND AS 108.

B Geographical segment analysis

Geographical revenue is allocated based on the location of the customer. Information regarding geographical revenue is as follows:

Particulars	March 31, 2026	March 31, 2025
Revenue based on geographical information for the year ended		
India	16,617.15	14,835.30
Mexico	260.60	-
Vietnam	140.61	-
China	121.79	-
Malaysia	115.94	-
Saudi Arabia	45.46	-
Korea	12.41	73.54
Japan	-	256.00
Turkey	-	370.20
Italy	-	52.08
Montenegro	-	100.61
Others	64.74	120.24
Total	17,378.70	15,807.97

Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	March 31, 2026	March 31, 2025
Carrying amount of non current assets ¹ based on location of assets as at		
India	20,412.81	17,699.41
Outside India	-	-
Total	20,412.81	17,699.41

1. Excluding financial assets and tax assets.

C Information about major customers

During the year ended 31st March 2026, revenue from one customer amounting to ₹ 1,738.22 Crores (March 31,2025: Nil), exceeding 10% of the Company's total revenue from sale of product.

D Disaggregation of revenue

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Sale of goods:		
- Aluminium Ingot, Alloy Ingots	8,957.42	8,076.63
- Wire rods	6,573.99	5,519.50
- Rolled products	872.88	794.85
- By product *	0.00	0.00
Power wheeling	1,261.47	1,406.48
Commodity hedging gain/(loss)	(287.06)	10.51
Total	17,378.70	15,807.97

*Amounts less than ₹ 0.50 Crores have been presented as “0.00”.

43 Related party disclosures

A Names of related parties and description of relation :

(i) Entities controlling the Company (Holding Companies)

Vedanta Limited (VL)- Immediate Holding Company (Holding 51% equity shares in the Company)

Vedanta Incorporated {Erstwhile Volcan Investments Limited (Volcan)} (Ultimate Holding Company)

(ii) Related parties other than holding companies with whom transactions have taken place during the year

(a) Fellow subsidiaries

Hindustan Zinc Limited (HZL)

Talwandi Sabo Power Limited (TSPL)

Electrosteel Steels Limited (ESL)

Ferro Alloys Corporation Ltd (FACOR)

Meenakshi Energy Limited (MEL)

Vedanta Semiconductors Pvt. Limited (VSPL)

Vizag General Cargo Berth Pvt. Limited (VGCB)

Notes to the financial statements

as at and for the year ended March 31, 2026 (All amounts in ₹ Crores, unless otherwise stated)

(b) Others

- Serentica Renewables India 1 Private Limited - Associate of Ultimate Parent Company
- Serentica Renewables India 7 Private Limited - Associate of Ultimate Parent Company
- Serentica Renewables India 8 Private Limited - Associate of Ultimate Parent Company
- Vedanta Medical Research Foundation (VMRF) - Public Company (registered under section 8 of The Companies Act, 2013) with common director between the Company and VMRF
- BALCO Employee Provident Fund Trust- Post employment benefit plan
- Runaya Metsource Ltd (Formerly known as Runaya Metsource LLP) - Partners are relative of Director and KMP of Holding Company
- STL Digital Limited - Fellow subsidiary of Parent Company
- Sterlite Electric Limited (Formerly known as Sterlite Power Transmission Limited) - Fellow subsidiary of Parent Company

(iii) Related party having a significant influence

- Government of India - President of India (Holding 49% shares in the Company)

(iv) Key management personnel

- (a) Non Executive Director

Mr. Tarun Jain

Mr. Ashim Kumar Modi (Government nominee) (from 15th October,2025)

Ms. Farida Mahmood Naik (Government Nominee)

Mr. Mustaq Ahamad (Goverment Nominee)

Mr. Johny Tom Verghese (Government Nominee) (from 19th January,2026)

Ms. Nirupama Kotru (Government nominee) (till 25th July,2025)

Mr. Maneesh Kumar (Governemnt Nominee) (till 25th July,2025)

Mr. Ashish Chatterjee (Government Nominee) (from 25th July,2025 to 10th October,2025)

Mr Anoop Kumar (Government Nominee) (from 26th August,2025 to 19th January, 2026)
- (b) Independent Directors

Mr. Sushil Kumar Roongta

Mr. Din Dayal Jalan (till 29th July,2025)

Mr Prasun Kumar Mukherjee (from 30th July,2025)

Mr. Anoop Kumar Mittal (till 18th October,2025)

Mr. Thomas Mathew T (from 19th October,2025)
- (c) CEO and Whole-time Director

Mr. Rajesh Kumar
- (d) Chief financial officer

Mr.Amit Gupta (till 31st July 25)

Mr. Anand Soni (From 1st Aug 2025)
- (e) Company Secretary

Ms. Wageesha Agarwal

Notes to the financial statements

as at and for the year ended March 31, 2026 (All amounts in ₹ Crores, unless otherwise stated)

B Transactions with related parties

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Revenue from operations		
Vedanta Limited (including high sea sales)	349.88	1,083.15
HZL	67.92	62.71
Sterlite Electric Limited (Formerly known as Sterlite Power Transmission Limited)	453.61	82.10
Total	871.41	1,227.96
Rent income		
Vedanta Limited	9.19	9.19
Total	9.19	9.19

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Vedanta Limited (including high sea purchases)	1,712.52	2,173.35
STL Digital Limited	23.36	11.17
Runaya Metsource Limited (Formerly known as Runaya Metsource LLP)	33.57	31.00
Serentica Renewables India 1 Private Limited	190.04	58.68
Total	1,959.49	2,274.20
Corporate Social Responsibility Expenditure		
VMRF (Refer note 37(2))	5.00	-
Total	5.00	-
Recovery/(reimbursement) of Expenses#		
Vedanta Limited	(97.55)	(38.65)
HZL **	(0.06)	0.00
TSPL	(0.04)	(0.11)
ESL **	(0.06)	(0.00)
FACOR **	(0.08)	0.00
VMRF	(1.42)	(0.91)
MEL	(0.03)	0.24
VSPL	(0.05)	0.25
Sterlite Electric Limited (Formerly known as Sterlite Power Transmission Limited)	-	0.09
Runaya Metsource Limited (Formerly known as Runaya Metsource LLP)	0.51	0.42
Resonia Ltd	0.03	-
Total	(98.75)	(38.67)
Purchase/(Sale) of Property, Plant and Equipments		
Vedanta Limited	17.61	37.54
Total	17.61	37.54



Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Investments made		
Serentica Renewables India 1 Private Limited	46.88	115.00
Serentica Renewables India 7 Private Limited	12.00	50.00
Serentica Renewables India 8 Private Limited	8.00	30.00
Total	66.88	195.00
Remuneration to KMPs (Refer Note 34)		
Short term employee benefits*	7.42	7.21
Total	7.42	7.21
Commission/sitting fees to directors	0.78	0.73
Contribution to post retirement employee benefit trust	21.46	21.20

**Amounts less than ₹ 0.50 Crores have been presented as "0.00".

Includes reimbursement towards other expenses and employee benefits expense.

*Does not include gratuity and compensated absences as these are provided in the books of accounts on the basis of actuarial valuation for the Company as a whole and hence amount cannot be determined individually.

The receivables from and payables to related parties as at March 31, 2026 and March 31, 2025 are set out below:

Particulars	As at	
	March 31, 2026	March 31, 2025
Receivable from:		
Vedanta Limited	-	14.22
HZL	6.67	3.37
ESL	-	0.01
Sterlite Electric Limited (Formerly known as Sterlite Power Transmission Limited)	4.85	0.51
Total	11.52	18.11
Payable to:		
Vedanta Limited	12.55	4.29
Runaya Metsource Limited (Formerly known as Runaya Metsource LLP)	2.95	2.80
Serentica Renewables India 1 Private Limited	20.48	12.69
Balco Employees Provident Fund Trust	7.16	6.57
VMRF **	0.00	0.28
STL Digital Limited	2.15	0.50
Total	45.29	27.13
Investments as on		
Serentica Renewables India 1 Private Limited*	236.88	190.00
Serentica Renewables India 7 Private Limited*	102.32	90.32
Serentica Renewables India 8 Private Limited*	71.00	63.00
Total	410.20	343.32

* Refer Note No 6(1) for disclosure relating to Power Delivery Agreements ("PDA") with Serentica group companies.

**Amounts less than ₹ 0.50 Crores have been presented as "0.00".

Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

C Terms and Conditions of transactions with related parties

Sales made to / purchases made from and other transactions with related parties are on the same terms as applicable to third parties in an arm’s length transaction and in the ordinary course of business. The Company mutually negotiates and agrees prices, discount and payment terms with the related parties by benchmarking the same to transactions with non-related parties. Such sales / purchases generally include payment terms of 0 to 30 days from the date of invoice. Trade receivables and Trade payables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been received / given against these receivables / payables.

D Government of India as a related party

Government of India (GOI), is also a related party as it holds 49% equity shareholding in the Company. The Company has entered into multiple transactions including but not restricted to purchase/sale of goods and services and availed loans and paid/accrued interest on the same to GOI and entities which are related parties of the GOI.

44 Financial instruments

Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed in note no. 3.

I Financial assets and liabilities as at

Particulars	March 31, 2026				
	Fair value through profit or loss	Fair value through other comprehensive income/Derivatives designated as hedging instruments	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets					
Cash and cash equivalents	-	-	174.43	174.43	174.43
Investments	1,578.78	41.00	-	1,619.78	1,619.78
Loans	-	-	0.60	0.60	0.60
Trade receivables	-	-	284.99	284.99	284.99
Derivatives	23.40	38.94	-	62.34	62.34
Other financial assets	-	-	320.65	320.65	320.65
Total	1,602.18	79.94	780.67	2,462.79	2,462.79
Financial liabilities					
Borrowings	-	-	2,281.34	2,281.34	2,286.11
Operational buyers' credit/suppliers' credit	-	-	-	-	-
Trade payables	-	-	1,011.37	1,011.37	1,011.37
Derivatives	2.63	687.65	-	690.28	690.28
Other financial liabilities	-	-	1,208.15	1,208.15	1,208.15
Total	2.63	687.65	4,500.86	5,191.14	5,195.91



Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	March 31, 2025				
	Fair value through profit or loss	Fair value through other comprehensive income/Derivatives designated as hedging instruments	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets					
Cash and cash equivalents	-	-	194.48	194.48	194.48
Investments	1,342.66	41.00	-	1,383.66	1,383.66
Loans	-	-	0.68	0.68	0.68
Trade receivables	-	-	248.95	248.95	248.95
Derivatives	1.59	90.61	-	92.20	92.20
Other financial assets	-	-	137.53	137.53	137.53
Total	1,344.25	131.61	581.64	2,057.50	2,057.50
Financial liabilities					
Borrowings	-	-	3,450.93	3,450.93	3,462.31
Operational buyers' credit/suppliers' credit	-	-	684.35	684.35	684.35
Trade payables	-	-	686.83	686.83	686.83
Derivatives	5.50	9.63	-	15.13	15.13
Other financial liabilities	-	-	960.20	960.20	960.20
Total	5.50	9.63	5,782.31	5,797.44	5,808.82

II Fair Value Hierarchy

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial Instruments	As at March 31, 2026		
	Level 1	Level 2	Level 3
Financial assets			
Investments at fair value through profit and loss	173.32	1,036.26	369.20
Investments at fair value through OCI	-	-	41.00
Derivative financial assets at fair value through other comprehensive income	-	38.94	-
Derivative financial assets at fair value through profit and loss	-	23.41	-
Total	173.32	1,098.61	410.20
Financial liabilities			
Derivative financial liabilities at fair value through profit and loss	-	2.63	-
Derivative financial liabilities at fair value through other comprehensive income	-	687.65	-
Total	-	690.28	-

Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

Financial instruments	As at March 31, 2025		
	Level 1	Level 2	Level 3
Financial assets			
Investments at fair value through profit and loss	1,040.34	-	302.32
Investments at fair value through OCI	-	-	41.00
Derivative financial assets at fair value through other comprehensive income	-	90.61	-
Derivative financial assets at fair value through profit and loss	-	1.59	-
Total	1,040.34	92.20	343.32
Financial liabilities			
Derivative financial liabilities at fair value through profit and loss	-	5.50	-
Derivative financial liabilities at fair value through other comprehensive income	-	9.63	-
Total	-	15.13	-

The below table summarises the fair value of borrowings which are carried at amortised cost as at March 31, 2026 and March 31, 2025:

Financial instruments	Level 1	Level 2	Level 3
As at March 31, 2026			
Borrowings	-	2,286.11	-
Total	-	2,286.11	-
As at March 31, 2025			
Borrowings	-	3,462.31	-
Total	-	3,462.31	-

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

- Non-current borrowings including current maturity of long term borrowings: Fair value has been determined by the Company based on parameters such as interest rates, specific country risk factors, and the risk characteristics of the financed project.
- Other non-current financial assets and liabilities: Fair value is calculated using a discounted cash flow model with market assumptions, unless the carrying value is considered to approximate to fair value.
- Derivative financial assets/liabilities: The Company enters into derivative contracts with various counterparties, principally financial institutions with investment grade credit ratings. Forward foreign currency contracts are valued using valuation techniques with market observable inputs. The most frequently applied valuation techniques for such derivatives include forward pricing using present value calculations, foreign exchange spot and forward premium rates. Commodity contracts are valued using the forward LME rates of commodities actively traded on the listed metal exchange i.e. London Metal Exchange, United Kingdom (U.K.).
- Trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, current borrowings, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments. Fair value of investments are on the basis of net asset value as declared by mutual fund house as on the balance sheet date.

There has been no transfer between level 1 and level 2 during the year or previous year.



Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

III Risk Management Framework (Also refer note no. 47)

The Company's businesses are subject to several risks and uncertainties including financial risks. The Company's documented risk management polices act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, commodity price risk, foreign exchange risk, interest rate risk, counterparty and concentration of credit risk and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company has in place risk management processes in line with the Company's policy. Each significant risk has a designated 'owner' within the Company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

The risk management process is coordinated by the Management Assurance function and is regularly reviewed by the Company's Audit Committee. The Audit Committee is aided by the CFO Committee and the Risk Management Committee, which meets regularly to review risks as well as the progress against the planned actions Key business decisions are discussed at the periodic meetings of the CFO Committee and the Executive Committee. The overall internal control environment and risk management programme including financial risk management is reviewed by the Audit Committee on behalf of the Board.

The risk management framework aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Company's risk situation
- improve financial returns

IV Treasury Management (Also refer note no. 47)

The Company's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury policies are approved by the Board and adherence to these policies is strictly monitored at the Executive Committee meetings. Day-to-day treasury operations are managed by Company's finance teams within the framework of the overall Company's treasury policies. Long-term fund raising including strategic treasury initiatives are handled by a central team. A monthly reporting system exists to inform senior management of investments, debt, currency, commodity and interest rate derivatives. The Company has a strong system of internal control which enables effective monitoring of adherence to Company's policies. The internal control measures are effectively supplemented by regular internal audits.

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/future contracts and these are subject to the Company's guidelines and policies.

Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

V Commodity Price Risk (Also refer note no. 47)

The Company is exposed to the movement of base metal commodity prices on the London Metal Exchange. Any decline in the prices of the base metals that the Company produces and sells will have an immediate and direct impact on the profitability of the businesses. As a general policy, the Company aims to sell the products at prevailing market prices. The commodity price risk in import Alumina is hedged on back-to back basis ensuring no price risk for the business. The Company aims to achieve the monthly average of the commodity prices for sales realization. Hedging is used primarily as a risk management tool and, in some cases, to secure future cash flows in cases of high volatility by entering into forward contracts or similar instruments. The hedging activities are subject to strict limits set out by the Board and as per strictly defined internal control and monitoring mechanism. Decisions relating to hedging of commodities are taken at the Executive Committee level and with clearly laid down guidelines for their implementation by the Company.

Whilst the Company aims to achieve average LME prices for a month or a year, average realised prices may not necessarily reflect the LME price movements because of a variety of reasons such as uneven sales during the year and timing of shipments.

Financial instruments with commodity price risk are entered into in relation to following activities:

- economic hedging of prices realised on commodity contracts
- purchases and sales of physical contracts
- cash flow hedging of revenues, forecasted highly probable transactions

The requirement of the primary raw material, alumina, is partly met from own sources and the rest is purchased primarily on negotiated price terms. Sales prices are linked to the LME prices. At present the Company on selective basis hedges the aluminium content in outsourced alumina to protect its margins.

The Company also enters into hedging arrangements for its aluminium sales to realise month of sale LME prices. Since all of the provisionally priced financial instruments of the Company are hedged, movement in aluminium prices at London metal exchange would have no impact on profit after tax for the year ended March 31, 2026 and March 31, 2025.

VI Financial Risk (Also refer note no. 47)

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

(i) Liquidity Risk

The Company requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term. The Company has been rated by CRISIL RATINGS Limited, (A Subsidiary of CRISIL Limited) for its banking facilities in line with Basel II norms. Based on March 19, 2025 report , the Company's long-term bank facilities a rating of AA/ Stable (pronounced as CRISIL double AA 'Stable').



Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening the 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. The figures reflect the contractual undiscounted cash obligation of the Company.

Financial liabilities	<1 year	1-3 years	3-5 years	>5 years	Total
As at March 31, 2026					
Borrowings	1,155.25	1,126.10		-	2,281.35
Trade payables, operational buyers' credit and other financial liabilities	1,858.96	348.36	-	-	2,207.32
Derivative financial liabilities	690.28	-	-	-	690.28
Contractual interest obligation	12.19	-	-	-	12.19
Total	3,716.68	1,474.46	-	-	5,191.14
As at March 31, 2025					
Borrowings	903.46	1,899.64	647.83	-	3,450.93
Trade payables, operational buyers' credit and other financial liabilities	2,016.21	296.91	-	-	2,313.12
Derivative financial liabilities	15.13	-	-	-	15.13
Contractual interest obligation	18.26	-	-	-	18.26
Total	2,953.06	2,196.55	647.83	-	5,797.44

The Company had access to following funding facilities :

Funding facility	Total Facility	Drawn	Undrawn
As at March 31, 2026			
Fund based limit	2,318.53	2,286.11	32.42
Non fund based limit	3,293.41	806.33	2,487.08
Total	5,611.94	3,092.44	2,519.50
As at March 31, 2025			
Fund based limit	4,248.65	3,462.31	786.34
Non fund based limit	3,114.14	1,747.84	1,366.30
Total	7,362.79	5,210.15	2,152.64

Collateral

The Company has hypothecated all of its trade receivables and cash and cash equivalents in order to fulfill the collateral requirements for the financial facilities in place. The counterparties have an obligation to return the securities to the Company. There are no other significant terms and conditions associated with the use of collateral.

(ii) Foreign exchange Risk

Fluctuations in foreign currency exchange rates may have an impact on the statements of profit and loss, the statement of change in equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency.

Exposures on foreign currency loans are managed through the Company’s hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Company strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged.

The Company uses forward exchange contracts to hedge the effects of movements in exchange rates on foreign currency denominated assets and liabilities. The sources of foreign exchange risk are outstanding amounts payable for imported raw materials, capital goods and other supplies as well as financing transactions and loans denominated in foreign currencies. The

Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

Company is also exposed to foreign exchange risk on its exports. Most of these transactions are denominated in US dollars. The policy of the Company is to determine on a regular basis what portion of the foreign exchange risk on financing transactions and loans are to be hedged through forward exchange contracts and other instruments. Short-term net exposures are hedged progressively based on their maturity. A more conservative approach has been adopted for project expenditures to avoid budget overruns and hedged as per Company’s hedging policy. However, all new long-term borrowing exposures are being hedged. The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency exchange rates is appropriately managed. The following analysis is based on the gross exposure as at the reporting date which could affect the statements of profit and loss and statements of other comprehensive income. The exposure summarised below is mitigated by some of the derivative contracts entered into by the Company as disclosed under the section on “Derivative financial instruments” The Company’s presentation currency is the Indian Rupee (INR). The majority of the assets are located in India and the Indian Rupee is the functional currency for the Indian operating business. Natural hedges available in the business are identified at each entity level and hedges are placed only for the net exposure. Short-term net exposures are hedged progressively based on their maturity. A more conservative approach has been adopted for project expenditures to avoid budget overruns, where cost of the project is calculated taking into account the hedge cost. The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency exchange rates is appropriately managed.

Particulars	Financial assets		Financial liabilities	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
INR	2,138.95	1,929.48	4,301.58	4,424.08
USD	323.37	127.45	879.49	1,308.25
Others	0.47	0.57	10.07	65.11
Total	2,462.79	2,057.50	5,191.14	5,797.44

The Company’s exposure to foreign currency arises where a Company entity holds monetary assets and liabilities denominated in a currency different to the functional currency of that entity, with US dollar being the major non-functional currency. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rate, liquidity and other market changes.

The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rates shift in the currencies by 10% against the functional currency of the respective entities.

A 10% appreciation/depreciation of the respective foreign currencies with respect to the functional currency would result in net decrease/increase in the Company’s profit or loss and equity for the year by ₹ 121.34 Crores (March 31, 2025: ₹ 163.81 Crores).

(iii) Interest rate risk

The Company is exposed to interest rate risk on short-term and long-term floating rate instruments and on the refinancing of fixed rate debt. The Company’s policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Company are principally denominated in Indian Rupees and US dollars with mix of fixed and floating rates of interest. The US dollar debt is split between fixed and floating rates (linked to US dollar LIBOR) and the Indian Rupee debt is principally at fixed interest rates. These exposures are reviewed by appropriate levels of management on a monthly basis. The Company invests cash and liquid investments in short-term deposits and debt mutual funds, some of which generate a tax-free return, to achieve the Company’s goal of maintaining liquidity, carrying manageable risk and achieving satisfactory returns.

Floating rate financial assets are mainly interest bearing trade receivables and mutual fund investments if any which have debt securities as underlying assets. The returns from these financial assets are linked to market interest rate movements; however the counterparty invests in the agreed securities with known maturity tenure and return and hence has manageable risk.



Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

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

Particulars	Floating rate	Fixed rate	Non-interest bearing	Total	Weighted average interest rate (fixed rate)	Weighted average period for which the rate is fixed (in year)
Financial assets						
As at March 31, 2026	173.32	1,205.15	1,084.32	2,462.79	11%	95%
As at March 31, 2025	-	138.52	1,918.98	2,057.50	6%	95%
Financial liabilities						
As at March 31, 2026	2,293.53	-	2,897.61	5,191.14	7%	9%
As at March 31, 2025	3,450.93	684.35	1,662.16	5,797.44	7%	9%

The table below illustrates the impact of a 0.5% to 2.0% movement in interest rates on interest expense on loans and borrowings. The risk estimate provided assumes that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

Movement in interest rates	As at March 31, 2026	As at March 31, 2025
0.50%	10.60	17.25
1.00%	21.20	34.51
2.00%	42.40	69.02

(iv) Counterparty and concentration of 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 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 its operating activities (primarily trade receivables and also from its investing activities including deposits with banks, forex transactions and other financial instruments) for receivables, cash and cash equivalents, short-term investments, financial guarantees and derivative financial instruments.

Credit risk on receivables is limited as almost all credit sales are against letters of credit and guarantees of banks of national standing. The history of trade receivables shows a negligible provision for bad and doubtful debts/ allowances of impairment on financial assets. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties.

For short-term investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by international credit-rating agencies. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes and bonds. The carrying value of the financial assets other than cash represents the maximum credit exposure.

The Company's maximum exposure to credit risk is ₹ 2,462.80 Crores and ₹ 2,057.49 Crores as at March 31, 2026 and March 31, 2025 respectively.

Of the year end financial assets (excluding investment , cash and cash equivalents and derivatives) following balances were past due but not impaired as at March 31, 2026 and March 31, 2025 repectively.

Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
Neither impaired nor past due	473.19	216.27
Past due		
- Less than 1 month	2.00	1.95
- Between 1-3 months	-	-
- Between 3-12 months	7.46	7.38
- Greater than 12 months	123.60	161.56
Total	606.25	387.16

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'Past due' in the above table are those that have not been settled within the terms and conditions that have been agreed with those customers. However, considering the facts of those cases, the Company considers them as fully recoverable within one year except for certain power receivable of ₹ 200.06 (₹ 185.78 as at March 31, 2025) Crores, recovery of which depends on resolution of the coal wholesale price indexation and change in law matter with the customer and final order of CSERC.

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The solvency of customers and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables are impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

Movement in allowances for Financial Assets (Trade receivables and financial assets - others)

Particulars	Trade receivables	Financial assets - others
As at 01 April 2024	58.53	1.91
Allowance made during the year	4.68	(0.89)
Exchange differences		
less: Written off		
As at 31 March 2025	63.21	1.02
Allowance made during the year	3.77	
Exchange differences	-	-
less: Written off		(0.38)
As at 31 March 2026	66.98	0.64

VII Derivative Financial Instruments

The Company uses derivative instruments as part of its management of exposure to fluctuations in foreign currency exchange rates, interest 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's guidelines and policies.

All derivative financial instruments are recognized as assets or liabilities on the balance sheet and measured at fair value, generally based on quotations obtained from financial institutions or brokers. The accounting for changes in the fair value of a derivative instrument depends on the intended use of the derivative and the resulting designation.

The fair values of all derivatives are separately recorded in the balance sheet within current and noncurrent assets and liabilities. Derivatives that are designated as hedges are classified as current or non-current depending on the maturity of the derivative.



Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

The Company uses derivative instruments as part of its management of exposures to fluctuations in foreign currency exchange rates and commodity prices. The use of derivatives can give rise to credit and market risk. The Company tries to control credit risk as far as possible by only entering into contracts with reputable banks and financial institutions. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

(i) **Cash Flow Hedges**

The Company also enters into forward exchange contracts 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 recognized in equity until the hedged transaction occurs, at which time, the respective gain or losses are reclassified to the statements of profit or loss. These hedges have been effective for the year ended March 31, 2026 and March 31, 2025.

The Company uses foreign exchange contracts from time to time to optimize currency risk exposure on its foreign currency transactions.

The majority of cash flow hedges taken out by the Company during the year comprise derivative hedging instruments for hedging the commodity price risk of highly probable forecast transactions.

The cash flows related to above are expected to occur during the year ending March 31, 2027 and consequently may impact the statement of profit or loss for that year depending upon the change in the commodity prices and foreign exchange rates movements.

(ii) **Fair Value Hedges**

The fair value hedges relate to forward covers taken to hedge currency exposure and commodity price risks.

The Company’s part of sales are on a quotational period basis, generally one month to three months after the date of delivery at a customer’s facility. The Company enters into futures contracts for the respective quotational period to hedge its commodity price risk based on average LME prices. Gains and losses on these hedge transactions are substantially offset by the amount of gains or losses on the underlying sales.

The Company uses foreign exchange contracts from time to time to optimize currency risk exposure on its foreign currency transactions. Fair value changes on such forward contracts are recognized in the statement of profit or loss.

(iii) **Non Qualifying Hedges**

The Company enters into derivative contracts which are not designated as hedges for accounting purposes, but provide an economic hedge of a particular transaction risk or a risk component of a transaction. Hedging instruments include aluminium future contracts on the LME and certain other derivative instruments, including contracts on capital committments. Fair value changes on such derivative instruments are recognized in the statements of profit or loss.

Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

The fair value of the Company's derivative positions recorded under derivative financial assets and derivative financial liabilities are as follows :

Derivative Financial Instrument ^(c)	As at March 31, 2026		As at March 31, 2025	
	Assets	Liabilities	Assets	Liabilities
Current				
Cash flow hedge^(a)				
- Commodity contracts	-	651.89	80.78	0.04
- Forward foreign currency contracts	-	-	-	-
Fair Value hedge^(b)				
- Commodity contracts	38.94	35.76	9.83	9.59
- Forward foreign currency contracts	-	-	-	-
Non - qualifying hedges^(b)				
- Commodity contracts	-	-	-	0.02
- Forward foreign currency contracts	23.40	2.63	1.59	5.48
Total Current	62.34	690.28	92.20	15.13

Refer statement of profit and loss and statement of changes in equity for the change in the fair value of cash flow hedges.

Refer Balance Sheet for non-current and current derivative receivables and payables.

Derivative contracts entered into by the Company and outstanding as at Balance Sheet date :

(a) **Hedged Foreign currency exposure :**

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

Particulars	As at March 31, 2026	As at March 31, 2025
Forex forward cover (buy)	662.28	1,567.81

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	Purchase	Sale	Purchase	Sale
Forwards / Futures				
Aluminium (MT)	25,775.00	69,175.00	35,025.00	44,900.00

All derivative and financial instruments acquired by the Company are for hedging purposes only.

(b) **Unhedged foreign currency exposure is as under :-**

Particulars	As at March 31, 2026	As at March 31, 2025
Payables	889.56	1,373.36
Receivables	323.85	128.02

(c) **The Company enters into certain contracts where the prices are provisional.**

Outstanding position of such contracts are as follows :

Particulars	As at March 31, 2026		As at March 31, 2025	
	MT	Amount	MT	Amount
Sale of Aluminium	6,300.00	212.01	2,875.00	61.88



Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

45 Critical estimates and judgements in applying accounting policies

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Information about estimates and judgements made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

i) Property, plant and equipment and useful life of property, plant and equipment and intangible assets

The carrying value of property, plant and equipment is arrived at by depreciating the assets over the useful life of assets. For mining asset, the depreciation is charged based on unit of production method. For the estimate of useful life is reviewed at the end of each financial year and changes are accounted for prospectively.

ii) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cashflow (DCF) model. The cash flows are derived from the budget for the remaining useful lives of assets. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to other intangibles with indefinite useful lives recognised by the Company. During the year, Management assessed indicators of impairment in the Aluminium business of the Company, considering that as a single cash-generating unit, and identified no triggers to test the assets for impairment.

iii) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer note nos. 22, 28 and 41 (ii) and 41 (iii)).

iv) Provisions for site restoration

In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site and the expected timing of those costs. The carrying amount of the provision as at March 31, 2026 is ₹ 11.64 Crores (March 31, 2025 : ₹ 11.64 Crores). The Company estimates that the costs would be realised upon the expiration of the lease and calculates the provision using the DCF method based on discount rate of 7.2%. If the estimated pre-tax discount rate used in the calculation had been 1% higher than management's estimate, the carrying amount of the provision would have been ₹ 1 Crores lower (Refer note no. 22 & 28).

v) Defined benefit plan

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using 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 for plans operated in India, the management considers the

Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

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 table. 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 (Refer note no. 40).

vi) Recoverability of deferred tax and other income tax assets

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. Deferred tax assets on unabsorbed depreciation/business loss have been recognised based on future profits. Further details on taxes are disclosed in note no. 39.

vii) Recoverability of CSR pre-spent assets

CSR pre-spent assets are recognised to the extent that it is probable that there will be CSR obligations available against which the assets can be utilised. Significant management judgement is required to determine the amount of CSR pre-spent assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

viii) Revenue recognition and receivable recovery in relation to the power segment

In certain cases, the Company's power customers are disputing claims raised by the Company on account of change in law and retrospective change in wholesale price index of cost made by CERC. Significant judgement is required in both assessing the revenue to be recognised in accordance with Ind AS 115 and to assess the recoverability of the amount accounted for as receivables.

In assessing this critical judgment, management considered favourable court orders the Company has received in relation to such claims. In addition, the fact that the contracts are with Government owned companies implies that the credit risk is low (Refer note no. 7).

ix) Climate Change

The Company aims to achieve net carbon neutrality by 2050 or sooner, and net water positivity for all operational smelters & mines by 2030 as part of their climate mitigation and adaptation efforts and sustainability strategy. The Company conducted climate risk assessment and outlined its risks and opportunities in TCFD report. Climate change may have various impacts on the Company in the medium to long term. These impacts include the risks and opportunities related to the demand of products, impact due to transition to a low-carbon economy, disruption to the supply chain, risk of physical harm to the assets due to extreme weather conditions, regulatory changes etc. The accounting related measurement and disclosure items that are most impacted by our commitments, and climate change risk more generally, relate to those areas of the financial statements that are prepared under the historical cost convention and are subject to estimation uncertainties in the medium to long term.

The potential effects of climate change may be on assets and liabilities that are measured based on an estimate of future cash flows. The main ways in which potential climate change impacts have been considered in the preparation of the financial statements, pertain to (a) inclusion of capex in cash flow projections, (b) recoverable amounts of existing assets (c) review of estimates of useful lives of property, plant and equipment, (d) assets and liabilities carried at fair value, etc.

The Company's strategy consists of mitigation and adaptation measures and is committed to reduce its carbon footprint by limiting its exposure to coal-based projects and reducing its GHG emissions through high impact initiatives such as investment in Renewable Energy (224 MW Power delivery agreement ('PDA') till 2030 with Serentica Renewables signed on a Company captive basis), biomass cofiring, electrification of light motor vehicles and and energy efficiency opportunities. However, renewable sources have limitations in supplying round the clock power, so existing power plants would support transition and fleet replacement is part of normal lifecycle renewal. We have also taken certain measures towards water management while maintaining Zero Liquid Discharge such as commissioning of Sewage & Effluent Treatment plants, wastewater reuse facilities, thus reducing freshwater consumption as well as rainwater harvesting structures to generate water credit. These initiatives are aligned with the Company's ESG strategy and no material changes were identified to the financial statements as a result.



Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

As the Company's assessment of the potential impacts of climate change and the transition to a low-carbon economy continues to mature, any future changes in the Company's climate change strategy, changes in environmental laws and regulations and global decarbonisation measures may impact the Company's significant judgments and key estimates and result in changes to financial statements and carrying values of certain assets and liabilities in future reporting periods. However, as of the balance sheet date, the Company believes that there is no material impact on carrying values of its assets or liabilities.

x) Expected Credit Loss

The Company applies expected credit loss model for measurement and recognition of impairment loss on financial assets considering the risk exposure. The Company has identified aged and disputed receivables and has discounted these recognising an ECL expense in the Income Statement. A discounting rate of 8.5% is used considering a Weighted Average Cost of Capital over a period of 5 years.

46 Capital Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value . The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity ,internal fund generation and borrowed funds. The Company's policy is to use short term and long-term borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments. Equity comprises share capital and free reserves (total reserves excluding cash flow hedges, debenture redemption reserve and capital reserve). The following table summarizes the capital of the Company:

Particulars	As at March 31, 2026	As at March 31, 2025
Share capital	220.62	220.62
Free reserves	16,645.60	11,867.56
Equity (A)	16,866.22	12,088.18
Cash and cash equivalents	174.43	194.48
Short term investments	1,209.58	1,040.34
Total cash (B)	1,384.01	1,234.82
Short-term borrowings	49.59	27.22
Long-term borrowings	1,126.10	2,547.47
Current Maturity of long term borrowings	1,105.66	876.24
Total debt (C)	2,281.35	3,450.93
Net debt D=(C-B)	897.34	2,216.11
Total capital (equity + net debt)	17,763.56	14,304.29
Net debt to equity ratio (E=D/A)	0.05	0.18

47 The following matters have been considered by the management in determining the appropriateness of the going concern assumption for preparation of these financial statements:

- The entity expects that the net cash inflows from operating activities, which includes management assumptions regarding timing of settlement of certain current liabilities, in conjunction with the line of credit will be sufficient to cover the net current asset deficiency of near future.
- Crisil rating of A1+ for Company's non-fund based banking facilities gives confidence to raise the short-term funds, whenever required.
- Crisil assigned fund based banking facilities a rating of AA/ Stable which can also be helpful to raise long term funds, if necessary.

Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

- In the previous years also, current liabilities of the Company have been higher than current assets. However, the Company has been able to continue without any reduction in operation.

The management is confident that the entity will be able to meet its working capital liabilities through the normal cyclical nature of receipts and payments and hence, these financial statements have been prepared adopting the going concern assumption.

48 The following are analytical ratios for the year ended March 31, 2026 and March 31, 2025

Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	Variance	Reasons
a) Current ratio	Current Assets	Current Liabilities	0.83	0.74	12%	
b) Debt-Equity ratio	Total Debt incl.lease liabilities	Shareholder's Equity	0.14	0.28	-51%	Debt Equity ratio has decreased due to repayment during the year
c) Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	3.48	2.88	21%	
d) Return on equity ratio (%)	Net Profits after taxes -Preference Dividend	Average Shareholder's Equity	33.81%	27.91%	21%	
e) Inventory turnover ratio	Revenue from operations	Average Inventory	10.51	11.62	-10%	
f) Trade receivables turnover ratio	Revenue from operations	Average Trade Receivable	65.10	45.82	42%	Trade receivable turnover ratio increased due to increase in Revenue during the year.
g) Trade payables turnover ratio	Purchases	Average Trade Payables	7.76	8.79	-12%	
h) Net capital turnover ratio	Revenue from operations	Working capital = Current assets - Current liabilities	*	*	*	-
i) Net profit ratio (%)	Profit after Tax	Revenue from operations	27.76%	18.78%	48%	Net Profit Ratio has improved primarily due to improved recoverability driven by higher LME rates linked to revenue, along with lower power costs incurred during the year.
j) Return on capital employed (%)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	33.92%	24.78%	37%	Return on capital employed ratio has increased due to significant increase in earnings before tax during the year.
k) Return on investment (%)	Income from Investments measured at FVPTL	Average investment	4.09%	4.40%	-7%	

*Net working capital is negative.

**All the ratios are in times unless specified.



Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

49 Relationship with struck off companies :

There were no transactions with companies struck off under section 248 of the Companies Act, 2013 during the financial year.

50 On November 21, 2025 , the Government of India notified four new Labour Codes (the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code,2020) consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has considered restructured compensation of its employees with effect from April 1, 2026, and assessed and accounted for the incremental impact of these changes, with the guidance provided by the Ministry of Labour & Employment and Institute of Chartered Accountants of India. Considering that the impact is non-recurring in nature and is driven by regulatory changes, the incremental impact of ₹ 3.99 Crores has been disclosed as “Exceptional items” in the statement of profit and loss for the year ended March 31, 2026. The Company continues to monitor the finalization of Central/ State Rules and would provide appropriate accounting effect as and when such clarifications are issued/ rules are notified.

51 Other Statutory Information

- The Company has not been declared wilful defaulter by any bank or financial Institution or other lender.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company has no any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act (such as, search or survey or any other relevant provisions of the Income Tax Act).
- No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the financial statements

as at and for the year ended March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

52 Audit Trail

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 no instance of audit trail feature being tampered with was noted in respect of the software. Additionally, the Company has preserved audit trail in full compliance with the requirements of section 128(5) of the Companies Act, 2013, in respect of the financial year ended March 31, 2026 to the extent it was enabled and recorded during the year ended March 31, 2026.

53 Subsequent Events

There are no other material adjusting or non-adjusting subsequent events, except as already disclosed.

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per **Pramod Kumar Bapna**
Partner
Membership No. 105497

Place: New Delhi
Date: April 23, 2026

For and on behalf of the Board of Directors

S K Roongta
Director
DIN: 00309302

Anand Soni
Chief Financial Officer
Place: New Delhi
Date: April 23, 2026

Rajesh Kumar
CEO & Whole-time Director
DIN: 09586370

Wageesha Agarwal
Company Secretary
Place: New Delhi
Date: April 23, 2026

Notes:

[illegible]



Bharat Aluminium Company Limited

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7 Lodhi Road, New Delhi - 110 003